



Texas Important Notice

Have a complaint or need help?

If you have a problem with a claim or your premium, call your insurance company first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company. If you don't, you may lose your right to appeal.

Zurich North America

To get information or file a complaint with your insurance company

Call: Customer Inquiry Center at 1-847-413-5438

Toll-free: 1-800-382-2150

Email: info.source@zurichna.com

Mail: 1299 Zurich Way, Schaumburg, IL 60196-1056

The Texas Department of Insurance

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030

¿Tiene una queja o necesita ayuda?

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros. Si no lo hace, podría perder su derecho para apelar.

Zurich North America

Para obtener información o para presentar una queja ante su compañía de seguros:

Llame a: Customer Inquiry Center at 1-847-413-5438

Teléfono gratuito: 1-800-382-2150

Correo electrónico: info.source@zurichna.com

Dirección postal: 1299 Zurich Way, Schaumburg, IL 60196-1056

El Departamento de Seguros de Texas

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439

Presente una queja en: www.tdi.texas.gov

Correo electrónico: ConsumerProtection@tdi.texas.gov

Dirección postal: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030

Insured Name: August Family Investments LTD.
Policy Number: CPO 6444345 - 03
Effective Date: 08/17/2024



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

**DISCLOSURE OF IMPORTANT INFORMATION
RELATING TO TERRORISM RISK INSURANCE ACT**

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

General Liability	\$180.00
Property Portfolio Protection	\$3,544.00

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

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, the United States Government may pay up to 80% of insured losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer 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 Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;

2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.
CPO 6444345 - 03	08/17/2024	08/17/2025		76633000		

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a calendar 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 Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

Disclosure Statement



It is our pleasure to present the enclosed policy to you for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

Disclosure Statement



NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<https://www.zurichna.com/producercompensation>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.

COMMON POLICY DECLARATIONS

Policy Number CPO 6444345 - 03

Renewal of Number CPO 6444345 - 02

Named Insured and Mailing Address

August Family Investments LTD.
(SEE NAMED INSURED ENDT)
3612 Amherst Ave
Dallas, TX 75225-7421

Producer and Mailing Address

SWINGLE, COLLINS & ASSOCIATES
13760 NOEL RD STE 600
DALLAS, TX 75240-1381

Producer Code 76633000

Policy Period: Coverage begins 08/17/2024 at 12:01 A.M.; Coverage ends 08/17/2025 at 12:01 A.M.

The named insured is ☐ Individual ☐ Partnership ☐ Corporation
☒ Other: Limited Liability Company

This insurance is provided by one or more of the stock insurance companies which are members of the Zurich-American Insurance Group. The company that provides coverage is designated on each Coverage Part Common Declarations. The company or companies providing this insurance may be referred to in this policy as "The Company", we, us, or our. The address of the companies of the Zurich-American Insurance Group are provided on the next page.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE(S):

Property Portfolio Protection	PREMIUM \$	180,720.00
issued by Zurich American Insurance Company		
General Liability	PREMIUM \$	9,178.00
issued by American Guarantee and Liability Insurance Company		
Automobile	PREMIUM \$	1,313.00
issued by Zurich American Insurance Company of Illinois		

THIS PREMIUM MAY BE SUBJECT TO AUDIT

This premium does not include Taxes and Surcharges.

TOTAL \$ 191,211.00

See Installment Schedule

Taxes and Surcharges

TOTAL \$ 170.45

See Taxes, Surcharges or Fees Schedule

The Form(s) and Endorsement(s) made a part of this policy at the time of issue are listed on the **SCHEDULE of FORMS and ENDORSEMENTS**.

Countersigned this day of

Authorized Representative

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



INSTALLMENT PREMIUM SCHEDULE

The total premium shown in the Declarations of this policy is made payable in installments, on the dates and in the amounts shown below.

NAMED INSURED	POLICY NUMBER	ENDORSEMENT NUMBER
August Family Investments LTD.	CPO 6444345 - 03	

<u>PAYMENT DUE</u>	<u>STANDARD PREMIUM</u>	<u>TAXES</u>	<u>TOTAL PREMIUM</u>
08/17/24	\$47,802.75	\$170.45	\$47,973.20
11/17/24	\$47,802.75		\$47,802.75
02/17/25	\$47,802.75		\$47,802.75
05/17/25	\$47,802.75		\$47,802.75
TOTAL	\$191,211.00	\$170.45	\$191,381.45

Failure to pay the installment Premium by the Due Date shown shall constitute non-payment of premium for which we may cancel this policy.

Policy Number CPO 6444345 - 03

SCHEDULE OF TAXES, SURCHARGES OR FEES

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

TX - 1: 3309 Elm St, Dallas, TX 75226-1637 (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	69.51
TX - 2: 333 1st Ave, Dallas, TX 75226-1914 (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	58.67
TX - 3: 6301 Gaston Ave, Dallas, TX 75214-3922 (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	42.17
TX - Real Estate Tax Assessment (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	0.07
TX - Tenant Relocation Expense (Any One Tenant) (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	0.02
TX - Tenant Relocation Expense (Per Occurrence) (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	0.02
TX - Tenant Replacement Expense (Per Occurrence) (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	0.01
TX - Terrorism Coverage (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	0.01
TX - Texas Surcharge (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	0.00
TX - Utility Service Interruption - Time Element (Per Occurrence) (Texas Volunteer Fire Department Assistance Fund Assessment)	\$	-0.03

Policy Number
CPO 6444345 - 03

SCHEDULE OF FORMS AND ENDORSEMENTS

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

Common Policy Forms and Endorsements

U-GU-296-G	07/23	Texas Important Notice
U-GU-630-E CW	01/20	Disclosure of Important Information Relating to Terrorism Risk Insurance Act
U-GU-767-B CW	01/15	Cap On Losses From Certified Acts Of Terrorism
U-GU-D-310-A	01/93	Common Policy Declarations
U-GU-406-B	07/15	Installment Premium Schedule
U-GU-616-A CW	10/02	Schedule of Taxes, Surcharges or Fees
U-GU-619-A CW	10/02	Schedule of Forms and Endorsements
U-GU-319-F	01/09	Important Notice - In Witness Clause
U-GU-621-A CW	10/02	Schedule Of Named Insured(s)
U-GU-618-A CW	10/02	Schedule of Locations
IL 00 17	11/98	Common Policy Conditions
IL 00 21	09/08	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
IL 01 68	03/12	Texas Changes - Duties
IL 02 75	11/13	Texas Changes - Cancellation And Nonrenewal Provisions For Casualty Lines And Commercial Package Policies
IL 00 03	09/08	Calculation Of Premium
U-GU-1191-A CW	03/15	Sanctions Exclusion Endorsement

Property Portfolio Protection Forms and Endorsements

PPP-0001	06/06	Commercial Property Coverage Part Declarations
PPP-D-1000	08/22	Property Schedule Of Premises
PPP-0102	08/22	Commercial Property Conditions
PPP-0103	08/22	Commercial Property Definitions
PPP-0110	08/22	Real and Personal Property Coverage Form
PPP-0113	08/22	Crime Coverage Form
PPP-0130	08/22	Business Income Coverage Form (Including Extra Expense)
PPP-0226	08/22	Wind/Hail Deductible
PPP-0250	08/22	Roof Covering Valuation
PPP-0252 TX	08/22	Cosmetic Damage To Roof Covering

Policy Number
CPO 6444345 - 03

SCHEDULE OF FORMS AND ENDORSEMENTS

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

PPP-0304	08/22	Earth Movement Coverage
PPP-0308	08/22	Enabling Endorsement
PPP-0310	08/22	Flood Coverage
PPP-0414	08/22	Real Estate Tax Assessment Coverage
PPP-0415	08/22	Tenant Relocation & Replacement Expense Coverage
PPP-0502	08/22	Loss Payable Provisions
U-CP-691-A CW	10/02	Schedule Of Loss Payee(S)
PPP-1421	08/22	Texas Changes

General Liability Forms and Endorsements

CG 00 01	04/13	Commercial General Liability Coverage Form
U-GL-1504-B CW	04/13	General Liability Supplemental Coverage Endorsement - Real Estate - Enhancement
U-GL-1507-A CW	09/11	Broad Form / Newly Acquired Named Insured Endorsement - Real Estate - Enhancement
U-GL-1517-B CW	04/13	Recording And Distribution Of Material Or Information In Violation Of Law Exclusion
U-GL-2160-A CW	11/17	Designated Location General Aggregate Limit (Erodes All Designated Locations Total General Aggregate Limit)
U-GL-D-1115-B CW	09/04	Commercial General Liability Coverage Part Declarations
U-GL-1113-A CW	10/02	Commercial General Liability Coverage Schedule
U-GL-1171-B CW	07/19	Fungi Or Bacteria Exclusion Endorsement
U-GL-1342-A CW	10/07	Lead Exclusion
U-GL-2163-A CW	04/19	Construction Operations Exclusion
U-GL-2206-A CW	01/21	Per- and Polyfluoroalkyl Substances (PFAS) Exclusion
U-GL-923-B CW	06/04	Silica or Silica Mixed Dust Exclusion
U-GL-1178-A CW	07/03	Asbestos Exclusion Endorsement
CG 01 03	06/06	Texas Changes
U-GL-2199-A CW	07/20	Communicable Disease Exclusion - Scheduled and Uncontrolled With Limited Exceptions
CG 00 69	12/23	Exclusion - Violation Of Law Addressing Data Privacy

Policy Number
CPO 6444345 - 03

SCHEDULE OF FORMS AND ENDORSEMENTS

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

CG 20 26	12/19	Additional Insured - Designated Person Or Organization
CG 21 08	12/23	Exclusion - Access Or Disclosure Of Confidential Or Personal Material Or Information (Coverage B Only)
CG 21 44	04/17	Limitation Of Coverage To Designated Premises, Project Or Operation
CG 21 55	09/99	Total Pollution Exclusion With A Hostile Fire Exception
CG 26 39	12/07	Texas Changes - Employment-Related Practices Exclusion
CG 40 35	12/23	Exclusion - Cyber Incident
U-CA-531-B	02/08	Notice Regarding Terrorism Premium (For Commercial Automobile Insurance)
U-CA-D-600-D	10/21	Business Auto Declarations
CA 00 01	11/20	Business Auto Coverage Form
CA 01 96	11/20	Texas Changes
CA 02 43	11/13	Texas Changes - Cancellation And Nonrenewal
CA 05 06	11/20	Texas Public Or Livery Passenger Conveyance, Transportation Network And On-Demand Delivery Services Exclusion



Important Notice - In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1299 Zurich Way
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com

Policy Number
CPO 6444345 - 03

SCHEDULE OF NAMED INSURED(S)

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

NAMED INSURED

August Family Investments LTD.
3309 Elm Owner LLC
333 1st LLC
Lakewood Tower LLC

Policy Number
CPO 6444345 - 03

SCHEDULE OF LOCATIONS

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, ZIP Code)	Occupancy
001		3309 Elm St Dallas, TX 75226-1637	
001	001	3309 Elm Street Dallas, TX 75226-1637	
002		333 1st Ave Dallas, TX 75226-1914	
002	001	333 1st Avenue Dallas, TX 75226-1914	
003		6301 Gaston Ave Dallas, TX 75214-3922	
003	001	6301 Gaston Avenue Dallas, TX 75214-3922	

COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

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

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

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.

TEXAS CHANGES – DUTIES

This endorsement modifies insurance provided under the following:

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

The following is added to the **Duties** Condition:

We will notify the first Named Insured in writing of:

1. An initial offer to settle a claim made or "suit" brought against any insured ("insured") under this coverage. The notice will be given not later than the 10th day after the date on which the offer is made.
2. Any settlement of a claim made or "suit" brought against the insured ("insured") under this coverage. The notice will be given not later than the 30th day after the date of the settlement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – CANCELLATION AND NONRENEWAL PROVISIONS FOR CASUALTY LINES AND COMMERCIAL PACKAGE POLICIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY
FARM COVERAGE PART – FARM LIABILITY COVERAGE FORM
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This endorsement also modifies insurance provided under the following when written as part of a Commercial Package Policy:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

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

2. We may cancel this policy:

- a.** By mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.

However, if this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then the notice of cancellation, as described above, will be provided to the first Named Insured 30 days before the effective date of cancellation. We will also provide 30 days' written notice to each unit-owner to whom we issued a certificate or memorandum of insurance, by mailing or delivering the notice to each last mailing address known to us.

- b. For the following reasons, if this policy does not provide coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two- family dwellings:
 - (1) If this policy has been in effect for 60 days or less, we may cancel for any reason except that, under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.
 - (2) If this policy has been in effect for more than 60 days, or if it is a renewal or continuation of a policy issued by us, we may cancel only for one or more of the following reasons:
 - (a) Fraud in obtaining coverage;
 - (b) Failure to pay premiums when due;
 - (c) An increase in hazard within the control of the insured which would produce an increase in rate;
 - (d) Loss of our reinsurance covering all or part of the risk covered by the policy; or
 - (e) If we have been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.
 - c. For the following reasons, if this policy provides coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two-family dwellings:
 - (1) If this policy has been in effect for less than 90 days, we may cancel coverage for any reason.
 - (2) If this policy has been in effect for 90 days or more, or if it is a renewal or continuation of a policy issued by us, we may cancel coverage, only for the following reasons:
 - (a) If the first Named Insured does not pay the premium or any portion of the premium when due;
 - (b) If the Texas Department of Insurance determines that continuation of this policy would result in violation of the Texas Insurance Code or any other law governing the business of insurance in Texas;
 - (c) If the Named Insured submits a fraudulent claim; or
 - (d) If there is an increase in the hazard within the control of the Named Insured which would produce an increase in rate.
- B. The following condition is added and supercedes any provision to the contrary:**
- Nonrenewal**
- 1. We may elect not to renew this policy except that, under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.
 - 2. This paragraph, **2.**, applies unless the policy qualifies under Paragraph **3.** below.
 If we elect not to renew this policy, we may do so by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.
 - 3. If this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then we will mail or deliver written notice of nonrenewal, at least 30 days before the expiration or anniversary date of the policy, to:
 - a. The first Named Insured; and
 - b. Each unit-owner to whom we issued a certificate or memorandum of insurance.
 We will mail or deliver such notice to each last mailing address known to us.
 - 4. If notice is mailed, proof of mailing will be sufficient proof of notice.
 - 5. The transfer of a policyholder between admitted companies within the same insurance group is not considered a refusal to renew.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

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

The following is added:

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



Sanctions Exclusion Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

SANCTIONS EXCLUSION

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

All other terms and conditions of this policy remain unchanged.

Important Notice

Texas Safety Consultation Services



Zurich in North America has loss control services available at no additional charge.

If you would like additional information regarding these services, please contact us at the address, or phone listed below.

Zurich Services Corporation
Risk Engineering
1299 Zurich Way
Schaumburg, Illinois 60196-1056
1-800-982-5964

By email: risk.engineering@zurichna.com



ZURICH[®]

Commercial Property Coverage Part Declarations

Zurich American Insurance Company

NAMED INSURED:

August Family Investments LTD.

POLICY PERIOD:

From: 08/17/2024 To: 08/17/2025

12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS

POLICY NUMBER: CPO 6444345 - 03

See Property Schedule of Premises



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BLANKET LIMITS OF INSURANCE

The Limits of Insurance shown below are the most we will pay for direct physical loss of or damage in any one **occurrence** for **real property, personal property, business income** or **extra expense** as described at a **premises** for which the Limit of Insurance is shown as Blanket. If a more specific Limit of Insurance is shown for **real property, personal property, business income** or **extra expense** at a **premises** shown on the Property Schedule of Premises, that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance. For **real property, personal property, business income** or **extra expense** shown as **NCP** on the Property Schedule of Premise, no coverage will apply for that coverage at that **premises**. Where used "NCP" means **NCP**.

Real Property Blanket Limit of Insurance	\$ 71,500,000
Business Income and Extra Expense Blanket Limit of Insurance	\$ 5,657,000

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From: 08/17/2024 To: 08/17/2025

12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS

POLICY NUMBER: CPO 6444345 - 03**ADDITIONAL COVERAGES -- LIMITS OF INSURANCE**

The Limits of Insurance shown below are the most we will pay for the Additional Coverage indicated in any one **occurrence** unless otherwise shown. If a more specific Limit of Insurance applies to an Additional Coverage at a specific **premises**, that Additional Coverage Limit of Insurance will be shown on the Schedule of Premises for that **premises**. That specific Limit of Insurance will replace and is not in addition to the Limits of Insurance shown below for that specified **premises**. If any Additional Coverage is shown as **NCP**, then no coverage is available for that Additional Coverage. Where used "NCP" means **NCP**.

COVERAGE	LIMIT OF INSURANCE	
Accounts Receivable	\$ 250,000	Per Occurrence
Better Green™		
Better Green™ Upgrade Property Damage and Time Element	\$ 100,000	Per Premises
Pre-Certified Better Green™ Enhancement Property Damage and Time Element	\$ 100,000	Per Premises
Brands And Labels		Covered
Civil Authority	\$ 1,000,000	30 Days - 1 Miles
Contaminant Clean Up And Removal – Land And Water	\$ 25,000	Annual Aggregate
Contractual Penalties	\$ 25,000	Per Occurrence
Debris Removal		
Debris Removal – Covered Property		Covered
Debris Removal – Supplemental Limit	\$ 250,000	Per Occurrence
Debris Removal – Uncovered Property	\$ 2,500	Per Occurrence
Decontamination Expense	\$ 50,000	Per Premises
Deferred Payments	\$ 50,000	Per Occurrence
Dependent Premises Business Income And Extra Expense – Unscheduled Locations	\$ 250,000	Per Occurrence
Electronic Vandalism – Limited Coverage – Property Damage And Business Income Combined	"NCP"	
Equipment Breakdown		Covered
Expediting Expense	\$ 25,000	Per Premises
Expense To Reduce Loss		Covered
Extended Period Of Indemnity	180	Days
Fairs Or Exhibitions		
Personal Property	\$ 50,000	Per Occurrence

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POLICY NUMBER: CPO 6444345 - 03

ADDITIONAL COVERAGES -- LIMITS OF INSURANCE

COVERAGE	LIMIT OF INSURANCE	
Business Income And Extra Expense	\$ 10,000	Per Occurrence
Fine Arts	\$ 25,000	Per Occurrence
Fire Department Service Charge	\$ 250,000	Per Premises
Fire Protective Equipment Refills		Covered
Fungus, Wet Rot or Dry Rot		
Direct Damage	\$ 25,000	Annual Aggregate
Business Income and Extra Expense	\$ 25,000	Annual Aggregate
Inflation Guard		
Real Property	4	% Annual
Personal Property	4	% Annual
Ingress/Egress	\$ 1,000,000	30 Days - 1 Miles
Installation or Service Property		
Stock	\$ 25,000	Per Occurrence
Tools And Equipment	\$ 10,000	Per Occurrence
	\$ 1,000	Any One Item
Leasehold Interest	\$ 100,000	Per Premises
Lock And Key Replacement	\$ 25,000	Per Premises
Loss Prevention Expense	\$ 250,000	Annual Aggregate after \$1,000 Per Occurrence
Mobile Communication Property – Worldwide – Property Damage And Time Element	\$ 25,000	Per Occurrence
Newly Acquired Premises		
Real Property	\$ 1,000,000	180 Days Per Premises
Personal Property	\$ 1,000,000	180 Days Per Premises
Business Income	\$ 250,000	180 Days Per Premises
Newly Acquired Property		
Real Property	\$ 250,000	180 Days Per Premises
Personal Property	\$ 250,000	180 Days Per Premises
Ordinance or Law		

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POLICY NUMBER: CPO 6444345 - 03

ADDITIONAL COVERAGES -- LIMITS OF INSURANCE

COVERAGE	LIMIT OF INSURANCE	
Undamaged		Covered
Demolition		Covered
Increased Cost Of Construction		Covered
Increased Period Of Restoration		Covered
Outdoor Trees, Shrubs, Plants, or Lawns	\$ 250,000	Per Premises
	\$ 5,000	Any one Tree, Shrub or Plant
Pair Or Set	\$ 250,000	Per Premises
Preservation Of Property	\$ 250,000	Per Occurrence
Professional Fees	\$ 25,000	Per Occurrence
Release Of Refrigerant	\$ 25,000	Per Premises
Reported Unscheduled Premises		
Real Property	"NCP"	
Personal Property	"NCP"	
Business Income	"NCP"	
Reward Payments	\$ 25,000	Per Occurrence
Salesperson Samples	\$ 25,000	Per Occurrence
Sewer, Drain Or Sump Non-Flood Related		Covered
Spoilage – Equipment Breakdown	\$ 100,000	Per Premises
Tenant Relocation Expense	\$ 25,000	Any One Tenant
	\$ 25,000	Per Occurrence
Tenant Replacement Expense	\$ 25,000	Per Occurrence
Theft Damage To Buildings		Covered
Transit		
Personal Property	\$ 25,000	Per Occurrence
Business Income And Extra Expense	\$ 10,000	Per Occurrence
Undamaged Improvements and Betterments	\$ 250,000	Per Premises
Unintentional Errors and Omissions – Property Damage And Time Element Combined	\$ 1,000,000	Per Occurrence



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POLICY NUMBER: CPO 6444345 - 03

ADDITIONAL COVERAGES -- LIMITS OF INSURANCE

COVERAGE

LIMIT OF INSURANCE

Unreported Premises

Real Property	\$ 100,000	Per Unreported Premises
Personal Property	\$ 100,000	Per Unreported Premises
Business Income And Extra Expense	\$ 10,000	Per Unreported Premises

Utility Service Interruption

Property Damage	\$ 100,000	Per Occurrence
Business Income And Extra Expense	\$ 25,000	Per Occurrence

Valuable Papers And Records

\$ 250,000	Per Occurrence
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POLICY NUMBER: CPO 6444345 - 03

CRIME COVERAGE -- LIMITS OF INSURANCE AND DEDUCTIBLES

COVERAGE	LIMIT OF INSURANCE
Computer And Funds Transfer Fraud	\$25,000 Per Occurrence
Employee Theft	\$25,000 Per Occurrence
Forgery or Alteration	\$25,000 Per Occurrence
Money and Securities – Inside Buildings	\$25,000 Per Occurrence
Money and Securities – Outside Buildings	\$25,000 Per Occurrence
Money Orders And Counterfeit Paper Currency	\$25,000 Per Occurrence

Deductibles

The applicable deductibles shown below apply to the loss or damage covered under the Crime Coverage Form contained in this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

Crime Deductible	\$5,000 Per Occurrence
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Commercial Property Coverage Part Declarations

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12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS

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DEDUCTIBLES

POLICY DEDUCTIBLES

Property Deductible \$10,000 Per Occurrence

The above deductible applies to all loss, damage, cost or expense covered by this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations, the Property Schedule of Premises Deductibles or an endorsement.

Business Income Waiting Period 72 Hours

The above waiting period applies to all loss, damage, cost or expense covered by Business Income Coverage, unless a more specific deductible is shown on the Property Schedule of Premises or an endorsement.

Transit \$5,000 Per Occurrence

The above deductible applies to all loss or damage to **covered property** in Transit, unless a specific coverage deductible is shown elsewhere in this declarations or in an endorsement.

Utility Service Interruption Waiting Period 72 Hours

The above waiting period applies to all loss, damage, cost or expense covered by Utility Service Interruption- Time Element Coverage unless a more specific deductible is shown on the Property Schedule of Premises or an endorsement.

Water Damage \$100,000 Per Occurrence

The above deductible applies to all loss or damage to **covered property** caused by **certain water** unless a specific water damage or coverage deductible is shown elsewhere on the Property Schedule of Premises Deductibles or an endorsement.



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Commercial Property Coverage Part Declarations

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POLICY NUMBER: CPO 6444345 - 03

CATASTROPHE COVERAGE -- LIMITS OF INSURANCE AND DEDUCTIBLES

The Limits of Insurance shown below are the most we will pay for direct physical loss of or damage in any one **occurrence** for the peril described. It will only apply to property at a **premises** for which a Limit of Insurance for the following Catastrophe Coverage is shown on the Schedule of Premises for any specific **premises**. That Limit of Insurance is the most we will pay for that specific **premises**. If you have **reported unscheduled premises** coverage, the Limits of Insurance below apply.

If coverage does not apply at any specific **premises**, the Limit of Insurance will show as **NCP** for those **premises**.

COVERAGE

LIMITS OF INSURANCE AND DEDUCTIBLES

Earth Movement (Schedule A)

Premises	See Property Schedule Of Premises
Occurrence	\$5,000,000
Annual Aggregate	\$5,000,000
Deductible	See Property Schedule Of Premises

Flood Annual Aggregate \$5,000,000

Flood (Schedule I)

Premises	See Property Schedule Of Premises
Occurrence	\$5,000,000
Annual Aggregate	\$5,000,000
Deductible	See Property Schedule Of Premises

Catastrophe Deductibles

Percentage Deductibles

When a deductible applies to **covered property** on a percentage basis at a **premises**, we will determine the amount of the deductible by applying the percentage shown on the Declarations against the value of the **covered property at that premises**. The value will be based on:

When a deductible applies to **time element coverage** on a percentage bases at a **premises**, we will determine the amount of the deductible by applying the percentage shown on the Declarations against the full 12 months **business income** value that would have been earned following the **occurrence** at the **premises** where the direct physical loss or damage occurred

Earth Movement Deductibles

Loss or damage to Covered Property caused by **earth movement** is subject to separate deductible amounts. The deductibles applicable to **earth movement** are stated in the Property Schedule of Premises for that specific premises.



ZURICH[®]

Commercial Property Coverage Part Declarations

Zurich American Insurance Company

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August Family Investments LTD.

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12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS

POLICY NUMBER: CPO 6444345 - 03

CATASTROPHE COVERAGE -- LIMITS OF INSURANCE AND DEDUCTIBLES

Flood Deductibles

Loss or damage to Covered Property caused by **flood** is subject to separate deductible amounts. The deductibles applicable to **flood** are stated in the Property Schedule of Premises for that specific **premises**

Wind/Hail Deductibles

Loss or damage to Covered Property caused by wind or hail is subject to separate deductible amounts. The deductibles applicable to wind and hail are stated in the Property Schedule of Premises for that specific **premises**. If the Wind and Hail Deductibles apply to loss or damage at **reported unscheduled premises**, the deductible amounts for **reported unscheduled premises** are stated on the Catastrophe Coverage – Limits of Insurance and Deductibles section of this Declarations.



Property Schedule of Premises

Real Property	Business Income	Extra Expense	Earth Movement Schedule - Limit	Flood Schedule - Limit			
Premises 1 - Address : 3309 Elm St Dallas TX US 75226-1637							
Blanket	Blanket	Blanket	A - \$5,000,000	I - \$5,000,000			
Premises 2 - Address : 333 1st Ave Dallas TX US 75226-1914							
Blanket	Blanket	Blanket	A - \$5,000,000	I - \$5,000,000			
Premises 3 - Address : 6301 Gaston Ave Dallas TX US 75214-3922							
Blanket	Blanket	Blanket	A - \$5,000,000	I - \$5,000,000			

This Property Schedule of Premises is considered to be physically attached to the policy and is deemed incorporated therein. The information that is physically attached and incorporated into the policy includes but is not limited to Limits of Insurance, Deductibles and coverage.

Where used "NCP" means **NCP**.

Property Schedule of Premises Deductibles

Wind/Hail	Earth Movement	Flood								
Premises 1 - Address : 3309 Elm St Dallas TX US 75226-1637										
\$870,000	\$25,000	\$50,000								
Premises 2 - Address : 333 1st Ave Dallas TX US 75226-1914										
\$470,000	\$25,000	\$50,000								
Premises 3 - Address : 6301 Gaston Ave Dallas TX US 75214-3922										
\$975,000	\$25,000	\$50,000								

If there is not a premises specific deductible appearing at a **premises** above, the applicable policy deductible shown on the Declarations applies.

Commercial Property Conditions

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Commercial Property Conditions

This Commercial Property Coverage Part is subject to the following conditions as well as the Common Policy Conditions.

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

If we and you disagree on the value of the property or the amount of the loss, either may make written request for an appraisal of the loss. If the other party agrees to the appraisal request in writing, each party will select a competent, disinterested and impartial appraiser who has no direct or indirect financial interest in the claim. The two appraisers will select an umpire. If they cannot agree, either may request that selection of an umpire be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form or, if not stated, the **actual cash value** and **replacement cost**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

C. Assignment of Loss

This insurance does not apply to any claim submitted by, or on behalf of, any person or entity pursuant to an assignment of benefits, rights, interest, proceeds or causes of action. Such assignments to which we refer specifically includes, but is not limited to, post-loss assignments of benefits, rights, interest, proceeds or causes of action.

This condition does not apply to an assignment:

1. Made with our written consent; or
2. Made 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.

D. Concealment, Misrepresentation or Fraud

This policy is void in any case of concealment, misrepresentation or fraud by you or any other insured as it relates to this Commercial Property Coverage Part at any time before or after a loss. It is also void as to you or any other insured, and we will not pay you or any other insured, if you or any other insured, at any time before or after a loss, intentionally conceal or misrepresent or fraudulently state a material fact concerning:

1. The insurance provided by this policy;
2. The **covered property**;
3. Your interest in the **covered property**; or
4. A claim under the policy.

E. Conformity to Statute

Terms of this Commercial Property Coverage Part that are in conflict with the statutes of the state in which this policy is issued are hereby amended to conform to such statutes.

F. Control of Damaged Goods

In the event of direct physical loss of or damage caused by a **covered cause of loss** to **merchandise** or **finished stock**, bearing labels or permanent markings identifying you as the manufacturer or distributor of that **merchandise** or **finished stock**, you retain the full right of possession and control of such damaged **merchandise** or **finished stock**.

You may, using reasonable judgment, determine whether the damaged **merchandise** or **finished stock** can be reprocessed or sold. Coverage for certain costs of reprocessing may be available to you under the Brands and Labels Additional Coverage. None of the damaged **merchandise** or **finished stock** that you determine to be unfit for reprocessing or sale will be sold or otherwise disposed of except by you or with your consent.

The salvage value of the damaged property will be determined at the time of loss. We will deduct the **market value** of the salvage which could have been obtained from the sale or other disposition of such **merchandise** or **finished stock** through normal insurance industry salvage practices.

If the **merchandise** or **finished stock** are to be destroyed, you will allow us to confirm such destruction and we will include the reasonable costs you incur as part of your claim.

G. Control of Property

Any act or neglect of any provision contained in the Commercial Property Conditions or Common Policy Conditions by any person, other than you, beyond your direction or control will not affect this insurance.

The breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions at any one or more locations will not affect coverage at any location where, at the time of loss or damage, there was no breach.

H. Duties in the Event of Loss or Damage

1. You must see that the following are done in the event of loss or damage to **covered property**:

- a. Notify the police if a law may have been broken.
- b. Give us prompt notice of the loss or damage, including a description of the property involved.
- c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
- d. Take all reasonable steps to protect the **covered property** from further damage and keep a record of your expenses necessary to protect the **covered property**, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a **covered cause of loss**. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- g. 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.
- h. Cooperate with us in the investigation or settlement of the claim.

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

3. Failure of an agent or one of your employees, other than an officer, partner, **manager, member**, director, trustee, proprietor or risk management employee, to notify us of any loss or damage that they know about will not affect the insurance afforded you by this Commercial Property Coverage Part.

I. Insurance Under Two or More Coverages

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

J. Legal Action Against Us

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

1. All of its terms have been fully complied with; and
2. The action is brought within 2 years after the date on which the loss or damage commenced.

K. Liberalization

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

L. Loss Payment

The following apply unless otherwise provided in a Coverage Form in this Commercial Property Coverage Part:

1. In the event of loss or damage covered by this Commercial Property Coverage Part, at our option, we will:
 - a. Pay the amount of the loss or damage;
 - b. Pay the cost of repairing or replacing the lost or damaged property;
 - c. Take all or any part of the property at an agreed or appraised value; or
 - d. Repair, rebuild or replace the property with other property of like kind and quality.We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the **covered property**.
3. This Commercial Property Coverage Part provides no rights or benefits to any other person or organization, unless otherwise provided. Any claim for loss that is covered under this Commercial Property Coverage Part must be presented by you. At our option, we may adjust the loss with the owners of lost or damaged property if other than you. If we pay the owners, such payment will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the **covered property**.
4. We may elect to defend you against suits arising from claims of owners of **covered property**. We will do this at our expense.
5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Commercial Property Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
6. The first Named Insured shown on the Declarations will be the payee for any payment of claims that we may make with respect to this Commercial Property Coverage Part, subject to the Mortgage Holders condition below and any endorsements. However, our payment for loss or damage to **personal property of others** may be to the account of the owner of the property.

M. Mortgage Holders

1. Mortgage holder includes trustee.
2. We will pay for covered loss of or damage to buildings or structures to each mortgage holder shown on the Declarations in their order of precedence, as interests may appear.

3. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.
4. If we deny your claim because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part, the mortgage holder will still have the right to receive loss payment if the mortgage holder:
 - a. Pays the premium due under this Commercial Property Coverage Part at our request if you have failed to do so;
 - b. Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All the terms of this Commercial Property Coverage Part will then apply directly to the mortgage holder.

5. If we pay the mortgage holder 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 Commercial Property Coverage Part:
 - a. The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - b. The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder 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.
6. If we cancel the policy, we will give written notice to the mortgage holder at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
7. If we elect not to renew the policy, we will give written notice to the mortgage holder at least 10 days before the expiration date of this policy.

N. No Benefit to Bailee

No person or organization, other than you, having custody of **covered property** will benefit from this insurance.

O. Other Insurance

1. If you have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Commercial Property Coverage Part, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Commercial Property Coverage Part bears to the sum of all the Limits of Insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in Subsection 1. above, we will pay only the least of the following amounts:
 - a. Any Limit of Insurance applicable to the **covered property** that has sustained such loss or damage;
 - b. 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, without application of any deductible amounts contained elsewhere in this Commercial Property Coverage Part; or
 - c. The amount we would have paid had such other insurance not existed.
3. Subsections 1. and 2. above do not apply to other insurance that is purchased as insurance in excess of the Limit of Insurance under this Commercial Property Coverage Part.

P. Policy Period, Coverage Territory

Under this Commercial Property Coverage Part:

1. We cover loss or damage which happens:
 - a. During the policy period shown on the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is The United States of America, its territories, commonwealths and possessions including Puerto Rico.
3. When this Commercial Property Coverage Part provides coverage for property in transit:
 - a. The coverage territory is extended to Canada for property in transit if the origin or destination is included in **2.** above, except when property is being transported by a watercraft.
 - b. The coverage territory is extended to everywhere else in the world for property while being transported by an aircraft, if either the origin or destination is included in **2.** above and neither the origin nor the destination is in:
 - (1) Any country upon which the United States government has imposed sanctions, embargoes or similar prohibitions; or
 - (2) Chechnya, Democratic Republic of Congo, Iran, Iraq, Ivory Coast, Libya, Liberia, Myanmar, North Korea, Palestine, Sudan, South Sudan, Syria and Yemen.
4. If the property is in transit by watercraft that originated outside the coverage territory included in **2.** above, then coverage commences when the property has been fully discharged from the watercraft onto a point within the coverage territory.
5. If the property is in transit by watercraft with a destination outside the coverage territory included in **2.** above, then coverage ends when the property has been loaded on board the watercraft.

Q. Recovered Property

1. If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may do one of the following:
 - a. Keep the loss payment and transfer the recovered property to us; or
 - b. Keep the recovered property and return the loss payment to us. If you do this, we will pay for the recovery expenses and the expense to repair the recovered property up to the applicable Limit of Insurance.
2. The amount of loss can be reduced by any salvage recovery through the sale of the damaged **covered property**.
 - a. If, following a loss, a recovery is made from the sale of damaged **covered property** and your claim has not yet been paid, we will be entitled to this salvage recovery until we have recovered our salvaging fees and expenses. The balance of the salvage recovery will be paid to you and the amount of your loss settlement will be reduced by this balance.
 - b. If your claim has already been paid when a salvage recovery is made, we will be entitled to the salvage proceeds until we have recovered the difference between the amount we paid you for your claim and the amount we would have paid you had the salvage recovery been handled in accordance with **a.** above. Any balance of the salvage recovery will then be promptly refunded to you.

R. Suspended Equipment

We, or any of our representatives, have the right to declare any boiler, fired or unfired vessel, refrigerating or air conditioning system, piping and its accessory equipment, and any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power to be suspended equipment when the property is found to be in, or exposed to, a dangerous condition, provided we have:

- 1.** Told you of the dangerous condition immediately upon discovering it and informed you of its designation as suspended equipment; and
- 2.** Mailed or delivered a written notice of such condition and designation, within 24 hours of the discovery, which notice is mailed or delivered to:
 - a.** Your last known address; or
 - b.** The address where said object is located.

Any designation of suspended equipment can only be rescinded, in writing, by endorsement to this Commercial Property Coverage Part.

Any designation of suspended equipment will result in your receiving a pro rata refund of premium you paid for the coverage of that property under this Commercial Property Coverage Part. However, any designation of suspended equipment will be in effect if we have not yet made or offered the refund.

S. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Commercial Property 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 cooperate with our efforts to recover our payment and must do nothing after loss to impair our rights. But you may, without restricting your coverage, waive your rights against another party in writing:

- 1.** Prior to a loss.
- 2.** After a loss only if, at the time of loss, that party is one of the following:
 - a.** Someone insured under this Commercial Property Coverage Part;
 - b.** A business firm owned or controlled by you;
 - c.** A business firm or an individual, that owns or controls you; or
 - d.** Your tenant.

Any recovery as a result of subrogation proceedings arising out of a covered loss, net of fees (including legal fees) and expenses we incur in such subrogation proceedings, will be shared with you in the following manner:

- 1.** We will add the amount of any deductible you incurred to the amount of any other provable uninsured loss you incurred. This is your interest.
- 2.** We will determine the proportion your interest bears to the entire provable loss (both insured and uninsured). This is your pro rata share.
- 3.** We will reimburse to you your pro rata share of the recovery after deduction, from the total recovery, of recovery expenses paid by us and after deduction of any legal fees paid by us. We will retain the balance. We will not owe you any amount for any legal fees or any expenses incurred by you in furtherance of any recovery unless those fees or expenses are approved by us in writing and in advance of your incurring those fees or expenses.

Commercial Property Definitions

Words and phrases that appear in bold or in quotation marks have specific meaning as defined below or within this Commercial Property Coverage Part.

Words or phrases that are not defined are intended to have their ordinary or common meaning. Disputes concerning the meaning of words or phrases will be resolved using the most recently published version of Merriam Webster's Unabridged Dictionary. Unless otherwise stated, words that are used in the plural tense include the singular tense (and vice versa).

Throughout this Commercial Property Coverage Part, the words "you" and "your" refer to the Named Insured shown on the Commercial Property Coverage Part Declarations. The words "we", "us" and "our" refer to the Company providing this insurance coverage.

1. **Accounts receivable records** means accounting records you use to document the billing and collection of **money** due from your customers, regardless of what material it is inscribed, printed, written or recorded upon.
2. **Actual cash value** means **replacement cost** reduced by each of the following:
 - a. Physical deterioration;
 - b. Depreciation;
 - c. Obsolescence; and
 - d. Depletion.

But in no event will the **actual cash value** be higher than the **market value**.

3. **Amount you actually spend** means:
 - a. The total payments you make to an entity you do not own or operate at the time of loss or damage to repair, rebuild or replace the damaged **real property** or **personal property**; and
 - b. For goods and services provided by entities you own or operate at the time of loss or damage to repair, rebuild or replace the damaged **real property** or **personal property**:
 - (1) Direct payroll cost, excluding fixed payroll, for labor directly chargeable to the repair, rebuilding or replacement of the damaged property;
 - (2) **Replacement cost** for your **merchandise** used in the repair, rebuilding or replacement of the damaged property;
 - (3) Regular cash selling price, less any discounts and expenses you otherwise would have had, for your **finished stock** used in the repair, rebuilding or replacement of the damaged property; and
 - (4) **Replacement cost** for your property other than **merchandise** or **finished stock** used in the repair, rebuilding or replacement of the damaged property if replaced within 24 months, otherwise your original cost, at the same or another location. If rebuilding or replacing at another location, we will not pay more than the cost of rebuilding or replacing at the same location where the loss or damage occurred.
4. **Business income** means:
 - a. **Net income**; plus
 - b. **Continuing expenses**.

5. Certain water means:

- a. Leakage, escape or discharge of any substance from a fire extinguishing system or equipment, caused by freezing or any other **covered cause of loss**, except for discharge in response to a fire;
- b. Leakage, escape, discharge, back-up or overflow of water or steam from a plumbing, heating, air conditioning or other system or appliance, caused by freezing or any other **covered cause of loss**;
- c. Accidental discharge or leakage from roof drains, gutters, downspouts or similar fixtures or equipment;
- d. Incursion, leakage or seepage of water caused by or resulting from thawing of snow, sleet or ice on buildings or structures; or
- e. Incursion, leakage or seepage of rain, snow, sleet or ice, whether driven by wind or not, into the interior of buildings or structures unless the building or structure first sustains damage caused by or resulting from a **covered cause of loss** through which the rain, snow, sleet or ice enters.

6. Computer systems means computer hardware, software, firmware, electronic equipment, including associated input and output devices, data storage devices, networking equipment and components, all when used for the purpose of creating, accessing, processing, displaying, protecting, monitoring, storing, retrieving or transmitting **electronic data**.

Computer systems includes dedicated air conditioning, fire suppression equipment and electrical equipment used exclusively in **computer systems** operations.

Computer systems does not mean:

- a. **Electronic data**; or
- b. Computers, devices or components which:
 - (1) Exist primarily to control or operate machinery or equipment or to produce **stock in process** or **finished stock**; or
 - (2) Are **stock**.

7. Contaminant(s)(Contaminated) means any:

- a. Solid, liquid, gaseous or thermal irritant;
- b. Pathogen, virus, bacteria or any other microorganism, including any by product; or
- c. Substance that creates an impurity when it mixes with or comes into contact with another substance.

Contaminants includes smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Contaminants does not mean **fungus**.

8. Continuing expenses means:

- a. Your continuing normal operating expenses including, but not limited to:
 - (1) Payroll;
 - (2) Rental payments as tenants; and
 - (3) Operating overhead; and
- b. Charges, which are the legal obligations of your tenants and have not been satisfied, and which are now your obligation.

Continuing expenses does not mean:

- a. **Extra expense**;
- b. Expediting expense;
- c. **Research and development continuing expenses**; or

d. Bad debts.

9. **Covered cause of loss** means a fortuitous cause, not otherwise excluded, of direct physical loss of or damage.

10. **Covered Property** means **real property** or **personal property** that is insured for loss or damage under this Commercial Property Coverage Part.

11. **Dependent premises** means a location owned and operated by others who you depend on to:

- a. Deliver materials or services directly to you, or to others as required by a contract to which you are a party;
- b. Pay you royalties, licensing fees or commissions under written agreements;
- c. Accept your products or services;
- d. Manufacture products for delivery to your customers as required by a contract to which you are a party; and
- e. Attract customers to your business.

If the location is described by an address only, it includes the area associated with that address in which you or the occupant are legally entitled to conduct **operations** and includes that area extending 1,000 feet beyond that address.

If the location is described by an address and further described by geographic boundaries, only the area within such boundaries and within 1,000 feet thereof, is included.

Dependent premises does not mean:

- a. Locations owned and operated by others who you depend upon to provide water, power, steam, natural gas, sewer or communication, including video, voice, data and internet access, or other utility services to you; or
- b. Any of the locations in **a.** through **e.** above, within any country in which the United States government has imposed sanctions, embargoes or similar prohibitions.

12. **Duplicate information property** means recorded information in any format which can either be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

Duplicate information property does not mean:

- a. **Stock**; or
- b. **Fine arts.**

13. **Earth movement** means earthquake or other seismic activity including tsunami; rising or shifting of earth (including frost heaves) or subsidence other than **sinkhole collapse**.

Earth movement does not mean landslide, avalanche or volcanic eruption, explosion or effusion.

14. **Earthquake sprinkler leakage** means leakage or discharge of any substance from a fire protection sprinkler system, including collapse of a tank that is part of the system, caused by or resulting from earthquake. All earthquake shocks that occur within any single 168-hour period will constitute a single **occurrence**. The expiration of this policy will not reduce the 168-hour period.

15. **Electronic data** means programs, audio and image files and any other records that exist as data within a **computer system**.

16. **Electronic vandalism** means:

- a. Unauthorized, willful or malicious;
 - (1) Electronic alteration, manipulation, tampering or destruction; or
 - (2) Access to, processing, programming, updating, use of or operation, of **electronic data** or **computer systems**;

- b. Introduction of a virus, code or similar instruction that disrupts the normal operation of **computer systems** and may destroy, alter, contaminate or compromise the integrity, quality or performance of **electronic data**;
- c. Unauthorized viewing, copying or use of any **electronic data**;
- d. An attack designed to slow, deprive, deny or limit legitimate access to **computer systems, electronic data**, your network or your website, whether or not known to you; or
- e. A threat or hoax arising out of any activity in **a.** through **d.** above.

17. Equipment breakdown cause of loss means any of the following:

- a. Artificially generated electrical current, including electrical arcing, that injures or disturbs electrical devices, wiring or equipment;
- b. Explosion, rupture or bursting of steam boilers, steam pipes, steam engines, steam turbines, gas turbines or apparatus attached to and forming a part thereof, when owned, operated or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the products of combustion pass;
- c. Any condition or event inside steam boilers, steam pipes, steam engines, steam turbines, gas turbines or apparatus attached to and forming a part thereof, when owned, operated or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the gases of combustion pass;
- d. Any condition or event, other than an explosion, inside hot water boilers, other water heating equipment, engines other than steam engines, or pressure vessels when owned, operated or controlled by you; and
- e. Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force, of property owned, operated or controlled by you.

18. Extra expense means operating expenses you incur during the **period of restoration** that would not have been necessary to incur if there had been no direct physical loss or damage to the property, provided such expenses are incurred in an attempt to:

- a. Avoid a **suspension** of or to continue those **operations** which have been affected by the direct physical loss or damage to the property; or
- b. Minimize the **period of restoration**.

Extra expense does not mean:

- a. Costs incurred to purchase **merchandise** as a replacement for your **finished stock**;
- b. **Continuing expenses** or **research and development continuing expenses**;
- c. Costs to repair, rebuild or replace any property, or research or restore valuable papers and records; or
- d. Amounts incurred on financing or investment activity conducted for your own account.

19. Finished stock means goods manufactured:

- a. At a location you own or operate; or
- b. Exclusively for you and you are the owner or licensee of the design, patent, trademark or copyright, which are completed and ready for packing, shipment, installation or sale.

Finished stock does not mean **merchandise**.

20. Flood means:

- a. A general and temporary condition of partial or complete inundation of normally dry land areas caused by:
 - (1) The overflow or the expansion beyond normal boundaries, of inland or tidal waters, including natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water or watercourse;

- (2) Waves or tides;
- (3) Surface water from any source, for example, runoff or accumulation of rain;
- (4) The spray from items (1), (2) or (3) above, whether driven by wind or not; or
- (5) Items (1), (2) or (3) above caused directly or indirectly by wind, for example, storm surge;
- b. Mudslide or mudflow; or
- c. Water under the ground surface pressing on, or flowing or seeping through:
 - (1) Foundations, walls, floors or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows or other openings;
- d. Water that backs up or overflows from a sewer, drain or sump caused directly or indirectly by items a., b. or c. above.

Flood does not mean tsunami.

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

Fungus does not mean **contaminants**.

22. Green roofing systems means environmentally friendly roof coverings as defined by the LEED® Green Building Rating System™ of the U.S. Green Building Council or any other trees, shrubs, plants, grass or lawns and other landscaping materials which are part of a vegetated roof.

23. Green standard(s) mean the standards or guidelines of the following for enhanced energy or water efficiency or use of environmentally preferable and sustainable materials, products or methods in design, construction, manufacture or operation:

- a. LEED® Green Building Rating System™ of the U.S. Green Building Council;
- b. Green Globes™ Assessment and Rating System; and
- c. ENERGY STAR®.

24. Improvements and betterments means fixtures, alterations, installations or additions:

- a. Comprising a part of the building you occupy as a tenant but do not own;
- b. Made or acquired at your expense exclusive of rent paid by you, or for which you are legally required by written contract to insure; and
- c. Which you cannot remove legally.

25. Information technology services provider means a data center owned and operated by others whom you depend on to provide technology services under a written contract consisting of:

- a. Maintaining, managing or controlling **computer systems**;
- b. Hosting or facilitating your internet website or web application(s); and
- c. Other related technology services.

Information technology services provider does not mean video, voice or data communication services.

26. Installation or service premises means a location that is not owned, leased or operated by you, at which you are installing, constructing or servicing property.

27. Leasehold interest means:

- a. The monthly rental value of the **premises** or **reported unscheduled premises** you rent or lease on the date the direct physical loss or damage occurs; minus

- b. The actual monthly rent you pay, including taxes, insurance, janitorial or other services you pay as part of the rent.
- 28. Malfunction** means any abnormal or imperfect function, including the failure to function, of machinery, systems, apparatus or equipment.
- 29. Manager** means a person elected by the **members** to direct the limited liability company's business affairs.
- 30. Market value** means the price which the property might be expected to realize if offered for sale in a fair market on the date of loss or damage.
- 31. Member** means an owner of a limited liability company represented by its membership interest, who also may serve as a **manager**.
- 32. Merchandise** means goods held for sale or installation by you on a **premises** or **reported unscheduled premises**.
- 33. Mistake** means any act or decision, whether intentional or negligent, including the failure to act or decide, of any person, group, organization or governmental body which creates or allows a result which is unexpected, inadequate, defective, faulty or otherwise unsuitable for the intended purpose.
- 34. Money** means:
- a. Currency, coins, bullion or bank notes, whether or not in current use; and
 - b. Travelers checks, register checks, food stamps and money orders held for sale to the public.
- Money** does not mean any type of currency only available in digital form as digital money, electronic money and electronic currency including but not limited to any type of virtual currency and cryptocurrency.
- 35. Net income** means the net profit or loss, including rental income from tenants, that would have been earned or incurred before taxes.
- 36. Newly acquired premises** means a permanently fixed location you own, lease, rent or control. The location becomes a **newly acquired premises** on the later of:
- a. The date you obtain possession or control of the location; or
 - b. The date **real property** or **personal property** in which you have an insurable interest is first placed at the location.
- Newly acquired premises** does not mean:
- a. A **premises**;
 - b. An **unreported premises**;
 - c. A **reported unscheduled premises**;
 - d. A fair or exhibition;
 - e. An **installation or service premises**; or
 - f. A **temporary storage location**.
- 37. NCP** means no coverage provided.
- 38. Occurrence**, unless otherwise stated in a Coverage Form or endorsement, means all losses or damages that are attributable directly or indirectly to one cause or series of similar causes. All such losses or damages will be treated as one **occurrence**.
- 39. Operations** means:
- a. Your business activities occurring at the covered location prior to the physical loss or damage; and
 - b. The covered location is tenantable prior to the physical loss or damage.
- Operations** does not mean:

- a. The activities of those with whom you do business;
- b. Investing or financing activities conducted for your own account; or
- c. **Research and development operations.**

40. Period of restoration means:

- a. the period of time that begins when:
 - (1) The direct physical loss or damage occurs; or
 - (2) The date **operations** would have begun if the start of **operations** is delayed because of loss of or damage to any of the following:
 - (a) **Real property**, whether complete or under construction;
 - (b) Alterations or additions to **real property**; or
 - (c) **Personal property**:
 - (i) Used in such construction, alterations or additions;
 - (ii) Incidental to the occupancy of the area intended for construction, alteration or addition; or
 - (iii) Incidental to the alteration of the occupancy of an existing building or structure.
- b. If you resume **operations**, with reasonable speed, the **period of restoration** ends on the earlier of:
 - (1) The date when the location where the loss or damage occurred could have been physically capable of resuming the level of **operations** which existed prior to the loss or damage, if the location had been restored to the physical size, construction, configuration, location and material specifications which would satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses or similar documents; or
 - (2) The date when a new permanent location is physically capable of resuming the level of **operations** which existed prior to the loss or damage if you resume **operations** at a new permanent location.
- c. If you do not resume **operations**, or do not resume **operations** with reasonable speed (whether at your **premises** or **reported unscheduled premises** or elsewhere), the **period of restoration** will end on the date when the location where the loss or damage occurred could have been restored to the physical size, construction, configuration, location and material specifications which existed at the time of loss or damage, with no consideration for any time:
 - (1) Which would have been required to make changes in order to satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses or similar documents; and
 - (2) Which would have been necessary to make the location physically capable of resuming the level of **operations** which existed prior to the loss or damage after the completion of repairs, replacement or rebuilding.
- d. With respect to a **suspension of operations** caused by direct physical loss of or damage to property (of the type insurable under the Real and Personal Property Coverage Form) at a **dependent premises**, the **period of restoration** means the period of time that:
 - (1) Begins when the direct physical loss of or damage to such property at a **dependent premises** occurs; and
 - (2) Ends on the date when such property at that **dependent premises** should be repaired, rebuilt or replaced with reasonable speed and similar quality.
- e. With respect to a **suspension of operations** caused by direct physical loss of or damage to property (of the type insurable under the Real and Personal Property Coverage Form) at an **information technology services provider** or utility service provider, the **period of restoration** means the period of time that:

- (1) Begins when the direct physical loss of or damage to such property at the **information technology services provider** or utility service provider occurs; and
- (2) Ends on the date when the services provided by such **information technology services provider** or utility service provider could be restored to the same or equivalent operating conditions that existed prior to the service failure.

- f. **Period of restoration** does not include any increased period required due to the enforcement of any ordinance, law, request, demand, order, regulation or rule that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **contaminants** or **fungus**, wet rot or dry rot.
- g. The expiration date of this policy will not cut short the **period of restoration**.

41. Personal property means:

- a. Personal property owned by you;
- b. Personal property owned by your officers, directors, partners, **managers, members** or employees (including leased or temporary employees);
- c. **Personal property of others** in your care, custody or control, including non-owned detached trailers, except:
 - (1) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion; or
 - (2) During hitching or unhitching operations; or
 - (3) When a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- d. The value of labor, materials or services furnished or arranged by you on **personal property of others**;
- e. Your interest in **improvements and betterments** to buildings or structures;
- f. Glass which, as a tenant, you are required to insure;
- g. **Computer systems**; and
- h. **Duplicate information property**.

42. Personal property of others means personal property not owned by you, your officers, directors, partners, **managers, members** or employees (including leased or temporary employees).

43. Premises means:

A location scheduled on the Declarations for this Commercial Property Coverage Part.

- a. If the location is described by an address only, it includes the area associated with that address in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond the address.
- b. If the location is described by an address and further described by geographic boundaries, it includes only the area within such geographic boundaries in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond that area.
- c. If the location is described as a specific building or structure at an address, the **premises** means only that building or structure specifically described and does not extend to any other area, unless otherwise stated on the Declarations.

44. Raw stock means material in the state in which you acquired it for conversion into **finished stock**.

45. Real property means your interest in:

- a. Buildings, including their **green roofing systems**;
- b. Permanent structures;

- c. Equipment and apparatus used to maintain or service the buildings, structures or their **premises** or **reported unscheduled premises**; and
- d. Materials, equipment, supplies and temporary structures used for construction, additions, renovations, alterations or repairs of buildings or permanent structures.

46. Replacement cost means the lesser of the cost to repair, rebuild or replace the **real property** or **personal property** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and at the same or another location. If rebuilding or replacing at another location, we will pay no more than the cost of rebuilding or replacing at the same location where the loss occurred.

If property of the same kind and quality is no longer available, we will pay to replace it with other property of similar quality and function, including property of greater processing capacity.

Real property and **personal property** valuation includes the cost you paid for non-refundable or non-transferable extended warranties, maintenance contracts or service contracts which were still in force at the time of loss or damage and are no longer valid as a result of loss of or damage to **real property** or **personal property**.

47. Reported unscheduled premises means permanently fixed locations for which you have submitted a schedule on file with us containing:

- a. The address of the location and includes that area extending 1000 feet beyond the address;
- b. An identification of the property, **business income** or **extra expense** to be covered; and
- c. The value of such identified property, **business income** or **extra expense**.

Reported unscheduled premises does not mean:

- a. A **premises**;
- b. A **newly acquired premises**;
- c. An **unreported premises**;
- d. A fair or exhibition;
- e. An **installation or service premises**;
- f. A **temporary storage location**; or
- g. A **dependent premises**.

48. Research and development continuing expenses means your continuing normal operating expenses that are directly attributable to **research and development operations**, including payroll, rental payments as tenants and factory overhead.

49. Research and development operations means your business activities where **research and development property** are being planned, created, developed or tested.

50. Research and development property means:

- a. Information which cannot be duplicated or purchased from another source, including any material it is inscribed, printed, written or recorded upon, including documents, manuscripts, records or programs, developed or used in conjunction with any research and development project;
- b. Original or experimental property;
- c. Prototypes or samples;
- d. Experiments in progress;
- e. Biological products, processes or cultures; and
- f. **Research animals**.

Research and development property does not mean:

- a. Animals, other than **research animals**; or
- b. **Stock**.

51. Research animal means any multi-cellular organism that is used in your **research and development operations**.

52. Scheduled property means those items described in the Scheduled Property Coverage Form.

53. Securities means negotiable and non-negotiable instruments or contracts representing either **money** or property and includes:

- a. Tokens, tickets, revenue, postal and other stamps whether or not in current use;
- b. Points or any other unit that represents value or can be redeemed for value such as loyalty or reward points; and
- c. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

Securities does not mean:

- a. **Money**; or
- b. Lottery tickets held for sale.

54. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.

Sinkhole collapse does not mean the:

- a. Sinking or collapse of land into man-made underground cavities;
- b. Sinking or collapse of land caused by or resulting from **flood**; or
- c. Cost of filling sinkholes.

55. Specified causes of loss means the following:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Wind or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Riot or civil commotion;
- h. Vandalism, meaning willful and malicious damage to, or destruction of property;
- i. Leakage from fire extinguishing equipment;
- j. **Sinkhole collapse**;
- k. Volcanic action;
- l. Falling objects, excluding loss or damage to:
 - (1) **Personal property** in the open; or
 - (2) The interior of buildings or property inside buildings, unless the roof or an outside wall of the building is first damaged by a falling object;
- m. Weight of snow, ice or sleet;

- n. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam; and
- o. **Equipment breakdown cause of loss**, excluding loss of or damage to **stock** caused by the release or escape of refrigerants.

56. **Stock** means the following:

- a. **Raw stock**;
- b. **Stock in process**;
- c. **Finished stock**; and
- d. **Merchandise**.

57. **Stock in process** means **raw stock** which has undergone aging, seasoning, mechanical or other process of manufacture but which has not become **finished stock**.

58. **Suspension** means:

- a. The slowdown or cessation of your business activities; or
- b. That a part or all of the covered location is rendered untenable.

59. **Temporary storage location** means a permanently fixed location that you lease, rent or occupy for a period of less than one year where **stock** that is to become a permanent part of an **installation or service premises** is stored while waiting to be delivered to an **installation or service premises** and there is a written construction or installation contract or agreement to install that **stock** at that **installation or service premises**.

Temporary storage location does not mean:

- a. A **premises**;
- b. A **newly acquired premises**;
- c. A **reported unscheduled premises**;
- d. A fair or exhibition; or
- e. An **unreported premises**.

60. **Time element coverage** means the coverage provided under any of the following:

- a. Business Income Coverage Form (Including Extra Expense);
- b. Business Income Coverage Form Including Research and Development Continuing Expenses (Including Extra Expense) – Technology; or
- c. Extra Expense Coverage Form.

61. **Unreported premises** means a location that contains **real property** or **personal property** in which you have an insurable interest but has not been reported to us.

Unreported premises does not mean:

- a. A **premises**;
- b. A **newly acquired premises**;
- c. A **reported unscheduled premises**;
- d. Property in transit;
- e. A fair or exhibition;
- f. An **installation or service premises**;
- g. A **temporary storage location**; or
- h. A **dependent premises**.

Real and Personal Property Coverage Form

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Real and Personal Property Coverage Form

A. Coverage

We will pay for direct physical loss of or damage to **covered property** at a **premises** directly caused by a **covered cause of loss**. We will not pay more in any one **occurrence** than the applicable Limit of Insurance shown on the Declarations for loss of or damage to **covered property** at that **premises**.

B. Property Not Covered

We will not insure the following property:

1. Aircraft, unless manufactured by you and unfueled at a **premises**;
2. All contraband property, including property in the course of illegal transportation or trade;
3. Animals, unless:
 - a. Owned by others and boarded by you; or
 - b. Owned by you as **stock** while inside of buildings;
4. Any type of currency only available in digital form as digital money, electronic money and electronic currency including but not limited to any type of virtual currency and cryptocurrency;
5. Bridges and tunnels except when part of a building or structure or a pedestrian bridge or tunnel at a **premises**;
6. **Green roofing systems** except when part of a building or structure. However, in no event will we pay for the following causes of loss to a **green roofing system**:
 - a. Disease or sickness;
 - b. Changes in or extremes of temperature;
 - c. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
 - d. Rain, snow, hail, ice or sleet;
7. Growing crops or standing timber;
8. Land and water including naturally occurring water, except water used in your **operations** and contained in any above ground:
 - a. Enclosed tank;
 - b. Piping system; or
 - c. Processing equipment;
9. Mines, mineshafts, caverns, open pits or quarries and any property contained therein;
10. **Money**, bills, notes or **securities** except to the extent coverage is provided by the Crime Coverage Form if that coverage is part of this Commercial Property Coverage Part;
11. Outdoor trees, shrubs, plants or lawns except to the extent coverage is provided with a Limit of Insurance in the Outdoor Trees, Shrubs, Plants or Lawns Additional Coverage;
12. Property covered under another policy or Coverage Part 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;

13. **Research and development property** except to the extent coverage is provided by the Research and Development Property Industries Coverage if that coverage is part of this Commercial Property Coverage Part;
14. **Scheduled property** except to the extent coverage is provided by the Scheduled Property Coverage Form if that coverage is part of this Commercial Property Coverage Part;
15. Spacecraft, satellites, associated launch vehicles and any major components, including any property contained therein;
16. Transmission and distribution lines situated beyond 1000 feet from a **premises** or **reported unscheduled premises**;
17. Vehicles or self-propelled machines that are:
- a. Licensed for use on public roads, except vehicles or self-propelled machines you manufacture, process, warehouse or hold for sale but only while on a **premises** or **reported unscheduled premises**; or
 - b. Operated principally away from a **premises** or **reported unscheduled premises**, except to the extent a self-propelled machine is covered under Installation and Service Additional Coverage; or
18. Watercraft unless;
- a. Manufactured by you and unfueled at a **premises**; or
 - b. Unpowered while out of water while at a **premises** or **reported unscheduled premises**.

C. Additional Coverages

The following are Additional Coverages to this Coverage Form. Each of the Additional Coverages applies independently of one another. Unless otherwise stated, the provisions, including the exclusions, limitations, deductibles, terms and conditions in this form apply to these Additional Coverages.

The applicable Limit of Insurance for any Additional Coverage will be shown on the Declarations and is the most we will pay for all loss, damage, cost or expense covered within that Additional Coverage, even if coverage would otherwise be available under any other part of this Commercial Property Coverage Part.

When any Additional Coverages – Limits of Insurance on the Declarations is shown as "Covered", the most we will pay for that Additional Coverage is the applicable Limit of Insurance shown on the Declarations for that **premises**.

When any Additional Coverages – Limits of Insurance on the Declarations is shown as **NCP**, (or is not shown on the Declarations) then any loss, damage, cost or expense falling within that Additional Coverage is not covered, even if coverage would otherwise be available under any other part of this Commercial Property Coverage Part. If you have not chosen a coverage elsewhere in this Commercial Property Coverage Part, there is no coverage under its corresponding Additional Coverages. For example, if you do not have coverage for **reported unscheduled premises** under the Real and Personal Property Coverage Form, you will not have coverage related to **reported unscheduled premises** under the Debris Removal Additional Coverage or any other Additional Coverage.

The Additional Coverages – Limits of Insurance shown on the Declarations are the most we will pay for the Additional Coverage indicated in any one **occurrence** unless otherwise shown. If a specific Limit of Insurance is shown for an Additional Coverage on the Property Schedule of Premises at any **premises**, that specific Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown in the Additional Coverages – Limits of Insurance section of the Declarations.

When any Additional Coverages – Limits of Insurance on the Declarations is shown in the Annual Aggregate, the most we will pay in any one policy year, regardless of the number of locations, coverages or **occurrences** involved, will not exceed such Annual Aggregate Limit of Insurance.

Limits for these Additional Coverages apply in addition to any other Limits of Insurance, unless otherwise stated.

1. Accounts Receivable

We will pay for:

- a. The sums due you from customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- c. Collection expenses in excess of your normal collection expenses; and
- d. Other expenses reasonably incurred by you to re-establish **accounts receivable records**. However, this does not apply for any **accounts receivable records** that exist as **electronic data**,

that result from direct physical loss of or damage to your **accounts receivable records** while at or away from a **premises** or **reported unscheduled premises** directly caused by a **covered cause of loss**.

This Additional Coverage does not apply to damage caused by or resulting from a **mistake** in programming or instructions to a machine.

If you cannot accurately establish the amount of accounts receivable outstanding at the time of loss or damage to **accounts receivable records**, the following method will be used to determine the amount of covered loss, damage or expense:

- a. Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurred; and
- b. Adjust that total for normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

The following will be deducted from the total amount of accounts receivable, however that amount is established:

- a. The amount of the accounts receivable for which there is no loss or damage;
- b. The amount of the accounts receivable that you are able to re-establish or collect;
- c. An amount to allow for probable bad debts that you are normally unable to collect; and
- d. All unearned interest and service charges.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Accounts Receivable.

2. Better Green™

a. Better Green™ Upgrade – Property Damage

- (1) We will pay the reasonable and necessary costs for you to upgrade or improve **covered property** at a **premises**, from its pre-loss condition, in order to achieve compliance with **green standards**, when such property has sustained direct physical loss of or damage directly caused by a **covered cause of loss**. This Additional Coverage includes the following reasonable and necessary costs incurred by you in order to comply with or achieve certification under the **green standards**:

- (a) Registration and certification fees charged by the **green standards** organization;
- (b) Fees of **green standard** accredited architects, engineers or design professionals;
- (c) Commissioning or recommissioning engineering services to verify that repaired or replaced building systems and equipment have been properly installed, calibrated and will perform to accordance with its design criteria and manufacturers' specification, including the cost of testing;
- (d) Costs to flush out the air with 100% outside air and conduct indoor air quality testing; and
- (e) Additional cost of salvaging, reusing and recycling the debris of the damaged property, less the cost of any amounts received from such salvage, reuse or recycling.

- (2) The most we will pay under this Additional Coverage at any one **premises**, is 10% of the amount we pay to repair or replace the damaged property to its same pre-loss condition, after the application of any deductible, up to the Limit of Insurance shown on the Declarations for Better Green™ Upgrade – Property Damage and Time Element Combined Per Premises.
- (3) This Additional Coverage does not apply to property that was certified under a **green standard** prior to the loss or damage.

b. Pre-Certified Better Green™ Enhancement – Property Damage

The following applies to **covered property** at a **premises** that was certified under a **green standard** prior to the covered loss or damage:

- (1) Nothing in this Additional Coverage is intended to reduce the coverage otherwise applicable under this policy for repair or replacement of such pre-certified property with comparable materials and products, including any reasonable and necessary costs incurred to maintain certification under the applicable **green standard**, if such certification was lost as a result of loss or damage covered under this policy.
- (2) We will pay the reasonable and necessary costs you incur to achieve a higher level of energy efficiency or certification under the applicable **green standard** than the property had achieved pre-loss, when such property has sustained direct physical loss of or damage directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage at any one **premises**, is 50% of the amount you pay to achieve a higher level of energy efficiency or certification under the applicable **green standard**, up to the Limit of Insurance shown on the Declarations for Pre-Certified Better Green™ Enhancement – Property Damage and Time Element Combined Per Premises.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Brands and Labels

We will pay the reasonable and necessary costs for you to:

- a. Stamp salvage on **merchandise** or **finished stock** and their containers, if the stamp will not physically damage the **merchandise** or **finished stock**; or
- b. Remove the brands or labels, if doing so will not physically damage the **merchandise** or **finished stock**, provided you relabel the **merchandise** or **finished stock** and their containers, to comply with the law,

when such property has sustained direct physical loss of or damage directly caused by a **covered cause of loss** and we have elected to take all or any part of such property at an agreed or appraised value.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Brands and Labels.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Contaminant Clean Up and Removal – Land and Water

We will pay the reasonable and necessary costs you incur to extract **contaminants** from uninsured property consisting of land or water at a **premises** or **reported unscheduled premises** if the discharge, dispersal, seepage, migration, release or escape of the **contaminants** is directly caused by a **specified cause of loss**.

This Additional Coverage does not apply to the costs to test for, monitor or assess the existence, concentration, or effects of **contaminants**. But we will pay for the reasonable and necessary cost of testing performed in the course of extracting the **contaminants** from the land or water.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** in any one policy year, regardless of the number of **occurrences** involved, is the Annual Aggregate Limit of Insurance shown on the Declarations for Contaminant Clean Up and Removal – Land and Water.

The costs will be paid only if they are reported to us in writing within 180 days of the date on which the **specified cause of loss** occurs.

5. Debris Removal

- a. We will pay your expense to remove debris of **covered property**, for which a Limit of Insurance is shown on the Declarations, remaining after direct physical loss of or damage to **covered property** directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage for Debris Removal, is the remaining applicable Limit of Insurance for the **covered property** shown on the Declarations after payment of the covered physical loss or damage.

- b. If the total of the loss or damage and debris removal expense exceeds the applicable Limit of Insurance, we will pay the remaining debris removal expenses.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Debris Removal – Supplemental Limit.

- c. If wind causes direct physical loss of or damage to **covered property**, we will also pay for the expenses you incur to remove debris of uncovered property that is blown on to the **premises** or **reported unscheduled premises** by wind and to remove debris of outdoor trees, shrubs, plants or lawns damaged by wind.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Debris Removal – Uncovered Property.

The expenses will be paid only if they are reported to us in writing within 180 days of the date of loss or damage.

In no event will there be any coverage under this Debris Removal Additional Coverage for any costs to:

- a. Extract **contaminants** from uninsured property consisting of land or water; or
- b. Remove, restore or replace uninsured property consisting of land or water that is **contaminated**.

6. Decontamination Expense

We will pay the reasonable and necessary expenses you incur to comply with an ordinance or law in force at the time of covered loss or damage that requires you to clean up, remove, decontaminate or restore **covered property** at a **premises** or **reported unscheduled premises** due to the actual, not suspected, presence of **contaminants** if the discharge, dispersal, seepage, migration, release or escape of the **contaminants** is directly caused by a **specified cause of loss**.

This Additional Coverage does not apply to expenses to comply with any ordinance or law that you were required to comply with before the loss or damage occurred.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Decontamination Expense.

7. Deferred Payments

We will pay your financial interest in **personal property** that suffers direct physical loss of or damage directly caused by a **covered cause of loss** after delivery to buyers and sold by you on a conditional sale or trust agreement, or any installment or deferred payment plan and the buyer refuses to continue payment.

This Additional Coverage does not apply to any amount that was past due at the time of loss or damage, by more than 30 days.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Deferred Payments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

8. Expediting Expense

In the event of direct physical loss of or damage to **covered property** at a **premises** or **reported unscheduled premises** directly caused by a **covered cause of loss**, we will pay reasonable and necessary additional expenses you incur for temporary repair of damage to such **covered property** and the additional expenses you incur for expediting the permanent repair or replacement of such damaged property. This Additional Coverage does not include expenses recoverable elsewhere in this Commercial Property Coverage Part.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Expediting Expense.

9. Fairs or Exhibitions

We will pay for direct physical loss of or damage to **personal property**:

- a. At fairs or exhibitions; and
 - b. In transit to or from fairs or exhibitions,
- directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions – Personal Property.

The coverage territory for this Additional Coverage is extended to include Canada.

This Additional Coverage does not apply to property covered under the Mobile Communication Property – Worldwide Additional Coverage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limit of Insurance.

10. Fine Arts

We will pay for direct physical loss of or damage to fine arts that are paintings, etchings, pictures, tapestries and other bona fide works of art, rarity, historical value or artistic merit such as rugs, statuary, marbles, bronzes, antiques, furniture, rare books, antique silver, manuscripts, porcelains, rare glass and bric-a-brac while at or away from a **premises** or **reported unscheduled premises** directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Fine Arts.

This Additional Coverage does not apply to loss or damage caused by or resulting from any repair, restoration or retouching activity.

11. Fire Department Service Charge

When the fire department is called to save or protect **covered property** from a **covered cause of loss** at a **premises** or **reported unscheduled premises**, we will pay for your liability for the fire department service charges:

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance, law or statute.

We will also pay for those costs incurred by your fire brigade to save or protect **covered property** from a fire, but not including the costs to refill fire protective equipment.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Fire Department Service Charge.

No deductible applies to this Additional Coverage.

12. Fire Protective Equipment Refills

We will pay the reasonable and necessary costs you incur to refill fire protective equipment which has been discharged:

- a. Accidentally; or
- b. In the course of saving or protecting **covered property** from a **covered cause of loss**.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Fire Protective Equipment Refills.

13. Fungus, Wet Rot or Dry Rot

We will pay the following when **fungus**, wet rot or dry rot are the direct result of a **covered cause of loss**, other than fire or lightning:

- a. Direct physical loss of or damage to **covered property** caused by **fungus**, wet rot or dry rot including the cost of removal of the **fungus**, wet rot or dry rot;
- b. The reasonable and necessary cost to tear out and replace any part of the **real property** needed to gain access to the **fungus**, wet rot or dry rot; and
- c. The reasonable and necessary cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that the **fungus**, wet rot or dry rot are still present. This Additional Coverage does not apply to the costs to test for, monitor or assess the existence, concentration, or effects of **fungus**, wet rot or dry rot except as provided in this Section c.

The most we will pay under this Additional Coverage in any one policy year, regardless of the number of **occurrences**, **premises** or **reported unscheduled premises** involved, is the Annual Aggregate Limit of Insurance shown on the Declarations for Fungus, Wet Rot or Dry Rot. This Limit is the most we will pay even if the **fungus**, wet rot or dry rot continues to be present, active or recur in the current or subsequent policy period(s).

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

14. Installation or Service Property

We will pay for direct physical loss of or damage to **personal property** that is **stock** to be installed, tools, equipment or self-propelled machines directly caused by a **covered cause of loss** while such **stock**, tools, equipment or self-propelled machines are in transit to or from, or at, an **installation or service premises** or a **temporary storage location**.

Coverage for **stock** to be installed ends at the earlier of the following:

- a. The **stock** is accepted by the purchaser;
- b. The **stock** is installed and you have been paid;
- c. The **stock** is installed and put to its intended use; or
- d. The policy expires or is cancelled.

The most we will pay under this Additional Coverage is the applicable Limit of Insurance shown on the Declarations for Installation or Service Property.

This Additional Coverage does not apply to loss or damage caused by or resulting from rain, hail, snow, ice or sleet to **stock** to be installed, tools, equipment or self-propelled machines in the open. This exclusion applies even if the tools, equipment or self-propelled machines in the open was caused by or resulted from a **mistake** or **malfunction**.

15. Leasehold Interest

a. We will pay for the loss of:

- (1) The net present value of your **leasehold interest** for each remaining month of your lease, discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number;
- (2) Bonus payments you paid to acquire your lease, not including rent, prepaid rent or security, the amount to be calculated as set forth in Section **b.** below;
- (3) Prepaid rent that you paid in advance that will not be refunded to you, other than periodic rental payments, the amount to be calculated as set forth in Section **b.** below; and
- (4) Sublease profit calculated as the net present value of the net profit you earn each month by subleasing the **premises** or **reported unscheduled premises** (or portion thereof) for each remaining month of the lease or sublease, whichever expires first, discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number,

that you sustain when your lease is cancelled by the lessor as a result of a valid condition of your lease and such cancellation is due to direct physical loss of or damage to a building or structure directly caused by a **covered cause of loss** at a **premises** or **reported unscheduled premises**.

b. Bonus payments and prepaid rent will each be determined as follows:

- (1) Divide your original costs by the number of months left in your lease at the time of the respective expenditures for bonus payments or prepaid rent;
- (2) Multiply the amount determined in (1) above by the number of months remaining in your lease at the time your lease is cancelled.

c. If your lease is cancelled and your landlord lets you continue to use the **premises** or **reported unscheduled premises** under a new lease, we will not pay more than the lesser of the following:

- (1) The difference between the rent you were paying at the time of cancellation and the rent you will pay under the new lease; or
- (2) The amount we would pay under Section **15.a.** above.

d. We will not pay under this Additional Coverage if the **premises** or **reported unscheduled premises** where the lease is cancelled had been vacant for more than 60 consecutive days prior to the loss or damage unless you had entered into an agreement to sublease the **premises** or **reported unscheduled premises**.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Leasehold Interest.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

16. Lock and Key Replacement

We will pay the reasonable and necessary cost of:

- a. Entry key replacement if keys to a **premises** or **reported unscheduled premises** are stolen; or
- b. Entry lock repair or replacement made necessary by theft or attempted theft at a **premises** or **reported unscheduled premises**.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Lock and Key Replacement.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

17. Loss Prevention Expenses

We will pay the reasonable and necessary expenses you incur to protect **covered property** at a **premises** or **reported unscheduled premises** from imminent direct physical loss of or damage directly caused by a **covered cause of loss**.

We will only pay these expenses in any one **occurrence** when they exceed the amount shown on the Declarations. We will then pay the amount of covered loss or damage in excess of such amount, up to the applicable Limit of Insurance.

The most we will pay under this Additional Coverage in any one policy year, regardless of the number of **occurrences, premises** or **reported unscheduled premises** involved, is the Annual Aggregate Limit of Insurance shown on the Declarations for Loss Prevention Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

18. Mobile Communication Property – Worldwide

We will pay for direct physical loss of or damage to **personal property** that are cellular phones, laptop computers or other personal handheld computer or communication devices and their accessories being used in your **operations** that are away from a **premises** or **reported unscheduled premises** directly caused by a **covered cause of loss**.

The coverage territory for this Additional Coverage is extended to apply anywhere in the world.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Mobile Communication Property – Worldwide – Personal Property.

This Additional Coverage does not apply to:

- a. Property that is **stock**; or
- b. Property rented or leased to others.

19. Newly Acquired Premises

We will pay for direct physical loss of or damage to **covered property** at a **newly acquired premises** directly caused by a **covered cause of loss**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **newly acquired premises** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **newly acquired premises**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **newly acquired premises**.

The most we will pay under this Additional Coverage at any one **newly acquired premises** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Premises.

20. Newly Acquired Property

We will pay for direct physical loss of or damage to:

- a. Your newly acquired or constructed **real property** at a **premises** if coverage is not currently shown for **real property** at that **premises** on the Declarations; and
- b. Your newly acquired **personal property** at a **premises** if coverage is not currently shown for **personal property** at that **premises** on the Declarations,

directly caused by a **covered cause of loss**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the newly acquired property to us;
- b. The number of days shown on the Declarations from the date construction of **real property** begins or completed **real property** or **personal property** is acquired; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date construction of **real property** begins or **personal property** or completed **real property** is acquired.

The most we will pay under this Additional Coverage at any one **premises** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Property.

21. Ordinance or Law

If at the time of direct physical loss of or damage to **real property** or **personal property** directly caused by a **covered cause of loss**, there is an ordinance or law in force that regulates zoning, land use, demolition, repairs or construction of **real property** or **personal property** at a **premises** or **reported unscheduled premises**, we will pay the:

a. Undamaged Portion

Loss in value of the undamaged portions of the **real property** or **personal property** as a consequence of, enforcement of, and in compliance with an ordinance or law requiring a demolition;

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the applicable Limit of Insurance shown on the Declarations for Undamaged Portion.

The Limit for the Undamaged Portion is included in, and not in addition to, the applicable Limit of Insurance shown on the Declarations for the **real property** or **personal property** at that **premises** or **reported unscheduled premises**.

b. Demolition

Costs to demolish and clear the site of the undamaged portions of the **real property** or **personal property** as a consequence of, enforcement of, and in compliance with an ordinance or law requiring a demolition;

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the applicable Limit of Insurance shown on the Declarations for Demolition.

c. Increased Cost of Construction

Increased costs to repair, rebuild or replace the damaged and undamaged **real property** or **personal property** as a consequence of, enforcement of, and in compliance with the minimum standards of an ordinance or law.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the applicable Limit of Insurance shown on the Declarations for Increased Cost of Construction.

This Additional Coverage does not apply to:

- a. Costs directly or indirectly associated with the enforcement of any ordinance, law, request, demand, order, regulation or rule that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **contaminants**, **fungus** or wet rot or dry rot;
- b. Enforcement of any ordinance, law, request, demand, order, regulation or rule which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination, presence, growth, proliferation, spread or activity of **contaminants**, **fungus** or wet rot or dry rot; or
- c. Costs to comply with any ordinance, law, request, demand, order, regulation or rule that you were required to comply with before the loss or damage.

22. Outdoor Trees, Shrubs, Plants or Lawns

We will pay for direct physical loss of or damage to outdoor trees, shrubs, plants or lawns you own at a **premises** or **reported unscheduled premises** directly caused by:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or civil commotion; or
- e. Aircraft.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limits of Insurance shown on the Declarations for Outdoor Trees, Shrubs, Plants or Lawns. However, the most we will pay for any one outdoor tree, shrub or plant is the per item Limits of Insurance shown on the Declarations.

This Additional Coverage does not apply to:

- a. **Green roofing systems**; or
- b. **Stock**.

23. Pair or Set

We will pay for the consequential loss in value of undamaged **stock** which has become unmarketable as a complete product because of direct physical loss of or damage to other **stock** directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Pair or Set.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

24. Preservation of Property

If **covered property** is removed from a **premises** or **reported unscheduled premises** to preserve it from actual or imminent physical loss of or damage by a **covered cause of loss**:

- a. We will pay for direct physical loss of or damage to the **covered property** directly caused by a **covered cause of loss** while it is being:
 - (1) Moved to another location or returned from such location to the original **premises** or **reported unscheduled premises**; and
 - (2) Temporarily stored at another location; and,
- b. We will also pay the reasonable and necessary costs to:
 - (1) Move the **covered property** to another location; and
 - (2) Return the **covered property** to its original **premises** or **reported unscheduled premises**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Preservation of Property

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance shown on the Declarations for that **covered property**.

25. Professional Fees

We will reimburse you for the reasonable and necessary expenses you incur for professional services for auditors, accountants, architects or engineers which are necessary to prepare a statement of loss or exhibits required in connection with any loss covered under this Commercial Property Coverage Part.

This Additional Coverage does not apply to fees and costs of:

- a. Your employees; or
- b. Attorneys, public adjusters, loss appraisers or loss consultants.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Professional Fees.

26. Release of Refrigerant

We will pay for direct physical loss of or damage to **stock** caused by the release or escape of refrigerants from any equipment located at a **premises** or **reported unscheduled premises**.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Release of Refrigerant.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

This Additional Coverage does not apply to loss or damage caused directly or indirectly by **earth movement** or **flood**, even if coverage for **earth movement** or **flood** is added by endorsement to this Commercial Property Coverage Part.

27. Reported Unscheduled Premises

We will pay for direct physical loss of or damage to **covered property** at a **reported unscheduled premises** directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage at any one **reported unscheduled premises** is the applicable Limit of Insurance shown on the Declarations for Reported Unscheduled Premises.

28. Reward Payments

We will reimburse you for rewards you pay for information leading to:

- a. The successful return of undamaged stolen **covered property** to you or a law enforcement agency; or
- b. The arrest and conviction of any persons for having damaged or stolen your **covered property**.

The reward payments must be documented.

The most we will pay under this Additional Coverage is 25% of the value of the damaged or stolen **covered property**, up to the Limit of Insurance shown on the Declarations for Reward Payments.

29. Salespersons Samples

We will pay for direct physical loss of or damage to **personal property** used for sample purposes while in transit and in the custody of your salesperson, or at any location, other than a **premises**, **reported unscheduled premises** or **unreported premises**, directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Salespersons Samples.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

30. Sewer, Drain or Sump

We will pay for direct physical loss of or damage to **covered property** at a **premises** or **reported unscheduled premises** directly caused by water or waterborne material that backs up or overflows from a sewer, drain or sump when such back up or overflow is directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Sewer, Drain or Sump.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

This Additional Coverage does not apply to the back up or overflow of water or waterborne material that is directly or indirectly caused by **flood**.

31. Spoilage – Equipment Breakdown

We will pay for direct physical loss of or damage to **stock** at a **premises** or **reported unscheduled premises** directly caused by the loss of or changes in any artificially maintained or generated atmosphere, humidity or temperature resulting from an **equipment breakdown cause of loss** to atmosphere, humidity or temperature control equipment at the **premises** or **reported unscheduled premises**.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Spoilage – Equipment Breakdown.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

32. Theft Damage to Buildings

We will pay for direct physical loss of or damage to **real property** at a **premises** or **reported unscheduled premises** in which you are a tenant directly caused by theft, burglary or robbery, provided you are legally obligated to pay for such loss or damage.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for **personal property** at that **premises** or **reported unscheduled premises**.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

33. Transit

We will pay for direct physical loss of or damage to **personal property** in transit, including:

- a. Your interest in shipments sold under Free on Board or Freight Allowed terms;
 - b. **Personal property** when the purchaser refuses to accept delivery or returns it to the shipper; or
 - c. General average and salvage charges on shipments while waterborne,
- directly caused by a **covered cause of loss**.

This Additional Coverage starts when the vehicle transporting such **personal property** leaves the originating location and ends when unloaded at the final destination, including ordinary or reasonable stops, interruptions, delays or transfers in the course of transit.

In the event of any loss or damage to **personal property** in transit, you must immediately make a claim in writing against the carrier, bailee or others involved.

If **personal property** in transit which was sold under Free on Board or Freight Allowed terms is lost or damaged and the consignee refuses to pay for such **personal property** because of the loss or damage, we will not attempt to enforce collection from the consignee without your written permission.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Transit – Personal Property.

This Additional Coverage does not apply to:

- a. Property of others in your care, custody or control if you are acting as a carrier for hire, broker, loader, consolidator or freight forwarder with a written contract or bill of lading;
- b. Furs, fur garments and garments trimmed with fur;
- c. Jewelry, watches, watch movements, jewels, pearls, precious or semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals, except for:
 - (1) Jewelry or watches worth \$100 or less per item; or
 - (2) Precious or semiprecious stones or metals used for industrial purposes;

- d. Lottery tickets held for sale; or
- e. Property in transit insured under any other Coverage in this policy.

34. Undamaged Improvements and Betterments

We will pay for the value of undamaged **improvements and betterments** when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to property directly caused by a **covered cause of loss** at a **premises** or **reported unscheduled premises**.

The most we will pay under this Additional Coverage at any one **premises** or **reported unscheduled premises** is the Limit of Insurance shown on the Declarations for Undamaged Improvements and Betterments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

35. Unintentional Errors or Omissions

We will pay for direct physical loss of or damage to **covered property** directly caused by a **covered cause of loss** which is not payable under this policy as a result of:

- a. Your unintentional error or omission in the description or location of such **covered property**; or
- b. Failure to include a **premises** you own, lease, rent or occupy as of the effective date shown on the Declarations due to your unintentional error or omission.

We will pay such loss or damage only to the extent such loss or damage would have been covered under the terms and conditions of this Commercial Property Coverage Part if the unintentional error or omission had not been made.

This Additional Coverage applies only if:

- a. You report and correct such unintentional error or omission when discovered; and
- b. You pay any additional premium that may be due.

This Additional Coverage does not apply if:

- a. You collect or are entitled to collect any portion of the loss or damage under this or any other policy; or
- b. The loss or damage is caused directly or indirectly by **earth movement** or **flood**, even if coverage for **earth movement** or **flood** is added by endorsement to this Commercial Property Coverage Part.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Unintentional Errors or Omissions Property Damage and Time Element Combined.

36. Unreported Premises

We will pay for direct physical loss of or damage to **covered property** at an **unreported premises** directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage at any one **unreported premises** is the applicable Limit of Insurance shown on the Declarations for Unreported Premises.

This Additional Coverage does not apply to property covered under any other Coverage in this Commercial Property Coverage Part.

37. Utility Service Interruption – Property Damage

We will pay for direct physical loss of or damage to **covered property** at a **premises** or **reported unscheduled premises** directly caused by the interruption of utility services consisting of water, power, steam, natural gas, sewer or communication, including video, voice, data and internet access, but not including **Information**

technology services provider. The interruption must result from direct physical loss of or damage directly caused by a **covered cause of loss** to property (including overhead transmission and distribution lines) of the utility service supplier located away from the **premises** or **reported unscheduled premises** where the loss or damage occurred.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Utility Service Interruption – Property Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

38. Valuable Papers and Records

We will pay the reasonable and necessary costs you incur to research and reproduce a master copy of written, inscribed or printed valuable papers and records, including abstracts, blueprints, books, deeds, drawings, films, maps, mortgages, prints and tracings, files and tapes, when there is direct physical loss of or damage to such valuable papers and records at or away from a **premises** or **reported unscheduled premises** directly caused by a **covered cause of loss**.

The most we will pay for this Additional Coverage is the Limit of Insurance shown on the Declarations for Valuable Papers and Records.

This Additional Coverage does not apply to:

- a. Papers and records that can be replaced by purchasing a duplicate that is available for sale;
- b. Papers and records that can be copied from an existing original or duplicate;
- c. **Stock**;
- d. Property covered under the Fine Arts Additional Coverage;
- e. **Electronic data**; or
- f. Damage caused by or resulting from a **mistake** in programming or instructions to a machine.

D. Exclusions

Unless otherwise stated, the following exclusions apply to all coverages under this Coverage Form.

1. Atmosphere, Humidity or Temperature

We will not pay for loss or damage to **personal property** caused by or resulting from any condition of, loss of or change in humidity or temperature, all whether atmospheric or not. This exclusion applies even if the condition of, loss of or change in humidity or temperature was caused by or resulted from an **equipment breakdown cause of loss, mistake, malfunction** or weather condition.

But if a **covered cause of loss** results, we will pay for that portion of the loss or damage which was solely caused by that **covered cause of loss**.

This exclusion does not apply to loss of or damage to **computer systems**.

This exclusion does not apply to the extent coverage is provided by the Spoilage – Equipment Breakdown Additional Coverage of this Commercial Property Coverage Part.

2. Contaminants

We will not pay for loss or damage, including the inability to use or occupy any location, caused by or resulting from the actual or suspected presence, growth, proliferation, spread or any activity of **contaminants**. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered. But, if the actual or suspected presence, growth, proliferation, spread or any activity is directly caused by a **specified cause of loss**, we will pay only for that portion of the loss or damage solely caused by that **specified cause of loss**.

We will also not pay for loss, cost or expense arising out of any ordinance, law, request, demand, order, regulation or rule that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **contaminants**.

3. Cracking and Settling

We will not pay for loss or damage caused by or resulting from bulging, cracking, shrinkage, expansion or settling of **real property** or **personal property**. This exclusion applies even if the bulging, cracking, shrinkage, expansion or settling was caused by or resulted from a **mistake** or **malfunction**.

But if a **covered cause of loss** results, we will pay for that portion of the loss or damage which was solely caused by that **covered cause of loss**.

4. Defects or Errors

We will not pay for any of the following:

a. Loss or damage, including the costs of correcting or making good, caused by or resulting from:

(1) A **mistake** in planning, zoning, development, surveying, siting;

(2) A **mistake** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) A **mistake** in materials used in repair, construction, renovation or remodeling; or

(4) Insufficient or failure of maintenance or servicing,

of part or all of any property.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating materials which are broken, inadequate, improper, faulty, flawed, improperly specified, **contaminated**, unfit for the purpose intended, or which contain a latent defect into part or all of any property.

But if a **covered cause of loss** results, we will pay for that portion of the loss or damage which was solely caused by that **covered cause of loss**. In no event will we pay the costs or expense to improve or redesign the original materials, supplies, designs, plans or specifications or to improve workmanship.

For purposes of this policy and not merely this exclusion, **covered property**, or any part thereof, shall not be regarded as damaged solely by virtue of the existence of a condition stated under **4.a.** and **b.** above.

5. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if the disappearance or shortage was caused by or resulted from a **mistake** or **malfunction**.

This exclusion does not apply to property in transit.

6. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest or criminal acts (including theft) or omissions, committed by you, your partners, **members**, officers, **managers**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or theft by anyone else to whom you have entrusted the property for any purpose:

a. Acting alone or in collusion with others; or

b. Whether or not occurring during the hours of employment.

This exclusion applies even if the:

a. Fraudulent, dishonest or criminal acts (including theft) or omissions; or

b. Theft by anyone else to whom you have entrusted the **covered property** for any purpose, was caused by or resulted from a **mistake** or **malfunction**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees) or authorized representatives; or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

7. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **earth movement**. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered. But if **earth movement** results in fire, explosion, theft or **earthquake sprinkler leakage**, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, theft or **earthquake sprinkler leakage**.

This exclusion does not apply to:

- a. Property in transit;
- b. Property covered under the Mobile Communication Property – Worldwide Additional Coverage; and
- c. **Stock**, tools, equipment or self-propelled machines while at an **installation or service premises** or at a **temporary storage location**.

8. Electronic Data

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

- a. Loss or damage to **electronic data**;
- b. The inability to use or access **electronic data**;
- c. The reduction in functionality of **electronic data**; or
- d. The repair, replacement, restoration or reproduction of any **electronic data**.

Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

However, if the loss or damage to the **electronic data** is the result of direct physical loss of or damage to a **computer system** by a **covered cause of loss**, we will pay for the cost to copy the **electronic data** from back-ups or originals of a previous generation.

In no event will we pay:

- a. To research or recreate **electronic data**; or
- b. For any value of **electronic data**.

9. Electronic Vandalism

We will not pay for loss or damage caused directly or indirectly by or resulting from **electronic vandalism** including any action taken in controlling, preventing, suppressing or remediating **electronic vandalism**. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or physical damage to property, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered. But if **electronic vandalism** results in fire or explosion, we will pay for that portion of the loss or damage which was solely caused by that fire or explosion.

10. Expected, Preventable or Accumulated Losses

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

- a. Wear and tear;
- b. Smoke, vapor or gas from agricultural smudging or industrial operations;

- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect or any quality of the property that causes it to damage or destroy itself; or
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

But if a **covered cause of loss** results, we will pay for that portion of the loss or damage which was solely caused by that **covered cause of loss**.

11. Flood

We will not pay for loss or damage caused directly or indirectly by **flood**. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered. But if **flood** results in fire, explosion or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion or theft.

This exclusion does not apply to:

- a. Property in transit;
- b. Property covered under the Mobile Communication Property – Worldwide Additional Coverage; and
- c. **Stock**, tools, equipment or self-propelled machines while at an **installation or service premises** or at a **temporary storage location**.

12. Fungus, Wet Rot or Dry Rot

We will not pay for loss or damage, including the inability to use or occupy any locations, consisting of, directly or indirectly caused by, contributed to, or aggravated by the actual or suspected presence, growth, proliferation, spread or any activity of **fungus**, wet rot or dry rot unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

But if **fungus**, wet rot or dry rot result in a **specified cause of loss**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **specified cause of loss**.

We will also not pay for loss, cost or expense arising out of any ordinance, law, request, demand, order, regulation or rule that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **fungus**, wet rot or dry rot.

This exclusion does not apply to the extent coverage is provided by the Fungus, Wet Rot or Dry Rot Additional Coverage of this Commercial Property Coverage Part.

13. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

This exclusion does not apply to seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread.

14. Impact Damage

We will not pay for loss or damage caused by or resulting from water, including water pressure, ice or impact of watercraft to buildings or structures located on or partially over water, including retaining walls, bulkheads, piers, wharves, docks or any other property located on those structures. This exclusion applies even if the water, including water pressure, ice or impact of watercraft was caused by or resulted from a **mistake** or **malfunction**.

15. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use or delay. This exclusion applies even if the loss of market, loss of use or delay was caused by or resulted from a **mistake** or **malfunction**.

16. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **mistake** or **malfunction**, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

17. Ordinance or Law

We will not pay for loss or damage caused by, resulting from or arising from the enforcement of any ordinance, law, request, demand, order, regulation or rule regulating or restricting the construction, installation, repair, replacement, improvement, modification, demolition, occupancy, operation or other use, or removal including debris removal of any property.

This exclusion applies:

- a. Even if the enforcement of any ordinance, law, request, demand, order, regulation or rule was caused by or resulted from a **mistake** or **malfunction**; or
- b. Whether the loss results from:
 - (1) An ordinance, law, request, demand, order, regulation or rule that is enforced even if the property has not been damaged; or
 - (2) The increased costs incurred to comply with an ordinance, law, request, demand, order, regulation or rule in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

This exclusion does not apply to the extent coverage is provided by the Decontamination Expense or Ordinance or Law Additional Coverages of this Commercial Property Coverage Part.

18. Process Failures

We will not pay for loss or damage due to spoilage, destruction, adulteration, discard, reduction in value or any other loss or damage to **stock** caused by or resulting from a **mistake** or **malfunction** in the alteration, calibration, development, distribution, installation, manufacturing, maintenance, processing, repair, research or testing of such **stock**.

19. Shortage

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

- a. Alteration, falsification, concealment or destruction of recorded information done to conceal the wrongful giving, taking or withholding of **money**, **securities** or other property.
- b. Bookkeeping, accounting or billing errors or omissions even if the bookkeeping, accounting or billing error or omissions were caused by or resulted from a **mistake** or **malfunction**.

20. Space and Space Related Risks

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

- a. Loss or damage to spacecraft, satellites, associated launch facilities or launch vehicles and any major components, including any property contained therein; or
- b. The failure of, interruption of, or interference with, transmission(s) to or from, any satellite.

Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

21. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **equipment breakdown cause of loss** to suspended equipment. This exclusion applies even if the **equipment breakdown cause of loss** was caused by or resulted from a **mistake** or **malfunction**.

But if a **covered cause of loss** results, we will pay for that portion of the loss or damage which was solely caused by that **covered cause of loss**.

22. Testing

We will not pay for loss or damage to machinery or equipment while undergoing a pressure, mechanical or electrical test. This exclusion applies even if the loss or damage to machinery or equipment undergoing a pressure, mechanical or electrical test was caused by or resulted from an **equipment breakdown cause of loss, mistake** or **malfunction**.

But if a **covered cause of loss** results, we will pay for that portion of the loss or damage which was solely caused by that **covered cause of loss**.

23. Utility Service Interruption

We will not pay for loss or damage caused by or resulting from the interruption of utility services, including but not limited to water, power, steam, natural gas, sewer, communication, including video, voice, data and internet access or any **information technology services provider**, supplied to a covered location, however caused, if the interruption takes place away from the covered location. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

But if a **covered cause of loss** results, we will pay for that portion of the loss or damage which was solely caused by that **covered cause of loss**.

This exclusion does not apply to the extent coverage is provided in the Utility Service Interruption – Property Damage Additional Coverage of this Commercial Property Coverage Part.

24. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike or hostile 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;
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority by hindering or defending against any of these; or
- d. Any weapon of war or of mass destruction employing biological or chemical warfare, atomic fission, atomic fusion, radioactive force or radioactive material, whether in time of peace or war regardless of who commits the act.

Such loss or damage is excluded regardless of any other cause or event, including a **mistake** or **malfunction**, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

E. Limits of Insurance

1. Except as otherwise stated in Section **C.** in this Coverage Form for an Additional Coverage or an endorsement attached to this Commercial Property Coverage Part, the applicable Limits of Insurance shown on the Declarations are the most we will pay, per **premises** or in any one **occurrence**, as indicated, for direct physical loss of or damage to **covered property**.

If a Limit of Insurance applies in the Annual Aggregate, then the most we will pay in any one policy year, regardless of the number of locations, coverages or **occurrences** involved, will not exceed such Annual Aggregate Limit of Insurance as shown on the Declarations.

When a Limit of Insurance is shown as **NCP** on the Declarations for any coverage, cause of loss, or part thereof, then any loss, damage, cost or expense falling within such coverage, cause of loss, or part thereof is not covered even if coverage would otherwise be available under any other part of this Commercial Property Coverage Part.

2. The following types of **personal property** are covered only up to the Limits of Insurance shown below in any one **occurrence** for loss or damage due to theft:

- a. \$2,500 for furs, fur garments and garments trimmed with fur.
- b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals.

This limit does not apply to:

- (1) Jewelry or watches worth \$100 or less per item; or
- (2) Precious or semiprecious stones or metals used for industrial purposes.

- c. \$250 for lottery tickets held for sale.

These Limits of Insurance are included in, and not in addition to, any other applicable Limits of Insurance.

3. Inflation Guard

If a percentage is shown on the Declarations for Inflation Guard, the Limits of Insurance to which the Inflation Guard applies will automatically increase by the annual percentage shown on the Declarations.

The amount of the increase will be:

- a. The Limit of Insurance that applied on the most recent of this Commercial Property Coverage Part's inception date, anniversary date or date of any other Commercial Property Coverage Part change amending the Limit of Insurance, multiplied by
- b. The percentage of annual increase shown on the Declarations, expressed as a decimal (Example: 4% is .04), multiplied by
- c. The number of days since the beginning of the most recent Commercial Property Coverage Part year or the effective date of the most recent Commercial Property Coverage Part change amending the Limit of Insurance, divided by 365.

Example:

If:	The applicable Limit of Insurance is	\$100,000
	The annual percentage increase is	4%
	The number of days since the beginning of the Coverage Part Year (or last Coverage Part change) is	146
Then:	The amount of increase is $\$100,000 \times .04 \times 146 / 365 =$	\$1,600
	The available Limit of Insurance is	\$101,600

4. Supplemental Premises Limit

If a percentage is shown on the Declarations for Supplemental Premises Limit, we will not pay more than the lesser of the following:

- a. The amount of covered loss or damage at the **premises**; or
- b. The percentage applied to the applicable Real Property or Personal Property Limit of Insurance for such property at the **premises**.

However, in no event will we pay more than \$5,000,000 over the applicable Limits of Insurance shown on the Declarations for that **premises**.

This Supplemental Premises Limit does not apply to any **premises** included within any Blanket Limit of Insurance.

F. Deductible

1. We will not pay for loss or damage in any one **occurrence** until the amount of covered loss, damage, cost or expense exceeds the applicable deductibles shown on the Declarations. We will then pay the amount of covered loss, damage, cost or expense in excess of the deductibles, up to the applicable Limits of Insurance.
2. Unless otherwise stated, if two or more deductibles are applicable to covered loss, damage, cost or expense in an **occurrence**, the highest applicable deductible amount will be applied. However, if separate deductibles apply to **covered property** and **time element coverages**, then the deductibles shall apply separately but only the highest applicable deductible amount for loss or damage to **covered property** and the highest applicable deductible amount for loss under **time element coverage** will apply.
3. If two or more deductibles apply on a per **premises** or per **reported unscheduled premises** basis in an **occurrence**, the highest applicable deductible amount for loss or damage to **covered property** and the highest applicable deductible amount for loss under **time element coverage** applying to each **premises** or **reported unscheduled premises** will be applied separately to each such **premises** or **reported unscheduled premises**.
4. When a deductible is not specified for the Utility Service Interruption Additional Coverage, the deductible that applies to loss, damage, cost or expense covered under the Utility Service Interruption Additional Coverage will be the deductible that would apply if the cause of the interruption happened at the **premises** or **reported unscheduled premises** where the loss occurred.

G. Valuation

1. We will determine the amount of covered loss or damage at the lesser of the:
 - a. **Replacement cost**; or
 - b. **Amount you actually spend**,except as otherwise stated in this Section.
2. **Real property** or **personal property**, other than **improvements and betterments**, which are not repaired, rebuilt or replaced, will be valued at the **actual cash value** at the time and place of loss or damage. If you commence the repair, rebuilding or replacement of the lost or damaged **real property** or **personal property**, other than **improvements and betterments**, within 24 months from the date the loss or damage occurred, and upon completion of the repair, rebuilding or replacement, we will pay you the difference between the **actual cash value** previously paid and the **replacement cost** at the time of loss or damage.
3. **Merchandise**:
 - a. That has been sold but not delivered; or
 - b. That you have manufactured (or that was manufactured exclusively for you as described in Section 19.b. of the Commercial Property Definitions) that is held for sale at a **premises** or **reported unscheduled premises** of any retail outlet that is not insured for Business Income Insurance,at the regular cash selling price, less any discounts and expenses you otherwise would have had.

4. **Finished stock** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
5. **Stock in process** at the value of **raw stock**, your labor expended and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
6. **Improvements and betterments** at:
 - a. The **replacement cost** if you make repairs with reasonable speed.
 - b. A proportion of your original cost if you do not make repairs with reasonable speed. We will determine the proportionate value as follows:
 - (1) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (2) Divide the amount determined in (1) above by the number of days from the installation of **improvements and betterments** to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will be used as the expiration of the lease.
 - c. That portion which has not been paid if others pay for repairs, rebuilding or replacement.
7. **Personal property** that is useless to you or obsolete at **actual cash value**.
8. **Duplicate information property** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.
9. Valuable papers and records at the cost to research and reproduce a master copy, including the information and blank materials on which it resides. However, we will only pay for these costs if you reproduce the valuable papers and records. Any valuable papers and records not reproduced has no value.
10. Property covered under the Fine Arts Additional Coverage at the lesser of:
 - a. **Market value** at the time of loss or damage; or
 - b. The value shown for such property on a schedule that is on file with us, provided the property is individually listed and described on such schedule.

If any such property is part of a pair or set, we may:

 - a. Repair or replace any part to restore the pair or set to its value before the loss; or
 - b. Pay the difference between the value of the pair or set before and after the loss.

Crime Coverage Form

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Crime Coverage Form

A. Coverages

1. Computer and Funds Transfer Fraud

We will pay for loss of **money** and **securities** resulting directly from:

a. A fraudulent entry or change of **electronic data** in your **computer system** to:

- (1) Cause **money** or **securities** to be transferred, paid or delivered; or
- (2) Debit or delete your account at a financial institution.

b. A fraudulent instruction by electronic, telegraphic, cable, teletype, telefacsimile, telephonic or written means:

- (1) Purporting to be transmitted or issued by you but which was in fact fraudulently transmitted, forged, altered or issued by someone other than you without your knowledge or consent; or
- (2) Received by you and purported to have been transmitted by an **employee**, but which was in fact transmitted by someone other than you without your or the **employee's** knowledge or consent,

directing a financial institution to transfer, pay or deliver **money** and **securities** from your account by means of an electronic funds transfer system.

The most we will pay under this Crime Coverage in any one **occurrence** is the Limit of Insurance shown on the Declarations for Computer and Funds Transfer Fraud.

This Crime Coverage does not apply to loss covered under the Forgery or Alteration Coverage.

2. Employee Theft

We will pay for loss of or damage to **money**, **securities** and **personal property** resulting directly from **theft** committed by an **employee**, whether identified or not, acting alone or in collusion with other persons.

The most we will pay under this Crime Coverage in any one **occurrence** is the Limit of Insurance shown on the Declarations for Employee Theft.

3. Forgery or Alteration

a. We will pay for loss resulting directly from **forgery** or alteration of:

- (1) Checks, drafts, promissory notes or similar written promises, orders or directions to pay a sum certain in **money** that are:

- (a) Made or drawn by or drawn upon you; or
 - (b) Made or drawn by one acting as your agent,
- or that are purported to have been so made or drawn.

With respect to this coverage, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

- (2) Written instruments required in connection with any credit, debit or charge card issued to you or any **employee** for business purposes.

The most we will pay under this Crime Coverage in any one **occurrence** is the Limit of Insurance shown on the Declarations for Forgery or Alteration.

- b.** If you are sued for refusing to pay any instrument covered in **a.** above, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable and necessary legal expenses that you incur and pay in that defense. The amount we will pay is in addition to the Limit of Insurance applicable to this coverage. No deductible applies to coverage provided in this Section **b.**

4. Money and Securities – Inside Buildings

We will pay for loss of **money** and **securities** inside buildings at a **premises, reported unscheduled premises** or **banking premises** resulting directly from **theft**, disappearance or destruction.

The most we will pay under this Crime Coverage in any one **occurrence** is the Limit of Insurance shown on the Declarations for Money and Securities – Inside Buildings.

5. Money and Securities – Outside Buildings

We will pay for loss of **money** and **securities** outside buildings at or away from a **premises, reported unscheduled premises** or **banking premises** and in the care and custody of a **messenger** or an armored motor vehicle company resulting directly from **theft**, disappearance or destruction.

The most we will pay under this Crime Coverage in any one **occurrence** is the Limit of Insurance shown on the Declarations for Money and Securities – Outside Buildings.

6. Money Orders and Counterfeit Paper Currency

We will pay for loss resulting directly from your having accepted in good faith and in exchange for **finished stock, merchandise, money** or services:

- a. Money orders issued by any post office, express company or financial institution that are not paid upon presentation; or
- b. Counterfeit paper currency that is acquired during the regular course of business.

The most we will pay under this Crime Coverage in any one **occurrence** is the Limit of Insurance shown on the Declarations for Money Orders and Counterfeit Paper Currency.

B. Exclusions

1. Unless otherwise stated, the following exclusions apply to all Crime Coverages under this Coverage Form:

a. Acts Committed by You, Your Partners or Your Members

We will not pay for loss caused by or resulting from **theft** or any other fraudulent, dishonest or criminal acts or omissions committed by you or any of your partners or **members**, whether acting alone or in collusion with other persons.

b. Acts of Employees, Managers, Directors, Trustees or Representatives

We will not pay for loss caused by or resulting from **theft** or any other fraudulent, dishonest or criminal acts or omissions committed by any of your **employees, managers**, directors, trustees or authorized representatives:

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

(2) While performing services for you or otherwise,

except when covered under the Employee Theft Coverage.

c. Electronic Vandalism

We will not pay for loss or damage caused directly or indirectly by or resulting from **electronic vandalism** including any action taken in controlling, preventing, suppressing or remediating **electronic vandalism**. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or physical damage to property, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered. But if **electronic vandalism** results in fire or explosion, we will pay for that portion of the loss or damage which was solely caused by that fire or explosion.

This exclusion does not apply to the extent coverage is provided by the Computer and Funds Transfer Fraud and Forgery or Alteration Coverages of this Crime Coverage Form.

d. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

This exclusion does not apply to seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread.

e. Indirect Loss

We will not pay for loss that is an indirect result of any covered act or **occurrence** including, but not limited to, loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of or damage to **money, securities or personal property**.
- (2) Payment of damages of any type for which you are legally liable. But we will pay compensatory damages arising directly from a loss or damage covered under this Coverage Form.
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this Coverage Form.

f. Legal Expenses

We will not pay for expenses incurred by you which are related to any legal action, except with respect to coverage provided under the Forgery or Alteration Coverage.

g. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **mistake or malfunction**, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

h. Virtual Currency

We will not pay for loss or damage involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

i. War or Military Action

We will not pay for loss or damage, arising directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike or hostile 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;
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority by hindering or defending against any of these; or
- (4) Any weapon of war or of mass destruction employing biological or chemical warfare, atomic fission, atomic fusion, radioactive force or radioactive material, whether in time of peace or war regardless of who commits the act.

Such loss or damage is excluded regardless of any other cause or event, including a **mistake or malfunction**, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

2. The following additional exclusions apply only with respect to Computer and Funds Transfer Fraud Coverage:

a. Exchange or Purchases

We will not pay for loss resulting from the giving or surrendering of property in any exchange or purchase.

b. Inventory Shortages

We will not pay for loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon an inventory or a profit and loss computation.

c. Voluntary Parting

We will not pay for loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with **money** or **securities**.

3. The following additional exclusions apply only with respect to Employee Theft Coverage:

a. Employee Cancelled Under Prior Insurance

We will not pay for loss caused by any **employee** of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.

b. Inventory Shortages

We will not pay for loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon an inventory or a profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

c. Trading

We will not pay for loss resulting directly or indirectly from trading, whether in your name or in a genuine or fictitious account.

d. Warehouse Receipts

We will not pay for loss resulting from the fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

4. The following additional exclusion applies only with respect to Forgery or Alteration Coverage:

Non-Compliance with Credit, Debit or Charge Card Issuer

We will not pay for loss arising from any credit, debit or charge card if you have not complied fully with the provisions, conditions or other terms under which the card was issued.

5. The following additional exclusions apply only with respect to Money and Securities – Inside Buildings and Money and Securities – Outside Buildings Coverages:

a. Accounting or Arithmetical Errors or Omissions

We will not pay for loss caused by or resulting from accounting or arithmetical errors or omissions.

b. Exchange or Purchases

We will not pay for loss resulting from the giving or surrendering of property in any exchange or purchase.

c. Money Operated Devices

We will not pay for loss of **money** and **securities** contained in any money-operated device unless the amount of **money** deposited in it is recorded by a continuous recording instrument in the device.

d. Transfer or Surrender of Money and Securities

We will not pay for loss of **money** and **securities** after it has been transferred or surrendered to a person or place outside the building at or away from a **premises, reported unscheduled premises or banking premises**:

- (1) On the basis of unauthorized instructions;
- (2) As a result of a threat to do bodily harm to any person; or
- (3) As a result of a threat to do damage to any property.

This exclusion does not apply to loss of **money** or **securities**, while outside the building at or away from a **premises, reported unscheduled premises or banking premises**, in the care and custody of a **messenger** if you:

- (1) Had no knowledge of any threat at the time the conveyance began; or
- (2) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

e. Voluntary Parting

We will not pay for loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with **money** or **securities**.

6. The following additional exclusions apply only with respect to Money Orders and Counterfeit Paper Currency Coverage:

a. Exchange or Purchases

We will not pay for loss resulting from the giving or surrendering of **finished stock, merchandise or money** in any exchange or purchase.

b. Voluntary Parting

We will not pay for loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with **finished stock, merchandise or money**.

C. Deductible

We will not pay for loss, damage, cost or expense in any one **occurrence** until the amount of covered loss or damage exceeds the applicable Deductibles shown on the Declarations or Property Schedule of Premises. We will then pay the amount of covered loss, damage, cost or expense in excess of the Deductibles, up to the applicable Limits of Insurance.

Unless otherwise stated, If two or more deductibles are applicable to covered loss or damage in an **occurrence**, the highest applicable deductible amount will be applied.

D. Additional Conditions

1. The following conditions apply in addition to the Commercial Property Conditions and the Common Policy Conditions and apply to all Crime Coverages under this Coverage Form:

a. Cancellation as to Any Employee

This insurance is cancelled as to any **employee**:

- (1) Immediately upon discovery by you or any of your partners, **members, managers**, officers, directors or trustees not in collusion with the **employee of theft** or any other dishonest act committed by the **employee** whether before or after becoming employed by you.
- (2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

b. Consolidation or Merger

If through consolidation or merger with, or purchase or acquisition of assets or liabilities of, some other entity, any additional persons become **employees** or you acquire the use and control of any **newly acquired premises**:

- (1) You must give us written notice and obtain our written consent to extend this insurance to such additional **employees** or **newly acquired premises**. We may condition our consent upon payment of an additional premium; and
- (2) After the effective date of such consolidation or merger with, or purchase or acquisition of assets or liabilities, any insurance afforded for **employees** or **newly acquired premises** also applies to these additional **employees** or **newly acquired premises** for acts committed or events occurring after the effective date of the consolidation, merger or purchase or acquisition of assets or liabilities. Such insurance will end on the earliest of the following dates:
 - (a) The number of days shown on the Declarations for Newly Acquired Premises; or
 - (b) The date this policy expires or is cancelled.

c. Discovery

- (1) We will pay for loss that you sustain through acts committed or events occurring at any time and discovered by you:
 - (a) During the policy period shown on the Declarations; or
 - (b) During the period of time provided in the Extended Period to Discover Loss condition below.
- (2) Discovery of loss occurs when you first become aware of facts including when you receive notice of an actual or potential claim which would cause a reasonable person to assume that a loss covered by this Coverage Form has been or will be incurred, even though the exact amount or details of loss may not then be known.

d. Employee Benefit Plans

- (1) The **employee benefit plan** shown on the Declarations (Plan) is included as an Insured under the Employee Theft Coverage.
- (2) If any **employee benefit plan** is insured jointly with any other entity under this Coverage Form, you or the Plan Administrator must select a Limit of Insurance for Employee Theft Coverage that is sufficient to provide a Limit of Insurance for each Plan that is at least equal to that required if each Plan were separately insured.
- (3) With respect to losses sustained or discovered by any such Plan, the Employee Theft Coverage is replaced by the following:

We will pay for loss of or damage to **money** and **securities** and **personal property** resulting directly from fraudulent or dishonest acts committed by an **employee**, whether identified or not, acting alone or in collusion with other persons.

If a Blanket Excess Limit of Insurance is shown on the Declarations, that limit applies only to loss caused by or involving an **employee** of the **employee benefit plan** for which the Blanket Excess Limit of Insurance is shown. That Blanket Excess Limit of Insurance applies to that part of any loss that exceeds, and applies in addition to, the Limit of Insurance shown on the Declarations for Employee Theft.
- (4) If the first Named Insured is an entity other than a Plan, any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (5) If two or more Plans are insured under this Coverage Form, any payment we make for loss:
 - (a) Sustained by two or more Plans; or
 - (b) Of commingled **money** and **securities** or **personal property** of two or more Plans,

resulting directly from an **occurrence**, will be made to each Plan sustaining loss in the proportion that the Limit of Insurance required for each Plan bears to the total of those Limits of Insurance of all Plans sustaining loss.

- (6) The Deductible otherwise applicable to Employee Theft Coverage does not apply to loss sustained by any Plan.
- (7) If, at the inception of this policy, you have a Limit of Insurance for your Plans that is equal to or greater than the Limit of Insurance required under ERISA, we agree to automatically increase the Limit of Insurance for the Plan or Plans scheduled on the Declarations, subject to the Non-Cumulation of Limit of Insurance condition below, so that the Limit of Insurance equals the amount required under ERISA at the time you discover a loss. However, in no event shall the increase under this provision exceed 10% of the total Plan's asset value or the maximum per Plan Limit of Insurance of \$500,000, whichever is less.

e. Extended Period to Discover Loss

- (1) We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is discovered by you:
 - (a) No later than 60 days from the date of that cancellation; and
 - (b) As respects any **employee benefit plan**, no later than 1 year from the date of that termination or cancellation.
- (2) However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded by this Coverage Form, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

f. Non-Cumulation of Limit of Insurance

Regardless of the number of years this Coverage Form remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or policy period to policy period.

g. Ownership of Property; Interests Covered

Coverage under this Coverage Form is limited to property:

- (1) That you own or lease; or
- (2) That you hold for others.

2. The following additional condition applies only with respect to Employee Theft Coverage:

The Policy Period, Coverage Territory condition in the Commercial Property Conditions applies except as modified below:

We will pay for loss caused by an **employee** while temporarily outside the coverage territory for a period of not more than 90 days.

3. The following additional conditions apply only with respect to Forgery or Alteration Coverage:

- a.** The Duties in the Event of Loss or Damage condition in the Commercial Property Conditions applies except as modified below:

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

- b.** Electronic and Mechanical Signatures

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

4. The following additional condition applies only with respect to Money and Securities – Inside Buildings and Money and Securities – Outside Buildings Coverages:

If, while this insurance is in force, you obtain possession or control of **newly acquired premises**, other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of, another entity, such **newly acquired premises** shall automatically be considered under Money and Securities – Outside Buildings Coverage. However, If you have not reported the **newly acquired premises** within 90 days of possession or control, this coverage will not apply to that **newly acquired premises**.

E. Valuation

We will determine the amount of covered loss as follows:

1. **Money** up to its face value. We may, at our option, pay for loss of **money** issued by any country other than the United States of America:
 - a. At face value in the **money** issued by that country; or
 - b. In the United States of America dollar equivalent determined by the rate of exchange published in The Wall Street Journal on the day the loss was discovered.
2. **Securities** up to their value at the close of business on the day the loss was discovered. We may, at our option:
 - a. Pay the **market value** of such **securities** or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those **securities**; or
 - b. Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the **securities**. However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - (1) **Market value** of the **securities** at the close of business on the day the loss was discovered; or
 - (2) The Limit of Insurance shown on the Declarations.
3. We will determine the amount of covered loss or damage to **personal property** at the lesser of the:
 - a. **Replacement cost**; or
 - b. **Amount you actually spend**,except as otherwise stated in this Section.
4. **Personal property** which is not replaced will be valued at the **actual cash value** at the time and place of loss or damage. If you replace the lost or damaged **personal property** within 24 months from the date the loss or damage occurred, and upon completion of the replacement we will pay you the difference between the **actual cash value** previously paid and the **replacement cost** at the time of loss or damage.
5. **Merchandise** and **finished stock** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
6. **Stock in process** at the value of **raw stock**, your labor expended and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
7. **Personal property** that is useless to you or obsolete at **actual cash value**.
8. **Duplicate information property** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.

F. Definitions

For purposes of this Coverage Form, the following definitions apply in addition to the Commercial Property Definitions:

1. **Banking premises** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. **Employee** means:
 - a. Any natural person:
 - (1) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to **theft** or any other dishonest act committed by the **employee**;
 - (2) Who you compensate directly by salary, wages or commissions; and
 - (3) Who you have the right to direct and control while performing services for you;
 - b. Any natural person who is furnished temporarily to you:
 - (1) To substitute for a permanent **employee** as defined in **a.** above, who is on leave; or
 - (2) To meet seasonal or short-term workload conditions,while that person is subject to your direction and control and performing services for you.
However, this does not include any such natural person while having care and custody of property outside the **premises**;
 - c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary **employee** as defined in **b.** above;
 - d. Any natural person who is:
 - (1) A trustee, officer, **employee**, administrator or **manager**, except an administrator or **manager** who is an independent contractor, of any **employee benefit plan** insured under this Coverage Form; and
 - (2) A director or trustee while that person is handling **money** and **securities** or **personal property** of any **employee benefit plan**;
 - e. Any natural person who is a former **employee**, director, partner, **member**, **manager**, representative or trustee retained as a consultant while performing services for you; or
 - f. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such natural person while having care and custody of property outside the **premises**.

Employee does not mean:

 - a. Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - b. Any **manager**, director or trustee except while performing acts coming within the scope of the usual duties of an **employee**.- 3. **Employee benefit plan** means any welfare or pension benefit plan shown on the Declarations that you sponsor and which is subject to the Employee Retirement Income Security Act of 1974 (ERISA), and any amendments thereto.
- 4. **Forgery** means the signing of the name of another person or organization with the intent to deceive. It does not mean a signature that consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
- 5. **Messenger** means you, or a relative of yours, or any of your partners or **members**, or any **employee** while having care and custody of property outside the **premises**.
- 6. **Theft** means the unlawful taking of **money**, **securities** or **personal property** to the deprivation of the Insured.

For purposes of this Coverage Form, the following definition replaces the corresponding definition in the Commercial Property Definitions:

Occurrence means:

a. Under Employee Theft Coverage:

- (1) An individual act;
- (2) The combined total of all separate acts whether or not related; or
- (3) A series of acts whether or not related,

committed by an **employee** acting alone or in collusion with other persons, during the policy period shown on the Declarations, before such policy period, or both.

b. Under Forgery or Alteration Coverage:

- (1) An individual act;
- (2) The combined total of all separate acts whether or not related; or
- (3) A series of acts whether or not related,

committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the policy period shown on the Declarations, before such policy period, or both.

c. Under all other coverages in this Coverage Form:

- (1) An individual act;
- (2) The combined total of all separate acts whether or not related; or
- (3) A series of acts whether or not related,

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the policy period shown on the Declarations, before such policy period, or both.

Business Income Coverage Form (Including Extra Expense)



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Business Income Coverage Form (Including Extra Expense)

A. Coverage

We will pay for the:

1. Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
2. Actual and necessary **extra expense** you incur,

during the **period of restoration**, caused by direct physical loss of or damage to property (of the type insurable under the Real and Personal Property Coverage Form) at a **premises** for which a Limit of Insurance is shown on the Declarations for Business Income or Extra Expense. The loss or damage must be directly caused by a **covered cause of loss**. We will not pay more in any one **occurrence** than the applicable Limit of Insurance shown on the Declarations for Business Income or Extra Expense at that **premises**.

B. Additional Coverages

The following are Additional Coverages to this Coverage Form. Each of the Additional Coverages applies independently of one another. Unless otherwise stated, the provisions, including the exclusions, limitations, deductibles, terms and conditions in this form apply to these Additional Coverages.

The applicable Limit of Insurance for any Additional Coverage will be shown on the Declarations and is the most we will pay for all loss, damage, cost or expense covered within that Additional Coverage, even if coverage would otherwise be available under any other part of this Commercial Property Coverage Part.

When any Additional Coverages – Limits of Insurance on the Declarations is shown as "Covered", the most we will pay for that Additional Coverage is the applicable Limit of Insurance shown on the Declarations for that **premises**.

When any Additional Coverages – Limits of Insurance on the Declarations is shown as **NCP**, (or is not shown on the Declarations) then any loss, damage, cost or expense falling within that Additional Coverage is not covered even if coverage would otherwise be available under any other part of this Commercial Property Coverage Part.

The Additional Coverages – Limits of Insurance shown on the Declarations are the most we will pay for the Additional Coverage indicated in any one **occurrence** unless otherwise shown. If a specific Limit of Insurance is shown for an Additional Coverage on the Property Schedule of Premises at any **premises**, that specific Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown in the Additional Coverages – Limits of Insurance section of the Declarations.

When any Additional Coverages – Limits of Insurance on the Declarations is shown in the Annual Aggregate, the most we will pay in any one policy year, regardless of the number of locations, coverages or **occurrences** involved, will not exceed such Annual Aggregate Limit of Insurance.

Limits for these Additional Coverages apply in addition to any other applicable Limits of Insurance, unless otherwise stated.

1. Better Green™ – Time Element

a. Better Green™ Upgrade – Time Element

We will pay for the:

- (1) Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- (2) Actual and necessary **extra expense** you incur,

due to the increase in the **period of restoration** for the time to upgrade or improve **real property** and **personal property** as provided under the Better Green™ Upgrade Coverage in the Real and Personal Property Coverage Form.

The most we will pay under this Additional Coverage at any one **premises** is 10% of the covered **time element coverage** loss arising from the repair or replacement of the damaged property to its same pre-loss condition, after the application of any deductible, up to the Limit of Insurance shown on the Declarations for Better Green™ Upgrade – Property Damage and Time Element Combined.

b. Pre-Certified Better Green™ Enhancement – Time Element

We will pay for the:

(1) Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and

(2) Actual and necessary **extra expense** you incur,

due to the increase in the **period of restoration** for the time to achieve a higher level of **green standard** energy efficiency or certification as provided under the Pre-Certified Better Green™ Enhancement Coverage in the Real and Personal Property Coverage Form.

The most we will pay under this Additional Coverage at any one **premises** is 50% of the **time element coverage** loss calculated in **b. (1)** and **(2)** above, up to the Limit of Insurance shown on the Declarations for Pre-Certified Better Green™ Enhancement – Property Damage and Time Element Combined.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Civil Authority

We will pay for the actual loss of **business income** you sustain resulting from the necessary **suspension**, or delay in the start, of your **operations** and the actual and necessary **extra expense** you incur, for up to the number of days shown on the Declarations for Civil Authority, caused by an order of civil authority that prohibits access to a **premises** or **reported unscheduled premises**. That order must result from a civil authority's response to direct physical loss of or damage directly caused by a **covered cause of loss** to property (of the type insurable under the Real and Personal Property Coverage Form) located away from, but within the distance stated on the Declarations for Civil Authority, of the **premises** or **reported unscheduled premises** where the **business income** loss is sustained or the **extra expense** is incurred.

This Additional Coverage applies only to those **premises** or **reported unscheduled premises** for which a Business Income or Extra Expense Limit of Insurance is shown on the Declarations.

The most we will pay under this Additional Coverage is the applicable Limit of Insurance shown on the Declarations for Civil Authority.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

3. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders to your customers that result from direct physical loss of or damage to property (of the type insurable under the Real and Personal Property Coverage Form) at a **premises** or **reported unscheduled premises** for which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Contractual Penalties.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Dependent Premises – Unscheduled Locations

a. We will pay for the:

- (1) Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- (2) Actual and necessary **extra expense** you incur,

during the **period of restoration**, caused by direct physical loss of or damage to property (of the type insurable under the Real and Personal Property Coverage Form) at an unscheduled **dependent premises**. The loss or damage must be directly caused by a **covered cause of loss**.

b. Dependent Premises – Unscheduled Locations – Extension For Civil Authority

We will pay for the actual loss of **business income** you sustain resulting from the necessary **suspension**, or delay in the start, of your **operations** and the actual and necessary **extra expense** you incur, for up to 30 days, caused by an order of civil authority that prohibits access to an unscheduled **dependent premises**. That order must result from a civil authority's response to direct physical loss of or damage directly caused by a **covered cause of loss** to property (of the type insurable under the Real and Personal Property Coverage Form) located away from, but within one mile of, the unscheduled **dependent premises**. The Limit for this Extension is included in, and not in addition to, the Dependent Premises Business Income and Extra Expense – Unscheduled Locations Limit of Insurance.

c. Dependent Premises – Unscheduled Locations – Extension For Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders to your customers that result from direct physical loss of or damage to property (of the type insurable under the Real and Personal Property Coverage Form) at an unscheduled **dependent premises**. The loss or damage must be directly caused by a **covered cause of loss**. The Limit for this Extension is included in, and not in addition to, the Dependent Premises Business Income and Extra Expense – Unscheduled Locations Limit of Insurance.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income and Extra Expense – Unscheduled Locations.

This Additional Coverage does not apply at any location for which **business income** or **extra expense** coverage is provided by any other Coverage Form included in this Commercial Property Coverage Part.

5. Expense to Reduce Loss

We will pay reasonable and necessary expenses you incur, except the cost of extinguishing a fire, to reduce the amount of loss of **business income**. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this Coverage Form and subject to the applicable Limit of Insurance shown on the Declarations for Business Income at that **premises** or **reported unscheduled premises**.

6. Extended Period of Indemnity

We will pay for the actual loss of **business income** you continue to sustain resulting from the necessary **suspension** of your **operations** for the period of time that begins on the date the **period of restoration** ends and ends on the earlier of:

- a. The date your gross sales, including rental income, are restored to the amount that would have existed if no direct physical loss or damage occurred; or
- b. The date calculated by adding the number of days shown on the Declarations for Extended Period of Indemnity – Business Income to the date the **period of restoration** ended.

The most we will pay under this Additional Coverage is the applicable Limit of Insurance shown on the Declarations for Business Income at the **premises** or **reported unscheduled premises** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

This Additional Coverage 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 **premises** or **reported unscheduled premises** are located.

7. Fairs or Exhibitions

We will pay for the:

- a. Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- b. Actual and necessary **extra expense** you incur,

during the **period of restoration**, caused by direct physical loss of or damage to **personal property** at, or while in transit to or from, any fair or exhibition. The loss or damage must be directly caused by a **covered cause of loss**.

This Additional Coverage does not apply to property covered under the Mobile Communication Property – Worldwide Additional Coverage.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions – Business Income and Extra Expense.

8. Fungus, Wet Rot or Dry Rot

We will pay for the:

- a. Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- b. Actual and necessary **extra expense** you incur,

during the **period of restoration**, due to direct physical loss of or damage to **covered property** caused by **fungus**, wet rot or dry rot when the **fungus**, wet rot or dry rot are the result of a **covered cause of loss**.

This Additional Coverage includes the prolonged **period of restoration** due to the remediation of **fungus**, wet rot or dry rot from a covered loss.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Fungus, Wet Rot or Dry Rot – Business Income and Extra Expense. Regardless of the number of **occurrences**, **premises** or **reported unscheduled premises** involved, this Limit of Insurance is the most we will pay for the total of all loss, even if the **fungus**, wet rot or dry rot continue to be present, active or recur in the current or subsequent policy period(s).

9. Ingress/Egress

We will pay for the actual loss of **business income** you sustain resulting from the necessary **suspension**, or delay in the start, of your **operations** and the actual and necessary **extra expense** you incur, for up to the number of days shown on the Declarations for Ingress/Egress, when ingress or egress by your suppliers, customers or employees to the **premises** or **reported unscheduled premises** is physically obstructed due to direct physical loss of or damage to property (of the type insurable under the Real and Personal Property Coverage Form) not owned, occupied, leased or rented by you or insured under this Commercial Property Coverage Part. That property must be located within the distance stated on the Declarations for Ingress/Egress from the **premises** or **reported unscheduled premises** where the **business income** loss is sustained or the **extra expense** is incurred. The loss or damage must be directly caused by a **covered cause of loss**. The obstruction cannot be the result of an order of civil authority that prohibits access to that **premises** or **reported unscheduled premises**.

This Additional Coverage applies only to those **premises** or **reported unscheduled premises** for which a Business Income or Extra Expense Limit of Insurance is shown on the Declarations.

The most we will pay under this Additional Coverage is the applicable Limit of Insurance shown on the Declarations for Ingress/Egress.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

10. Mobile Communication Property – Worldwide

We will pay for the:

- a. Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- b. Actual and necessary **extra expense** you incur,

during the **period of restoration**, caused by direct physical loss of or damage to **personal property** that are cellular phones, laptop computers or other personal handheld computer or communication devices and their accessories being used in your **operations** that are away from a **premises** or **reported unscheduled premises**. The loss or damage must be directly caused by a **covered cause of loss**.

The coverage territory for this Additional Coverage is extended to apply anywhere in the world.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Mobile Communication Property – Worldwide – Property Damage and Time Element Combined.

This Additional Coverage does not apply to:

- a. Property that is **stock**;
- b. Property rented or leased to others.

11. Newly Acquired Premises

We will pay for the:

- a. Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- b. Actual and necessary **extra expense** you incur,

during the **period of restoration**, caused by direct physical loss of or damage to your property (of the type insurable under the Real and Personal Property Coverage Form) at a **newly acquired premises**. The loss or damage must be directly caused by a **covered cause of loss**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **newly acquired premises** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **newly acquired premises**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **newly acquired premises**.

The most we will pay under this Additional Coverage at any one **newly acquired premises** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Premises – Business Income or Extra Expense.

12. Ordinance or Law – Increased Period of Restoration

If **covered property** at a **premises** or **reported unscheduled premises** has incurred direct physical loss of or damage directly caused by a **covered cause of loss**, resulting in a **suspension** of your **operations** covered under this Coverage Form, the **period of restoration** includes any increased period of time required to comply with the minimum standards of an ordinance or law, provided that:

- a. The ordinance or law regulates zoning, land use, demolition, repairs or construction of **real property** or **personal property** at the **premises** or **reported unscheduled premises**; and
- b. The requirements of the ordinance or law are in force at the time of loss.

This Additional Coverage does not apply to any increase in the **period of restoration** caused:

- a. Directly or indirectly by the enforcement of any ordinance, law, request, demand, order, regulation or rule that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **contaminants, fungus, wet rot or dry rot**;
- b. By the enforcement of any ordinance, law, request, demand, order, regulation or rule which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination, presence, growth, proliferation, spread or activity of **contaminants, fungus, wet rot or dry rot**;
- c. To comply with any ordinance, law, request, demand, order, regulation or rule that you were required to comply with before the loss or damage; or
- d. By repairing, rebuilding or replacing **covered property** as provided under the Increased Cost of Construction Coverage in the Real and Personal Property Coverage Form, unless you have added such Coverage to your policy.

13. Reported Unscheduled Premises

We will pay for the:

- a. Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- b. Actual and necessary **extra expense** you incur,

during the **period of restoration**, caused by direct physical loss of or damage to property (of the type insurable under the Real and Personal Property Coverage Form) at a **reported unscheduled premises**. The loss or damage must be directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage at any one **reported unscheduled premises** is the applicable Limit of Insurance shown on the Declarations for Reported Unscheduled Premises – Business Income or Extra Expense.

14. Scheduled Property

We will pay for the:

- a. Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- b. Actual and necessary **extra expense** you incur,

during the **period of restoration**, caused by direct physical loss of or damage to **scheduled property**. The loss or damage must be directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage in any one **occurrence** is 25% of the applicable Limit of Insurance shown on the Scheduled Property Coverage Form, for the **scheduled property** that has suffered direct physical loss or damage.

The Limit for this Additional Coverage is included in, and not in addition to the applicable Limit of Insurance, shown on the Scheduled Property Coverage Form, for the **scheduled property** that has suffered direct physical loss or damage.

15. Transit

We will pay for the:

- a. Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- b. Actual and necessary **extra expense** you incur,

during the **period of restoration**, caused by direct physical loss of or damage to **covered property** in transit. The loss or damage must be directly caused by a **covered cause of loss**.

This Additional Coverage applies to **covered property** in transit, meaning when the **covered property** being transported leaves the originating location and ends when unloaded at the final destination including ordinary or reasonable stops, interruptions, delays or transfers in the course of transit.

In the event of any loss of or damage to **covered property** in transit, you must immediately make a claim in writing against the carrier, bailee or others involved.

If **covered property** in transit which was sold under Free on Board or Freight Allowed terms is lost or damaged and the consignee refuses to pay for such **covered property** because of the loss or damage, we will not attempt to enforce collection from the consignee without your written permission.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Transit – Business Income and Extra Expense.

This Additional Coverage does not apply to:

- a. Property of others in your care, custody or control if you are acting as a carrier for hire, broker, loader, consolidator or freight forwarder with a written contract or bill of lading;
- b. Furs, fur garments and garments trimmed with fur;
- c. Jewelry, watches, watch movements, jewels, pearls, precious or semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals, except for:
 - (1) Jewelry or watches worth \$100 or less per item; or
 - (2) Precious or semiprecious stones or metals used for industrial purposes;
- d. Lottery tickets held for sale; or
- e. Property in transit insured under any other Coverage in this policy.

16. Unintentional Errors or Omissions

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**, due to direct physical loss of or damage to property (of the type insurable under the Real and Personal Property Coverage Form) directly caused by a **covered cause of loss** which is not payable under this policy as a result of:

- a. Your unintentional error or omission in the description or location of property; or
- b. Failure to include a **premises** you own, lease, rent or occupy as of the effective date shown on the Declarations due to your unintentional error or omission.

We will pay such loss only to the extent such loss would have been covered under the terms and conditions of this Coverage Form if the unintentional error or omission had not been made.

This Additional Coverage applies only if:

- a. You report and correct such unintentional error or omission when discovered; and
- b. You pay any additional premium that may be due.

This Additional Coverage does not apply if:

- a. You collect or are entitled to collect any portion of the loss or damage under this or any other policy; or
- b. The loss or damage is caused directly or indirectly by **earth movement** or **flood**, even if coverage for **earth movement** or **flood** is added by endorsement to this Commercial Property Coverage Part.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Unintentional Errors or Omissions – Property Damage and Time Element Combined.

17. Unreported Premises

We will pay for the:

- a. Actual loss of **business income** you sustain due to the necessary **suspension** of your **operations**; and
- b. Actual and necessary **extra expense** you incur,

during the **period of restoration**, caused by direct physical loss of or damage to your property (of the type insurable under the Real and Personal Property Coverage Form) or property of your landlord, at an **unreported premises**. The loss or damage must be directly caused by a **covered cause of loss**.

The most we will pay under this Additional Coverage at any one **unreported premises** is the applicable Limit of Insurance shown on the Declarations for Unreported Premises – Business Income or Extra Expense.

This Additional Coverage does not apply to loss of **business income** or **extra expense** incurred that is insured under any other Coverage in this policy.

18. Utility Service Interruption – Time Element

- a. We will pay for the:

(1) Actual loss of **business income** you sustain resulting from the necessary **suspension** of your **operations**; and

(2) Actual and necessary **extra expense** you incur,

during the **period of restoration**, directly caused by the interruption of utility services consisting of water, power, steam, natural gas, sewer or communication, including video, voice, data and internet access, but not including an **information technology services provider**. The interruption must result from direct physical loss of or damage directly caused by a **covered cause of loss** to property (including overhead transmission and distribution lines) of the utility service supplier located away from the **premises** or **reported unscheduled premises** where the loss occurred.

- b. Utility Service Interruption – Extension For Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders to your customers due to the **suspension** of your **operations** that results from interruption of utility services consisting of water, power, steam, natural gas, sewer or communication, including video, voice, data and internet access, but not including an **information technology services provider**. The interruption must result from direct physical loss of or damage directly caused by a **covered cause of loss** to property (including overhead transmission and distribution lines) of the utility service supplier located away from the **premises** or **reported unscheduled premises** where the loss occurred. The Limit for this Extension is included in, and not in addition to, the applicable Utility Service Interruption – Business Income or Extra Expense Limit of Insurance.

The most we will pay under this Additional Coverage is the applicable Limit of Insurance shown on the Declarations for Utility Service Interruption – Business Income or Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

C. Exclusions

The exclusions stated below in this Coverage Form and the exclusions in the Real and Personal Property Coverage Form, except Utility Service Interruption, apply to loss of **business income** sustained and **extra expense** incurred caused by or resulting from loss of or damage to any property:

1. Finished Stock

We will not pay for loss of **business income** sustained, caused by or resulting from:

- a. Loss or damage to **finished stock**; or
- b. The time required to replace **finished stock**.

2. Idle Periods

We will not pay for loss of **business income** sustained or **extra expense** incurred during any period in which business would not or could not have been conducted for any reason other than direct physical loss of or damage to property, as described in Sections **A.** and **B.** above.

3. Strikers or Others Causing Delay

We will not pay for any loss of **business income** sustained or **extra expense** incurred caused by or resulting from delay in rebuilding, repairing or replacing property or resuming **operations**, due to the interference at the location of the rebuilding, repair or replacement by strikers or other persons.

4. Suspension, Lapse or Cancellation

We will not pay for an increase in your **business income** loss sustained caused by or resulting from a suspension, lapse or cancellation of any license, lease or contract, except for that portion of the loss you sustain, directly caused by the **suspension** of your **operations** covered under this Coverage Form and only during the **period of restoration** and time period as provided under Section **B.6.** Extended Period of Indemnity.

5. Utility Service Interruption

We will not pay for loss or damage caused by or resulting from the interruption of utility services, including but not limited to water, power, steam, natural gas, sewer or communication, including video, voice, data and internet access or any **information technology services provider** supplied to a covered location, however caused, if the interruption takes place away from the covered location. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. The extent coverage is provided in the Utility Service Interruption – Time Element Additional Coverage of this policy; and
- b. **Scheduled property.**

D. Limitations

1. Green Roofing Systems

We will not pay for loss of **business income** sustained or **extra expense** incurred caused by or resulting from loss or damage to **green roofing systems** unless the physical loss or damage is directly caused by a **covered cause of loss**. However, in no event will we pay for the following causes of loss or damage:

- a. Disease or sickness;
- b. Changes in or extremes of temperature;
- c. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
- d. Rain, snow, hail, ice or sleet.

2. Outdoor Trees, Shrubs, Plants or Lawns

We will not pay for loss of **business income** sustained or **extra expense** incurred caused by or resulting from loss or damage to outdoor trees, shrubs, plants or lawns unless the physical loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion or aircraft.

E. Deductible

1. We will not pay for any loss, damage, cost or expense in any one **occurrence** until the amount of covered loss, damage, cost or expense exceeds the applicable Deductibles or, if subject to a Waiting Period, the loss, damage, cost or expense is incurred after the applicable Waiting Period shown on the Declarations has expired. We will then pay the amount of covered loss, damage, cost or expense in excess of the Deductibles, or incurred after the Waiting Period has expired, up to the applicable Limits of Insurance.

If a Waiting Period is shown on the Declarations, the Waiting Period begins immediately following the direct physical loss of or damage to property, directly caused by a **covered cause of loss**.

2. Unless otherwise stated, If two or more deductibles are applicable to covered loss or damage in an **occurrence**, the highest applicable deductible amount will be applied. However, if separate deductibles apply to **covered property** and **time element coverages**, then the deductibles shall apply separately but only the highest applicable deductible amount for loss or damage to **covered property** and the highest applicable deductible amount for loss under **time element coverage** will apply.
3. If two or more deductibles apply on a per **premises** or per **reported unscheduled premises** basis in an **occurrence**, the highest applicable deductible amount for loss or damage to **covered property** and the highest applicable deductible amount for loss under **time element coverage** applying to each **premises** or **reported unscheduled premises** will be applied separately to each such **premises** or **reported unscheduled premises**.

F. Loss Determination

1. Sources of Information

The amount of actual **business income** loss sustained and actual and necessary **extra expense** you incur will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns and accounting procedures;
- b. Bills, invoices and other vouchers; and
- c. Deeds, liens and contracts.

2. Net Income

The amount of **net income** will be determined based on:

- a. The **net income** of the business before the direct physical loss or damage occurred; and
- b. The likely **net income** of the business if no direct physical loss or damage had occurred.

3. Extra Expense

The amount of actual and necessary **extra expense** you incur will be determined based on all **extra expense** that exceeds the normal operating expenses that would have been incurred by your **operations** during the **period of restoration** if no direct physical loss or damage had occurred.

Once **operations** are resumed, we will deduct from the total **extra expense** incurred, the salvage value of any property bought for temporary use during the **period of restoration**.

4. Continuing Expenses

The amount of **continuing expenses** will be determined based on those expenses which are necessary to resume your **operations** with the same quality of service that existed just before the direct physical loss or damage.

5. Resumption of Operations

- a. We will reduce the amount of the **business income** loss payment:

- (1) To the extent you could resume your **operations**, in whole or in part, by using damaged or undamaged property, including **stock**; or
- (2) To the extent you could resume your **operations**, in whole or in part, by using any other location.

- b. We will reduce the amount of **extra expense** paid to the extent you can return **operations** to normal and discontinue such **extra expense**.
- c. With respect to a **suspension of operations** caused by direct physical loss of or damage at a **dependent premises**, we will reduce the amount of **business income** and **extra expense** loss payment to the extent you could resume your **operations**, in whole or in part, by using:

- (1) Sources of materials or services; or
- (2) Outlets for your products or services,
available to you.

6. Finished Stock and Merchandise

Lost or damaged **finished stock** or **merchandise** that is valued at regular cash selling price will be considered to have been sold to your customers and will be credited against the lost sales.

G. Limits of Insurance

- 1.** Except as otherwise stated in Section **B.** in this Coverage Form for any Additional Coverage or any endorsement attached to this Commercial Property Coverage Part, the applicable Limits of Insurance shown on the Declarations are the most we will pay, per **premises** or in any one **occurrence**, as indicated, for loss covered under this Coverage Form.

If a Limit of Insurance applies in the Annual Aggregate, then the most we will pay in any one policy year, regardless of the number of locations, coverages or **occurrences** involved, will not exceed such Annual Aggregate Limit of Insurance as shown on the Declarations.

When a Limit of Insurance is shown as **NCP** on the Declarations for any coverage, cause of loss or part thereof, then any loss, damage, cost or expense falling within such coverage, cause of loss or part thereof is not covered even if coverage would otherwise be available under any other part of this Commercial Property Coverage Part.

- 2.** If Maximum Period of Indemnity is shown on the Declarations, the following applies:

The most we will pay for loss of **business income** you sustain is the lesser of:

- a. The amount of loss incurred during the 120 days immediately following the beginning of the **period of restoration**; or
- b. The applicable Limit of Insurance shown on the Declarations for Business Income.

If the Maximum Period of Indemnity applies, the Additional Condition – Coinsurance endorsement and the Extended Period of Indemnity Additional Coverage do not apply.

- 3.** If Monthly Limit of Indemnity is shown on the Declarations, the following applies:

The most we will pay for loss of **business income** in each period of 30 consecutive days after the beginning of the **period of restoration** is:

- a. The applicable Limit of Insurance for Business Income, multiplied by
- b. The fraction shown on the Declarations for Monthly Limit of Indemnity.

If the Monthly Limit of Indemnity applies, the Additional Condition – Coinsurance endorsement and the Extended Period of Indemnity Additional Coverage do not apply.

Example:

If:

The Limit of Insurance is \$120,000 and the fraction shown on the Declarations for Monthly Limit of Indemnity is $\frac{1}{4}$,

The most we will pay for loss in each period of 30 consecutive days is \$30,000.

If:

The actual amount of the loss is:

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

We will pay:

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

The remaining \$10,000 of loss is not covered.



Wind/Hail Deductible

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

Business Income Coverage Form (Including Extra Expense)
Business Income Coverage Form Including Research and Development Continuing Expenses (Including Extra Expense) – Technology
Extra Expense Coverage Form
Real and Personal Property Coverage Form
Scheduled Property Coverage Form

With respect to any **premises** at which a Wind/Hail Deductible is shown on the Declarations, the following is added to the Deductible section:

With respect to all loss or damage caused directly or indirectly by wind or hail, regardless of whether any other cause or event, including a **mistake, malfunction** or another weather condition, contributes concurrently or in any sequence to the loss or damage, the following deductibles apply to **covered property** and **time element coverages**:

1. We will not pay for loss, damage, cost or expense at any one **premises** until the amount of covered loss, damage, cost or expense exceeds the Wind/Hail Deductible shown on the Declarations for that **premises**. We will then pay for the amount of covered loss, damage, cost or expense in excess of the deductible, up to the applicable Limits of Insurance.
2. If more than one **premises** suffers loss or damage in one **occurrence**, the applicable Deductibles shown on the Declarations will apply separately and individually to the covered loss, damage, cost or expense at each **premises**.

All other terms, conditions, provisions and exclusions of this policy remain the same.



Roof Covering Valuation

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

Commercial Property Definitions
Real and Personal Property Coverage Form

Schedule

Premises # / Building	Address / Description
3-1	6301 Gaston Avenue, Dallas, TX 75214-3922

With respect to a **premises**, or to a building at a **premises**, described on the Schedule above:

A. The following is added to Section **G.** Valuation in the Real and Personal Property Coverage Form:

Roof covering at the lesser of the:

- 1. Actual cash value;** or
- 2. Amount you actually spend.**

B. The following is added to the Commercial Property Definitions:

Roof covering means the covering material installed in a building over the roof deck, including all materials used in securing the roof covering, all materials applied under the roof cover for moisture protection and the roof flashing.

Roof covering does not mean the roof deck, roof deck supports or building frame.

All other terms, conditions, provisions and exclusions of this policy remain the same.



Cosmetic Damage to Roof Covering - Texas

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT ONLY APPLIES TO LOCATIONS IN TEXAS.

This endorsement modifies the following:

Commercial Property Definitions
Real and Personal Property Coverage Form

A. The following is added to Section **D. Exclusions** in the Real and Personal Property Coverage Form:

Roof Coverings

We will not pay for **cosmetic damage** directly or indirectly caused by hail to **roof coverings**.

B. The following are added to the Commercial Property Definitions:

- 1. Cosmetic damage** means that the hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the **cosmetic damage** occurred.
- 2. Roof covering** means the covering material installed in a building over the roof deck, including all materials used in securing the roof covering, all materials applied under the roof cover for moisture protection and the roof flashing.

Roof covering does not mean the roof deck, roof deck supports or building frame.

All other terms, conditions, provisions and exclusions of this policy remain the same.

Earth Movement Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

Business Income Coverage Form (Including Extra Expense)
Business Income Coverage Form Including Research and Development Continuing Expenses (Including Extra Expense) – Technology
Commercial Property Definitions
Extra Expense Coverage Form
Real and Personal Property Coverage Form

A. The following applies to:

Business Income Coverage Form (Including Extra Expense)
Business Income Coverage Form Including Research and Development Continuing Expenses (Including Extra Expense) – Technology
Extra Expense Coverage Form
Real and Personal Property Coverage Form

1. Coverage

The Earth Movement exclusion does not apply to loss or damage at a **premises** at which a Limit of Insurance is shown on the Declarations for Earth Movement. However, we will not pay for loss or damage caused directly or indirectly by any **earth movement** that begins before the inception of this Commercial Property Coverage Part.

All earthquake shocks that occur within any single 168-hour period will constitute a single **occurrence**. The expiration of this policy will not reduce the 168-hour period.

This Coverage does not apply to resulting:

- a.** Fire;
- b.** Explosion;
- c.** Theft; and
- d. Earthquake sprinkler leakage.**

This Coverage does not apply to property covered under the Earth Movement and Flood Coverage –Specified Additional Coverages endorsement if that endorsement is included in this Commercial Property Coverage Part.

2. Additional Exclusions

a. Mine Subsidence

We will not pay for loss or damage caused directly or indirectly by **mine subsidence**. Such loss or damage is excluded regardless of any other cause or event, including a **mistake, malfunction** or weather condition, that contributes concurrently or in any sequence to the loss or damage, even if such other cause or event would otherwise be covered. But if **mine subsidence** results in fire, explosion or theft, we will pay for that portion of the loss or damage solely caused by that fire, explosion or theft.

b. Off-Premises Damage

We will not pay for loss or damage caused directly or indirectly by **earth movement** at any of the following locations:

- (1) **Dependent premises;**
- (2) Fairs or exhibitions;
- (3) **Information technology services provider;**
- (4) **Newly acquired premises;**
- (5) **Reported unscheduled premises;**
- (6) **Unreported premises;** or
- (7) Any location of a utility service provider, including but not limited to water, power, steam, natural gas, sewer or communication, including video, voice, data and internet access to the **premises**.

3. Limits Of Insurance

With respect to loss or damage at a **premises** at which a Limit of Insurance is shown on the Declarations for Earth Movement, the following applies:

a. Premises Limits

The most we will pay in any one **occurrence** for covered loss, damage, cost or expense caused directly or indirectly by **earth movement** at any one **premises** is the Limit of Insurance shown on the Declarations for Earth Movement for that **premises**.

b. Occurrence Limits

- (1) The most we will pay in any one **occurrence** for all covered loss, damage, cost or expense caused directly or indirectly by **earth movement** at all **Schedule A Premises** is the Occurrence Limit of Insurance shown on the Declarations for Earth Movement (Schedule A), regardless of the number of **Schedule A Premises** involved.
- (2) The most we will pay in any one **occurrence** for all covered loss, damage, cost or expense caused directly or indirectly by **earth movement** at all **Schedule B Premises** is the Occurrence Limit of Insurance shown on the Declarations for Earth Movement (Schedule B), regardless of the number of **Schedule B Premises** involved.
- (3) The most we will pay in any one **occurrence** for all covered loss, damage, cost or expense caused directly or indirectly by **earth movement** at all **Schedule C Premises**, is the Occurrence Limit of Insurance shown on the Declarations for Earth Movement (Schedule C), regardless of the number of **Schedule C Premises** involved.

c. Annual Aggregate Limits

- (1) The most we will pay for all covered loss, damage, cost or expense caused directly or indirectly by **earth movement** in any one policy year, regardless of the number of **occurrences** or **Schedule A Premises** involved, is the annual Aggregate Limit of Insurance shown on the Declarations for Earth Movement (Schedule A).
- (2) The most we will pay for all covered loss, damage, cost or expense caused directly or indirectly by **earth movement** in any one policy year, regardless of the number of **occurrences** or **Schedule B Premises** involved, is the annual Aggregate Limit of Insurance shown on the Declarations for Earth Movement (Schedule B).
- (3) The most we will pay for all covered loss, damage, cost or expense caused directly or indirectly by **earth movement** in any one policy year, regardless of the number of **occurrences** or **Schedule C Premises** involved, is the annual Aggregate Limit of Insurance shown on the Declarations for Earth Movement (Schedule C).

These Limits are included in, and not in addition to, any other applicable Limits of Insurance.

4. Deductible

With respect to any **premises** at which an Earth Movement Deductible is shown on the Declarations, the following is added to the Deductible section:

With respect to all loss or damage caused directly or indirectly by **earth movement**, the following deductibles apply to **covered property** and **time element coverages**:

- a. We will not pay for loss, damage, cost or expense at any one **premises** until the amount of covered loss, damage, cost or expense exceeds the Earth Movement Deductible shown on the Declarations for that **premises**. We will then pay for the amount of covered loss, damage, cost or expense in excess of the deductible, up to the applicable Limits of Insurance.
- b. If more than one **premises** suffers loss or damage in one **occurrence**, the applicable Deductibles shown on the Declarations will apply separately and individually to covered loss, damage, cost or expense at each **premises**.

5. Coinsurance

The Additional Condition – Coinsurance endorsement does not apply to coverage provided by this endorsement.

B. The following definitions are added to the Commercial Property Definitions:

1. **Mine subsidence** means subsidence of a man-made mine, whether or not mining activity has ceased.
2. **Schedule A Premises** means **premises** at which the term Schedule A is shown under the Summary of Premises section on the Declarations.
3. **Schedule B Premises** means **premises** at which the term Schedule B is shown under the Summary of Premises section on the Declarations.
4. **Schedule C Premises** means **premises** at which the term Schedule C is shown under the Summary of Premises section on the Declarations.

All other terms, conditions, provisions and exclusions of this policy remain the same.



Enabling Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

Commercial Property Coverage Part

The provisions of any forms or endorsements that make reference to the Building And Personal Property Coverage Form or the Causes Of Loss – Special Form are applicable to the forms and endorsements that make up this Commercial Property Coverage Part.

All other terms, conditions, provisions and exclusions of this policy remain the same.

Flood Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

Business Income Coverage Form (Including Extra Expense)
Business Income Coverage Form Including Research and Development Continuing Expenses (Including Extra Expense) – Technology
Commercial Property Definitions
Extra Expense Coverage Form
Real and Personal Property Coverage Form

A. The following applies to:

Business Income Coverage Form (Including Extra Expense)
Business Income Coverage Form Including Research and Development Continuing Expenses (Including Extra Expense) – Technology
Extra Expense Coverage Form
Real and Personal Property Coverage Form

1. Coverage

The Flood exclusion does not apply to loss or damage at a **premises** at which a Limit of Insurance is shown on the Declarations for Flood. However, we will not pay for loss or damage caused directly or indirectly by **flood** that begins before the inception of this Commercial Property Coverage Part.

This Coverage does not apply to property covered under the Earth Movement and Flood Coverage – Specified Additional Coverages endorsement if that endorsement is included in this Commercial Property Coverage Part.

2. Additional Exclusions

Off-Premises Damage

We will not pay for loss or damage caused directly or indirectly by **flood** at any of the following locations:

- a. Dependent premises;**
- b. Fairs or exhibitions;**
- c. Information technology services provider;**
- d. Newly acquired premises;**
- e. Reported unscheduled premises;**
- f. Unreported premises; or**
- g. Any location of a utility service provider, including but not limited to water, power, steam, natural gas, sewer or communication, including video, voice, data and internet access to the premises.**

3. Limits Of Insurance

With respect to loss or damage at a **premises** at which a Limit of Insurance is shown on the Declarations for Flood, the following applies:

a. Premises Limits

The most we will pay in any one **occurrence** for covered loss, damage, cost or expense caused directly or indirectly by **flood** at any one **premises** is the Limit of Insurance shown on the Declarations for Flood for that **premises**.

b. Occurrence Limits

The most we will pay in any one **occurrence** for all covered loss, damage, cost or expense caused directly or indirectly by **flood**, regardless of the number of coverages or **premises** involved, is the Flood Occurrence Limit of Insurance shown on the Declarations, except not to exceed the following limits which are included in, and not in addition to this Flood Occurrence Limit of Insurance:

- (1) The most we will pay in any one **occurrence** for all covered loss, damage, cost or expense caused directly or indirectly by **flood**, at all **Schedule I Premises** is the Occurrence Limit of Insurance shown on the Declarations for Flood (Schedule I), regardless of the number of **Schedule I Premises** involved.
- (2) The most we will pay in any one **occurrence** for all covered loss, damage, cost or expense caused directly or indirectly by **flood**, at all **Schedule II Premises** is the Occurrence Limit of Insurance shown on the Declarations for Flood (Schedule II), regardless of the number of **Schedule II Premises** involved.
- (3) The most we will pay in any one **occurrence** for all covered loss, damage, cost or expense caused directly or indirectly by **flood**, at all **Schedule III Premises** is the Occurrence Limit of Insurance shown on the Declarations for Flood (Schedule III), regardless of the number of **Schedule III Premises** involved.

c. Annual Aggregate Limits

The most we will pay for all covered loss, damage, cost or expense caused directly or indirectly by **flood**, in any one policy year, regardless of the number of coverages, **occurrences** or **premises** involved, is the Flood Annual Aggregate Limit of Insurance shown on the Declarations, except not to exceed the following limits which are included in, and not in addition to this Flood Annual Aggregate Limit of Insurance:

- (1) The most we will pay for all covered loss, damage, cost or expense caused directly or indirectly by **flood** in any one policy year, regardless of the number of **occurrences** or **Schedule I Premises** involved, is the annual Aggregate Limit of Insurance shown on the Declarations for Flood (Schedule I).
- (2) The most we will pay for all covered loss, damage, cost or expense caused directly or indirectly by **flood** in any one policy year, regardless of the number of **occurrences** or **Schedule II Premises** involved, is the annual Aggregate Limit of Insurance shown on the Declarations for Flood (Schedule II).
- (3) The most we will pay for all covered loss, damage, cost or expense caused directly or indirectly by **flood** in any one policy year, regardless of the number of **occurrences** or **Schedule III Premises** involved, is the annual Aggregate Limit of Insurance shown on the Declarations for Flood (Schedule III).

These Limits are included in, and not in addition to, any other applicable Limits of Insurance.

4. Deductible

With respect to any **premises** at which a Flood Deductible is shown on the Declarations, the following is added to the Deductible section:

With respect to all loss or damage caused directly or indirectly by **flood**, the following deductibles apply to **covered property** and **time element coverages**:

- a. We will not pay for loss, damage, cost or expense at any one **premises** until the amount of covered loss, damage, cost or expense exceeds the Flood Deductible shown on the Declarations for that **premises**. We will then pay for the amount of covered loss, damage, cost or expense in excess of the deductible, up to the applicable Limits of Insurance.
- b. If more than one **premises** suffers loss or damage in one **occurrence**, the applicable Deductibles shown on the Declarations will apply separately and individually to covered loss, damage, cost or expense at each **premises**.
- c. Notwithstanding **a.** above, If direct physical loss or damage directly or indirectly caused by **flood** occurs concurrently or in any sequence with direct physical loss or damage caused directly or indirectly by **named storm**, (and your policy contains Named Storm Deductibles in this Commercial Property Coverage Part), separate Named Storm Deductibles will also be applied.

5. Coinsurance

The Additional Condition – Coinsurance endorsement does not apply to coverage provided by this endorsement.

B. The following definitions are added to the Commercial Property Definitions:

- 1. **Schedule I Premises** means **premises** at which the term Schedule I is shown under the Summary of Premises section on the Declarations.
- 2. **Schedule II Premises** means **premises** at which the term Schedule II is shown under the Summary of Premises section on the Declarations.
- 3. **Schedule III Premises** means **premises** at which the term Schedule III is shown under the Summary of Premises section on the Declarations.

All other terms, conditions, provisions and exclusions of this policy remain the same.



Real Estate Tax Assessment Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

Real and Personal Property Coverage Form

The following is added to Section **C. Additional Coverages**:

Real Estate Tax Assessment

If loss or damage to **real property** at a **premises** is the result of a **covered cause of loss**, and as a direct result of the repairs to, rebuilding of or replacement of the **real property** with materials of like kind and quality there is an increased real estate tax assessment of that **real property**, we will reimburse you for the amount of the increased real estate tax that is directly attributable to the repairs to, rebuilding of or replacement of that **real property**.

We will only pay for the amount of such increased real estate tax if it is assessed within 2 years of the completion of the repairs, rebuilding or replacement of that **real property**.

The most we will pay under this Additional Coverage is the amount of the increased real estate tax or \$50,000, whichever is less. The expiration date of this policy will not cut short this coverage.

All other terms, conditions, provisions and exclusions of this policy remain the same.



Tenant Relocation and Replacement Expense Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

Commercial Property Definitions
Real and Personal Property Coverage Form

A. The following is added to Section **C.** Additional Coverages in the Real and Personal Property Coverage Form:

1. Tenant Relocation Expense

If any of your tenants are temporarily evacuated from a **premises** or **reported unscheduled premises** due to direct physical loss of or damage to **covered property** from a **covered cause of loss**, we will pay for the reasonable and necessary **tenant relocation expenses** you incur to return any evacuated tenant to the **premises** or **reported unscheduled premises**.

The tenant must return within 60 days after the space leased by that tenant has been repaired, rebuilt or replaced and is ready for occupancy.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Tenant Relocation Expense.

2. Tenant Replacement Expense

In the event of a **covered cause of loss** to **real property** at a **premises** or **reported unscheduled premises** which directly resulted in the cancellation of tenant leases of said **premises** or **reported unscheduled premises**, we will pay for the reasonable and necessary fees and commissions of real estate brokers or real estate agents and advertising and promotional expenses you pay to obtain new tenant leases.

This Additional Coverage will end when the percentage of occupancy at the **premises** or **reported unscheduled premises** reaches the same level that existed at the time of loss or damage.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Tenant Replacement Expense.

B. The following is added to the Commercial Property Definitions:

Tenant relocation expense means the following documented expenses:

- 1.** Packing materials and packing;
- 2.** Movers, moving equipment and moving vans;
- 3.** Transportation costs from a temporary location;
- 4.** Insurance coverage for tenant's personal property during the move;
- 5.** Assembling and setting up furniture, fixtures and equipment;
- 6.** Unpacking and re-shelving stock and supplies; and
- 7.** Re-establish public utility and communication service, less refunds from discontinued services.

Tenant relocation expense does not mean:

1. Financial loss incurred due to the termination of a lease or other agreement;
2. Security deposits or any other payments or penalties made to the landlord or lessor of temporary locations; or
3. Moving costs associated with evacuating the tenant.

All other terms, conditions, provisions and exclusions of this policy remain the same.



Loss Payable Provisions

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

Commercial Property Conditions
Commercial Property Definitions

A. The following is added to the Loss Payment condition in the Commercial Property Conditions:

1. Blanket Loss Payee

If loss or damage occurs to **covered property** in which both you and a **blanket loss payee**, whether or not shown on the Loss Payee Schedule, have an insurable interest, we will:

- a.** Adjust losses with you; and
- b.** Pay any claim for covered loss or damage jointly to you and the **blanket loss payee**, as interests may appear.

2. Lender's Loss Payee

- a.** For **covered property** in which both you and the **lender's loss payee** shown on the Loss Payee Schedule have an insurable interest:

- (1)** We will adjust losses with you and pay for covered loss or damage jointly to you and to each **lender's loss payee** in their order of precedence, as interests may appear.
- (2)** The **lender's loss payee** has the right to receive loss payment even if the **lender's loss payee** has started foreclosure or similar action on the **covered property**.
- (3)** If we deny your claim because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part, the **lender's loss payee** will still have the right to receive loss payment if the **lender's loss payee**:
 - (a)** Pays the premium due under this Commercial Property Coverage Part at our request if you have failed to do so;
 - (b)** Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (c)** Has notified us of any change in ownership, occupancy or substantial change in risk known to the **lender's loss payee**.

All the terms of this Commercial Property Coverage Part will then apply directly to the **lender's loss payee**.

- b.** If we pay the **lender's loss payee** for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part:
 - (1)** The **lender's loss payee's** rights will be transferred to us to the extent of the amount we pay; and
 - (2)** The **lender's loss payee's** rights to recover the full amount of the **lender's loss payee's** claim will not be impaired.
- c.** At our option, we may pay to the **lender's loss payee** the whole principal of the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

- d. If we cancel this policy, we will give written notice to the **lender's loss payee** at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- e. If we elect not to renew this policy, we will give written notice to the **lender's loss payee** at least 10 days before the expiration date of this policy.
- f. In no event will failure to provide notice as set forth in this Section 2. Lender's Loss Payee waive our right or ability to cancel or non-renew the policy as allowed by law.

3. Contract Of Sale Loss Payee

For **covered property** in which both you and the **contract of sale loss payee** shown on the Loss Payee Schedule have an insurable interest:

- a. We will:
 - (1) Adjust losses with you; and
 - (2) Pay any claim for covered loss or damage jointly to you and the **contract of sale loss payee**, as interests may appear.
- b. The following is added to the Other Insurance condition:

For **covered property** that is the subject of a contract of sale, the word "you" includes the **contract of sale loss payee**.

4. Building Owner Loss Payee

- a. We will adjust losses to the building with the **building owner loss payee** shown on the Loss Payee Schedule. Any loss payment made to the **building owner loss payee** will satisfy your claims against us for the owner's property.
- b. We will adjust loss to **improvements and betterments** with you unless the lease provides otherwise.

B. The following are added to the Commercial Property Definitions:

- 1. **Blanket loss payee** means a person or entity required to be named as a loss payee for loss or damage covered by this policy, as evidenced in a written contract executed prior to the loss or damage.

Blanket loss payee does not mean a **lender's loss payee**, **contract of sale loss payee** or **building owner loss payee**.
- 2. **Building owner loss payee** means the owner of the building in which you are a tenant.
- 3. **Contract of sale loss payee** means a person or organization that you have entered into a contract with for the sale of **covered property**.
- 4. **Lender's loss payee** means a creditor, including a mortgage holder or trustee, shown on the Loss Payee Schedule, whose interest in **covered property** is established by a written instrument, including a warehouse receipt, a contract for deed, bill of lading, financing statement, mortgage, deed of trust or security agreement.

All other terms, conditions, provisions and exclusions of this policy remain the same.

SCHEDULE OF LOSS PAYEE(S)

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

Loc No.	Bldg. No.	Loss Payee and Mailing Address
001		Loss Payee: (Loss Payable) Twain Community Funding I, LLC 2200 Washington Ave St Louis, MO 63103 property
001		Loss Payee: (Loss Payable) Twain Community Partners, II, LLC 1232 Washington Ave St Louis, MO 63103 property
001		Loss Payee: (Loss Payable) Veritex Community Bank c/o Insurance Service Center PO Box 863329 Plano, TX 75086
001		Loss Payee: (Loss Payable) Twain HTC Fund XXX, LLC 2200 Washington Ave St Louis, MO 63103 property
001		Building Owner Twain HTC Fund XXX, LLC 2200 Washington Ave St Louis, MO 63103 property
001		Building Owner Twain Community Partners II, LLC 1232 Washington Ave St Louis, MO 63103 property
001		Building Owner Twain Community Funding I, LLC 2200 Washington Ave St Louis, MO 63103 property

SCHEDULE OF LOSS PAYEE(S)

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

Loc No.	Bldg. No.	Loss Payee and Mailing Address
002		Loss Payee: (Loss Payable) Twain Community Funding I, LLC 2200 Washington Ave St Louis, MO 63103 property
002		Loss Payee: (Loss Payable) Veritex Community Bank c/o Insurance Service Center PO Box 863329 Plano, TX 75086
002		Loss Payee: (Loss Payable) Twain HTC Fund XXX, LLC 2200 Washington Ave St Louis, MO 63103 property
002		Loss Payee: (Loss Payable) Twain Community Partners, II, LLC 1232 Washington Ave St Louis, MO 63103 property
002		Building Owner Twain Community Partners II, LLC 1232 Washington Ave St Louis, MO 63103 property
002		Building Owner Twain Community Funding I, LLC 2200 Washington Ave St Louis, MO 63103 property
002		Building Owner Twain HTC Fund XXX, LLC 2200 Washington Ave St Louis, MO 63103 property

SCHEDULE OF LOSS PAYEE(S)

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

Loc No.	Bldg. No.	Loss Payee and Mailing Address
003		Loss Payee: (Loss Payable) Twain Community Funding I, LLC 2200 Washington Ave St Louis, MO 63103 property
003		Loss Payee: (Loss Payable) Twain HTC Fund XXX, LLC 2200 Washington Ave St Louis, MO 63103 property
003		Loss Payee: (Loss Payable) Veritex Community Bank c/o Insurance Service Center PO Box 863329 Plano, TX 75086
003		Loss Payee: (Loss Payable) Twain Community Partners, II, LLC 1232 Washington Ave St Louis, MO 63103 property
003		Building Owner Twain Community Partners II, LLC 1232 Washington Ave St Louis, MO 63103 property
003		Building Owner Twain HTC Fund XXX, LLC 2200 Washington Ave St Louis, MO 63103 property
003		Building Owner Twain Community Funding I, LLC 2200 Washington Ave St Louis, MO 63103 property

Texas Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT ONLY APPLIES TO LOCATIONS IN TEXAS.

This endorsement modifies the following:

Commercial Property Conditions
Commercial Property Coverage Part

A. Appraisal

1. Except as provided in **2.** below, the Appraisal Condition in the Commercial Property Conditions is replaced by the following:

Appraisal

If we and you disagree on the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent, disinterested and impartial appraiser who has no direct or indirect financial interest in the claim and notify the other of the appraiser selected within 20 days of such demand. The two appraisers will select an umpire. If they cannot agree within 15 days upon such umpire, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form or, if not stated, the **actual cash value** and **replacement cost**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding as to the amount of loss. 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:

- a. You will still retain your right to bring a legal action against us, subject to the provisions of the Legal Action Against Us Condition; and
 - b. We will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.
2. With respect to losses covered by the Business Income Coverage Form (Including Extra Expense) and the Business Income Coverage Form Including Research and Development Continuing Expenses (Including Extra Expense) – Technology, the Appraisal Condition in the Commercial Property Conditions is replaced by the following:

Appraisal

If we and you disagree on the amount of **net income** and **continuing expenses** 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, disinterested and impartial appraiser who has no direct or indirect financial interest in the claim and notify the other of the appraiser selected within 20 days of such demand. The two appraisers will select an umpire. If they cannot agree within 15 days upon such umpire, 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 **continuing expenses** and the 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 as to the amount of loss. 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:

- a. You will still retain your right to bring a legal action against us, subject to the provisions of the Legal Action Against Us Condition; and
- b. We will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

B. Subsection **1.g.** of the Duties in the Event of Loss or Damage Condition in the Commercial Property Conditions is replaced by the following:

- g.** Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 91 days after our request. We will supply you with the necessary forms.

C. Subsection **5.** of the Loss Payment Condition in the Commercial Property Conditions is replaced by the following:

5. Claims Handling

- a. Within 15 days after we receive written notice of claim, we will:
 - (1) Acknowledge receipt of the claim. If we do not acknowledge receipt of the claim in writing, we will keep a record of the date, method and content of the acknowledgment;
 - (2) Begin any investigation of the claim; and
 - (3) Request a signed, sworn proof of loss, specify the information you must provide and supply you with the necessary forms. We may request more information at a later date, if during the investigation of the claim such additional information is necessary.
- b. We will notify you in writing as to whether:
 - (1) The claim or part of the claim will be paid;
 - (2) The claim or part of the claim has been denied and inform you of the reasons for denial;
 - (3) More information is necessary; or
 - (4) We need additional time to reach a decision. If we need additional time, we will inform you of the reasons for such need.

We will provide notification, as described in 1) through 4) above, within:

- (1) 15 business days after we receive the signed, sworn proof of loss and all information we requested; or
- (2) 30 days after we receive the signed, sworn proof of loss and all information we requested, if we have reason to believe the loss resulted from arson.

If we have notified you that we need additional time to reach a decision, we must then either approve or deny the claim within 45 days of such notice.

- c. We will pay for covered loss or damage within 5 business days after:
 - (1) We have notified you that payment of the claim or part of the claim will be made and have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

However, if payment of the claim or part of the claim is conditioned on your compliance with any of the terms of this Commercial Property Coverage Part, we will make payment within 5 business days after the date you have complied with such terms.

The term business day means a day other than Saturday, Sunday or a holiday recognized by the state of Texas.

D. The following is added to the Loss Payment Condition in the Commercial Property Conditions:

Catastrophe Claims

If a claim results from a weather-related Catastrophe or a Major Natural Disaster, the claim handling and claim payment deadlines described above are extended for an additional 15 days.

Catastrophe or Major Natural Disaster means a weather-related event which:

1. Is declared a disaster under the Texas Disaster Act of 1975; or
2. Is determined to be a catastrophe by the State Board of Insurance.

E. The following is added to the Valuation section of every Coverage Form in the Commercial Property Coverage Part which provides coverage for loss of or damage to **real property** due to fire:

Chapter 862 – Subsection 862.053. Policy A Liquidated Demand. A fire insurance policy, in case of total loss by fire of property insured, shall be held and considered to be a liquidated demand against the Company for the full amount of such policy. The provisions of this Article shall not apply to **personal property**.

F. Subsections **4.** and **6.** of the Mortgage Holders Condition in the Commercial Property Conditions are replaced by the following:

4. If we deny your claim because of your acts or because you have failed to comply with their terms of this Commercial Property Coverage Part, the mortgage holder will still have the right to receive loss payment if the mortgage holder:
 - a. Pays any premium due under this Commercial Property Coverage Part at our request if you have failed to do so;
 - b. Submits a signed, sworn proof of loss within 91 days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All of the terms of this Commercial Property Coverage Part will then apply directly to the mortgage holder.

6. If this policy is cancelled, we will give the mortgage holder named on the Declarations written notice of cancellation.

If we cancel this policy, we will give written notice to the mortgage holder at least:

- a. 14 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- b. 30 days before the effective date of cancellation if we cancel for any other reason.

If you cancel the policy, we will give the mortgage holder notice of cancellation to be effective on the date stated in the notice. The date of cancellation cannot be before the 10th day after the date we mail the notice.

G. The Legal Action Against Us Condition in the Commercial Property Conditions is replaced by the following:

Legal Action Against Us

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

1. There has been full compliance with all of the terms of this Commercial Property Coverage Part; and
2. The action is brought within 2 years and one day from the date the cause of action first accrues. A cause of action first accrues on the date of the initial breach of our contractual duties alleged in the action.

H. Condominium Additional Provisions

If this policy covers a Condominium Association and the condominium property contains at least one residence or the Condominium Declarations conform with the Texas Uniform Condominium Act, then the following Subsections apply:

1. The following are added to the Commercial Property Conditions:
 - a. Act Or Omission

No act or omission by any unit-owner will void this policy or be a condition to recovery under this policy. But this Condition does not apply to unit-owners acting within the scope of their authority on behalf of the Association.

b. Waiver Of Rights Of Recovery

We waive our rights to recover payment against:

- (1)** Any unit-owner described on the Declarations including the developer and members of his or her household;
- (2)** The Association; and
- (3)** Members of the board of directors for acts or omissions within the scope of their duties for you.

But we reserve our rights to recover from the developer damages for which he or she may be held liable in his or her capacity as a developer.

2. Unit-Owner's Insurance

A unit-owner may have other insurance covering the same property as this Commercial Property Coverage Part. If so, the coverage provided by this Commercial Property Coverage Part is primary and does not contribute with such other insurance.

3. Loss Payment – Insurance Trustee

The following is added to the Loss Payment Condition in the Commercial Property Conditions:

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

4. Mortgage Holders

Subsections **2.**, **6.** and **7.** of the Mortgage Holders Condition in the Commercial Property Conditions are replaced by the following:

- 2.** If the condominium is terminated, we will pay for covered loss of or damage to buildings or structures to each mortgage holder shown on the Declarations in their order of precedence, as interests may appear. In all other respects, we will pay for loss of or damage to buildings or structures to you, or the insurance trustee designated for that purpose, in accordance with this Loss Payment Condition.
- 6.** If we cancel this policy, we will give written notice to the mortgage holder at least 30 days before the effective date of cancellation.

If you cancel the policy, we will give the mortgage holder notice of cancellation to be effective on the date stated in the notice. The date of cancellation cannot be before the 10th day after the date we mail the notice.
- 7.** If we elect not to renew this policy, we will give written notice to the mortgage holder at least 30 days before the expiration or anniversary date of this policy.

All other terms, conditions, provisions and exclusions of this policy remain the same.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

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

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

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

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

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

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

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

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

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

b. Contractual Liability

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

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

c. Liquor Liability

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

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

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

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

d. Workers' Compensation And Similar Laws

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

e. Employer's Liability

"Bodily injury" to:

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

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

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

f. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any

insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

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

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

This exclusion does not apply to:

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

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

(a) Less than 26 feet long; and

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

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

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

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

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

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

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

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

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

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

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

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

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

k. Damage To Your Product

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

l. Damage To Your Work

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

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

m. Damage To Impaired Property Or Property Not Physically Injured

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

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

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

n. Recall Of Products, Work Or Impaired Property

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

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

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

o. Personal And Advertising Injury

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

p. Electronic Data

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

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

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software,

including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

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

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

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and

- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

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

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

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

c. Material Published Prior To Policy Period

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

d. Criminal Acts

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

e. Contractual Liability

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

f. Breach Of Contract

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

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

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

h. Wrong Description Of Prices

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

i. Infringement Of Copyright, Patent, Trade-mark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

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

j. Insureds In Media And Internet Type Businesses

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

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

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

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

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's

name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

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

n. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

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

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

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

- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE C – MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
 provided that:
 - (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

- 1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

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

2. Each of the following is also an insured:

- a.** Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b)** To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(1)(a)** or **(b)** above; or
- (d)** Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a)** Owned, occupied or used by;
- (b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;
- you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b.** Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- c.** Any person or organization having proper temporary custody of your property if you die, but only:

- (1)** With respect to liability arising out of the maintenance or use of that property; and
- (2)** Until your legal representative has been appointed.

- d.** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a.** Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b.** Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c.** Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a.** Insureds;
- b.** Claims made or "suits" brought; or
- c.** Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

- a.** Medical expenses under Coverage **C**;
- b.** Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c.** Damages under Coverage **B**.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;

- (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and

- (2) Notify us as soon as practicable.

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

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;

- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

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

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

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

6. Representations

By accepting this policy, you agree:

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

7. Separation Of Insureds

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

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

8. Transfer Of Rights Of Recovery Against Others To Us

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

9. When We Do Not Renew

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

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

SECTION V – DEFINITIONS

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

- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

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

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

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

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement;
- f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1)** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a)** Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b)** Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

- (3)** Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b.** While it is in or on an aircraft, watercraft or "auto"; or
- c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b.** Vehicles maintained for use solely on or next to premises you own or rent;
- c.** Vehicles that travel on crawler treads;
- d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1)** Power cranes, shovels, loaders, diggers or drills; or
 - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1)** Air compressors, pumps and generators, including spraying, welding,

building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

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

(1) Equipment designed primarily for:

(a) Snow removal;

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

(c) Street cleaning;

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

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

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

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

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

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

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

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You;
 - (b)** Others trading under your name; or
 - (c)** A person or organization whose business or assets you have acquired; and
- (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2)** The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1)** Work or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.

General Liability Supplemental Coverage Endorsement – Real Estate – Enhancement



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l Prem.	Return Prem.
CPO 6444345 - 03	08/17/2024	08/17/2025		76633000		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

A. Insured Status – Employees

Paragraph **2.a.(1)** of Section **II – Who Is An Insured** is replaced by the following:

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.

However:

Paragraphs **(1)(a)** and **(1)(d)** do not apply to your "employees" or "volunteer workers", who are not employed by you or volunteering for you as health care professionals, for "bodily injury" arising out of "Good Samaritan Acts" while the "employee" or "volunteer worker" is performing duties related to the conduct of your business.

"Good Samaritan Acts" means any assistance of a medical nature rendered or provided in an emergency situation for which no remuneration is demanded or received.

Paragraphs **(1)(a)**, **(b)** and **(c)** do not apply to any "employee" designated as a supervisor or higher in rank, with respect to "bodily injury" to co-"employees". As used in this provision, "employees" designated as a supervisor or higher in rank means only "employees" who are authorized by you to exercise direct or indirect supervision or control over "employees" or "volunteer workers" and the manner in which work is performed.

B. Additional Insureds – Lessees of Premises

- 1.** Section **II – Who Is An Insured** is amended to include as an additional insured any person or organization who leases or rents a part of the premises you own or manage who you are required to add as an additional insured on this policy under a written contract or written agreement, but only with respect to liability arising out of your ownership, maintenance or repair of that part of the premises which is not reserved for the exclusive use or occupancy of such person or organization or any other tenant or lessee.

However, the insurance afforded to such additional insured:

- a.** Only applies to the extent permitted by law;

- c. This insurance does not apply to any of "your products" for which coverage is excluded under this Coverage Part.

3. With respect to the insurance afforded to these vendors under this Paragraph **C.**, the following is added to Section **III – Limits Of Insurance**:

The most we will pay on behalf of the vendor is the amount of insurance:

- a. Required by the written contract or written agreement referenced in Subparagraph **C.1.** above (of this endorsement); or
- b. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

This Paragraph **C.** shall not increase the applicable Limits of Insurance shown in the Declarations.

D. Additional Insured – Managers, Lessors or Governmental Entity

1. Section **II – Who Is An Insured** is amended to include as an additional insured any person or organization who is a manager, lessor or governmental entity who you are required to add as an additional insured on this policy under a written contract, written agreement or permit, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts or omissions of those acting on your behalf; and

resulting directly from:

- a. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit;
- b. Ownership, maintenance, occupancy or use of premises by you; or
- c. Maintenance, operation or use by you of equipment leased to you by such person or organization.

However, the insurance afforded to such additional insured:

- a. Only applies to the extent permitted by law; and
- b. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

2. The additional insurance provided by this Paragraph **D.** does not apply:

- a. Unless the written contract or written agreement has been executed, or the permit has been issued, prior to the "bodily injury", "property damage" or offense that caused "personal and advertising injury";
- b. To any person or organization included as an insured under Paragraph **3.** of Section **II – Who Is An Insured**;
- c. To any lessor of equipment if the "occurrence" or offense takes place after the equipment lease expires;
- d. To any:

(1) Owners or other interests from whom land has been leased by you; or

(2) Managers or lessors of premises, if:

- (a) The "occurrence" or offense takes place after the expiration of the lease or you cease to be a tenant in that premises;
- (b) The "bodily injury", "property damage" or "personal and advertising injury" arises out of the structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor; or

(c) The premises are excluded under this Coverage Part.

3. With respect to the insurance afforded to the additional insureds under this Paragraph **D.**, the following is added to Section **III – Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

- a. Required by the written contract or written agreement referenced in Subparagraph **D.1.** above (of this endorsement), or
- b. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

This Paragraph **D.** shall not increase the applicable Limits of Insurance shown in the Declarations.

E. Damage to Premises Rented or Occupied by You

1. The last paragraph under Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Damage to Premises Rented To You Limit of Insurance applies to this coverage as described in Section **III – Limits Of Insurance**.

2. Paragraph **6.** of Section **III – Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises while rented to you, or in the case of damage by one or more "specific perils" to any one premises, while rented to you or temporarily occupied by you with permission of the owner.

F. Broadened Contractual Liability

The "insured contract" definition under the **Definitions** Section is replaced by the following:

"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 "specific perils" 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;
- 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", "property damage", or "personal and advertising injury" arising out of the offenses of false arrest, detention or imprisonment, 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 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
- (2) 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 Paragraph (1) above and supervisory, inspection, architectural or engineering activities.

G. Definition – Specific Perils

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

"Specific perils" means:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Vandalism;
- h. Weight of snow, ice or sleet;

- i. Leakage from fire extinguishing equipment, including sprinklers; or
- j. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam.

H. Limited Contractual Liability Coverage – Personal and Advertising Injury

1. Exclusion **e.** of Section **I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

Exclusions

This insurance does not apply to:

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:

- (1) Liability for damages that the insured would have in the absence of the contract or agreement; or
- (2) Liability for "personal and advertising injury" if:
 - (a) The "personal and advertising injury" arises out of the offenses of false arrest, detention or imprisonment;
 - (b) The liability pertains to your business and is assumed in a written contract or written agreement in which you assume the tort liability of another. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; and
 - (c) The "personal and advertising injury" occurs subsequent to the execution of the written contract or written agreement.

Solely for purposes of liability so assumed in such written contract or written agreement, 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 and advertising injury" described in Paragraph (a) above, provided:

- (i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same written contract or written agreement; and
- (ii) 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. Paragraph **2.d.** of Section **I – Supplementary Payments – Coverages A and B** is 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;
3. The following is added to the paragraph directly following Paragraph **2.f.** of Section **I – Supplementary Payments – Coverages A and B**:
 Notwithstanding the provisions of Paragraph **2.e.(2)** of Section **I – Coverage B – Personal And Advertising Injury Liability**, such payments will not be deemed to be damages for "personal and advertising injury" and will not reduce the limits of insurance.

I. Supplementary Payments

The following changes apply to **Supplementary Payments – Coverages A and B**:

Paragraphs **1.b.** and **1.d.** are replaced by the following:

- b.** Up to \$2,500 for the 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.
- 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.

J. Broadened Property Damage

1. **Property Damage to Contents of Premises Rented Short-Term**

The paragraph directly following Paragraph (6) in Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" to premises (other than damage by "specific perils"), including "property damage" to the contents of such premises, rented to you under a rental agreement for a period of 14 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**.

2. Elevator Property Damage

- a. The following is added to Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**:

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" arising out of the use of an elevator at premises you own, rent or occupy.

- b. The following is added to Section **III – Limits Of Insurance**:

Subject to Paragraph **5.** above, the most we will pay under Coverage **A** for damages because of "property damage" to property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy is \$25,000 per "occurrence".

3. Property Damage to Borrowed Equipment

- a. The following is added to Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**:

Paragraph **(4)** of this exclusion does not apply to "property damage" to equipment you borrow from others.

- b. The following is added to Section **III – Limits Of Insurance**:

Subject to Paragraph **5.** above, the most we will pay under Coverage **A** for damages because of "property damage" to equipment you borrow from others is \$25,000 per "occurrence".

K. Expected or Intended Injury or Damage

Exclusion **a.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

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 persons or property.

L. Definition – Bodily Injury

The "bodily injury" definition under the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death sustained by that person which results from that bodily injury, sickness or disease.

M. Insured Status – Amateur Athletic Participants

Section **II – Who Is An Insured** is amended to include as an insured any person you sponsor while participating in amateur athletic activities. However, no such person is an insured for:

- a. "Bodily injury" to:

- (1)** Your "employee", "volunteer worker" or any person you sponsor while participating in such amateur athletic activities; or
- (2)** You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company) while participating in such amateur athletic activities; or

- b. "Property damage" to property owned by, occupied or used by, rented to, in the care, custody or control of, or over which the physical control is being exercised for any purpose by:

- (1)** Your "employee", "volunteer worker" or any person you sponsor; or
- (2)** You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

N. Non-Owned Aircraft and Watercraft

Exclusion **g.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is 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 51 feet long; and
 - (b) Not being used to carry persons 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;
- (5) An aircraft that is hired or chartered by you or loaned to you, with a paid and licensed crew, and is not owned in whole or in part by an insured; or
- (6) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

O. Definitions – Leased Worker, Temporary Worker and Labor Leasing Firm

1. The "leased worker" and "temporary worker" definitions under the **Definitions** Section are replaced by the following:

"Leased worker" means a person leased to you by a "labor leasing firm" under a written 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".

"Temporary worker" means a person who is furnished to you to support or supplement your work force during "employee" absences, temporary skill shortages, upturns or downturns in business or to meet seasonal or short-term workload conditions. "Temporary worker" does not include a "leased worker".

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

"Labor leasing firm" means any person or organization who hires out workers to others, including any:

- a. Employment agency, contractor or services;
- b. Professional employer organization; or
- c. Temporary help service.

P. Definition – Mobile Equipment

Paragraph **f.** of "mobile equipment" definition is replaced by the following:

- f. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment, exceeding a combined gross vehicle weight of 1000 pounds, 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.

Q. Definitions – Your Product and Your Work

The "your product" and "your work" definitions under the **Definitions** Section are replaced by the following:

"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, use, handling, maintenance, operation or safety 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.

"Your work":

a. Means:

- (1)** Work, services or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work, services or operations.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.

R. Duties in the Event of Occurrence, Offense, Claim or Suit Condition

The following paragraphs are added to Paragraph **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** of Section **IV – Commercial General Liability Conditions**:

Notice of an "occurrence" or of an offense which may result in a claim under this insurance or notice of a claim or "suit" shall be given to us as soon as practicable after knowledge of the "occurrence", offense, claim or "suit" has been reported to any insured listed under Paragraph **1.** of Section **II – Who Is An Insured** or an "employee" authorized by you to give or receive such notice. Knowledge by other "employees" of an "occurrence", offense, claim or "suit" does not imply that you also have such knowledge.

In the event that an insured reports an "occurrence" to the workers compensation carrier of the Named Insured and this "occurrence" later develops into a General Liability claim, covered by this Coverage Part, the insured's failure to report such "occurrence" to us at the time of the "occurrence" shall not be deemed to be a violation of this Condition. You must, however, give us notice as soon as practicable after being made aware that the particular claim is a General Liability rather than a Workers Compensation claim.

S. Other Insurance Condition

Paragraphs **4.a.** and **4.b.(1)** of the Other Insurance Condition of Section **IV – Commercial General Liability Conditions** are replaced by the following:

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below. However, this insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:

- (1)** The additional insured is a Named Insured under such other insurance; and

- (2) You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.

Other insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.

b. Excess Insurance

- (1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is property insurance, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is property insurance purchased by you (including any deductible or self insurance portion thereof) to cover premises rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you (including any deductible or self insurance portion thereof) 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;
 - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability; or
 - (v) That is property insurance (including any deductible or self insurance portion thereof) purchased by you to cover damage to:
 - Equipment you borrow from others; or
 - Property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy.
- (b) Any other primary insurance (including any deductible or self insurance portion thereof) available to the insured covering liability for damages arising out of the premises, operations, products, work or services for which the insured has been granted additional insured status either by policy provision or attachment of any endorsement. Other primary insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.
- (c) Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

T. Unintentional Failure to Disclose All Hazards

Paragraph **6. Representations** of Section **IV – Commercial General Liability Conditions** is replaced by the following:

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.

Coverage will continue to apply if you unintentionally:

- a.** Fail to disclose all hazards existing at the inception of this policy; or
- b.** Make an error, omission or improper description of premises or other statement of information stated in this policy.

You must notify us in writing as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to inception of this Coverage Part.

U. Waiver of Right of Subrogation

Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of Section **IV – Commercial General Liability Conditions** is replaced by the following:

8. Transfer Of Rights Of Recovery Against Others To Us

- a.** 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.
- b.** If the insured waives its right to recover payments for injury or damage from another person or organization in a written contract executed prior to a loss, we waive any right of recovery we may have against such person or organization because of any payment we have made under this Coverage Part. The written contract will be considered executed when the insured's performance begins, or when it is signed, whichever happens first. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.

V. Liberalization Condition

The following condition is added to Section **IV – Commercial General Liability Conditions**:

Liberalization Clause

If we revise our forms during the policy period which would broaden the coverage provided by any form that is a part of the Coverage Part without an extra premium charge, the broader coverage will apply to this Coverage Part. This condition is effective upon the approval of such broader coverage in the state where your policy is issued to the first Named Insured.

All other terms and conditions of this policy remain unchanged..

Broad Form / Newly Acquired Named Insured Endorsement – Real Estate – Enhancement



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.
CPO 6444345 - 03	08/17/2024	08/17/2025		76633000		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

A. Broadened Named Insured

1. The following is added to Section II – **Who Is An Insured**:

Any organization of yours, other than a partnership or joint venture, which is not shown in the Declarations, and over which you maintain an ownership interest of more than 50% of such organization as of the effective date of this Coverage Part, will qualify as a Named Insured. However, such organization will not qualify as a Named Insured under this provision if it:

- Is newly acquired or formed during the policy period;
- Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Part; or
- Would be an insured under another policy but for its termination or the exhaustion of its limits of insurance.

Each such organization remains qualified as a Named Insured only while you maintain an ownership interest of more than 50% of the organization during the policy period.

2. The last paragraph of Section II – **Who Is An Insured** does not apply to this provision to the extent that such paragraph would conflict with this provision.

B. Newly Acquired or Formed Organizations as Named Insureds

1. Paragraph 3. of Section II – **Who Is An Insured** is replaced by the following:

3. Any organization you newly acquire or form during the policy period, other than a partnership or joint venture, and over which you maintain an ownership interest of more than 50% of such organization, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- Coverage under this provision is afforded only until the earliest of the following:
 - The 180th day after you acquire or form the organization;
 - You no longer maintain an ownership interest of more than 50% of the organization; or
 - The end of the policy period;
- Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

An additional premium will apply in accordance with our rules and rates in effect on the date you acquired or formed the organization.

2. The last paragraph of Section **II – Who Is An Insured** does not apply to this provision to the extent that such paragraph would conflict with this provision.

All other terms and conditions of this policy remain unchanged.

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



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l Prem.	Return Prem.
CPO 6444345 - 03	08/17/2024	08/17/2025		76633000		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

- A. Exclusion q. Recording And Distribution Of Material Or Information In Violation Of Law** of 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:

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

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

- (1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

- B. Exclusion p. Recording And Distribution Of Material Or Information In Violation Of Law** of Paragraph **2. Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

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

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

- (1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

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

All other terms and conditions of this policy remain unchanged.

Designated Location General Aggregate Limit (Erodes All Designated Locations Total General Aggregate Limit)



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Policy No. CPO 6444345 - 03

Effective Date: 08/17/2024

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

SCHEDULE

All Designated Locations Total General Aggregate Limit: \$4,000,000

(*If no amount is shown for the All Designated Locations Total General Aggregate Limit, \$4,000,000 applies.)

A. Solely with respect to all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A**, and for all medical expenses caused by accidents under Section **I** – Coverage **C**, which can be attributed only to operations at a single "designated location":

1. A separate Designated Location General Aggregate Limit applies to each "designated location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".

3. The following is added to Section **III** – **Limits Of Insurance**:

The All Designated Locations Total General Aggregate Limit shown in the Schedule of this endorsement is the most we will pay for the sum of all:

- a. Damages under Coverage **A**; and
- b. Medical expenses under Coverage **C**,

which:

- (1) Can be attributed only to operations at any of the single "designated locations"; and
- (2) Applies towards any Designated Location General Aggregate Limit as indicated in Paragraph **A.1.** of this endorsement.

Such payments shall not reduce the General Aggregate Limit shown in the Declarations.

4. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Location General Aggregate Limit for that "designated location". Such payments shall also reduce the All Designated Locations Total General Aggregate Limit shown in the Schedule of this endorsement.

However, such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other "designated location".

5. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the

Declarations, such limits will be subject to the:

- a. Applicable Designated Location General Aggregate Limit; and
- b. All Designated Locations Total General Aggregate Limit shown in the Schedule of this endorsement.

6. Paragraph **5.** of Section **III – Limits Of Insurance** is replaced by the following:

5. Subject to:

- a. The applicable Designated Location General Aggregate Limit as indicated in Paragraph **A.1.** of this endorsement; and
- b. The All Designated Locations Total General Aggregate Limit shown in the Schedule of this endorsement, the Each Occurrence Limit is the most we will pay for the sum of:

(1) Damages under Coverage **A**; and

(2) Medical expenses under Coverage **C**,

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

B. Solely with respect to all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I – Coverage A**, and for all medical expenses caused by accidents under Section **I – Coverage C**, which cannot be attributed only to operations at a single "designated location":

- 1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
- 2. Such payments shall not reduce:
 - a. Any Designated Location General Aggregate Limit; or
 - b. The All Designated Locations Total General Aggregate Limit shown in the Schedule of this endorsement.

C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the:

- 1. General Aggregate Limit;
- 2. Designated Location General Aggregate Limit; or
- 3. All Designated Locations Total General Aggregate Limit shown in the Schedule of this endorsement.

D. Solely with respect to this endorsement, the following definition is added to the **Definitions** Section:

"Designated Location" means:

Each Location described in the Schedule of this endorsement, including premises you own or rent or premises that are temporarily occupied by you. Unless otherwise indicated in such schedule, a "designated location" involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad, will be deemed to be a single "designated location".

E. Solely with respect to this endorsement, Paragraph **1.** of Section **III – Limits Of Insurance** is replaced by the following:

- 1. The Limits of Insurance shown in the Declarations, the All Designated Locations Total General Aggregate Limit shown in the Schedule of this endorsement 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".

F. The provisions of Section **III – Limits Of Insurance** not otherwise modified by this endorsement shall continue to apply as stipulated.

All other terms, conditions, provisions and exclusions of this policy remain the same.

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

American Guarantee and Liability Insurance Company

Policy Number: **CPO 6444345 - 03**

Named Insured August Family Investments LTD.

Policy Period: Coverage begins 08/17/2024 at 12:01 A.M.; Coverage ends 08/17/2025 at 12:01 A.M.

Producer Name: SWINGLE, COLLINS & ASSOCIATES

Producer No. 76633000

Item 1. Business Description:

Item 2. Limits of Insurance

GENERAL AGGREGATE LIMIT	\$2,000,000
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$2,000,000
EACH OCCURRENCE LIMIT	\$1,000,000
DAMAGE TO PREMISES RENTED TO YOU LIMIT	\$1,000,000 Any one premises
MEDICAL EXPENSE LIMIT	\$10,000 Any one person
PERSONAL AND ADVERTISING INJURY LIMIT	\$1,000,000 Any one person or organization

Item 3. Retroactive Date (CG 00 02 ONLY)

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" offense which occurs before the Retroactive Date, if any, shown here:

(Enter Date or "None" if no Retroactive Date applies)

Item 4. Form of Business and Location Premises

Form of Business: Limited Liability Company

Location of All Premises You Own, Rent or Occupy: **See Schedule of Locations**

Item 5. Schedule of Forms and Endorsements

Form(s) and Endorsement(s) made a part of this Policy at time of issue:
See Schedule of Forms and Endorsements

Item 6. Premiums

Coverage Part Premium: \$9,178.00

Other Premium:

Total Premium: \$9,178.00

Policy Number CPO 6444345 - 03

COMMERCIAL GENERAL LIABILITY COVERAGE SCHEDULE

American Guarantee and Liability Insurance Company

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

Item 5. Location of Premises

Location of All Premises You Own, Rent or Occupy: **See Schedule of Locations**

Code No. 61212	Premium Basis Area	Premises/Operations	
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Location 001/001	Exposure 67,000	Rate 37.534	Premium \$2,515.00
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Classification: Buildings or Premises-bank,office-merc,Mfg(lessor's risk only)-Other than Not-FP	Products/Completed Operations		
	Rate		Premium

Code No. 61212	Premium Basis Area	Premises/Operations	
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Location 002/001	Exposure 36,000	Rate 37.534	Premium \$1,351.00
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Classification: Buildings or Premises-bank,office-merc,Mfg(lessor's risk only)-Other than Not-FP	Products/Completed Operations		
	Rate		Premium

Code No. 61212	Premium Basis Area	Premises/Operations	
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Location 003/001	Exposure 120,000	Rate 37.534	Premium \$4,504.00
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Classification: Buildings or Premises-bank,office-merc,Mfg(lessor's risk only)-Other than Not-FP	Products/Completed Operations		
	Rate		Premium

Code No.	Premium Basis	Premises/Operations	
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Location	Exposure	Rate	Premium \$167.00
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Classification: Additional Insured - Designated Person Or Organization	Products/Completed Operations		
	Rate		Premium

Policy Number CPO 6444345 - 03

COMMERCIAL GENERAL LIABILITY COVERAGE SCHEDULE

American Guarantee and Liability Insurance Company

Named Insured August Family Investments LTD.

Effective Date: 08/17/2024
12:01 A.M., Standard Time

Agent Name SWINGLE, COLLINS & ASSOCIATES

Agent No. 76633000

Item 5. Location of Premises

Location of All Premises You Own, Rent or Occupy: **See Schedule of Locations**

Code No.	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium \$126.00
Classification: Broad Form / Newly Acquired Named Insured Endorsement - Real Estate - Enhancement		Products/Completed Operations	
		Rate	Premium
Code No. 1504B	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium \$335.00
Classification: GL Supplemental Coverage Endorsement		Products/Completed Operations	
		Rate	Premium
Code No.	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium \$180.00
Classification: Terrorism - CAT		Products/Completed Operations	
		Rate	Premium

Fungi Or Bacteria Exclusion Endorsement



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Policy No. CPO 6444345 - 03

Effective Date: 08/17/2024

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** and paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- A. "Bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - 1. "Fungi" or "bacteria"; or
 - 2. Substance, vapor or gas produced by or arising out of any "fungi" or "bacteria".
- B. Loss, costs 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. For the purposes of this exclusion, the following definitions are added:
 - 1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, "spores", scents or by-products produced or released by fungi.
 - 2. "Spores" means reproductive bodies produced by or arising out of "fungi".
 - 3. "Bacteria" means any type or form of bacteria and any materials or substances that are produced or released by bacteria.

This exclusion applies to all diseases contracted by contact with "fungi" or "bacteria" in water, water vapor or water droplets, including but not limited to Legionnaire's Disease. This exclusion does not apply to any "bodily injury" or "property damage" caused by any "fungi" or "bacteria" that are, are on, or are contained in, any other edible good or edible product intended for human or animal consumption.

All other terms, conditions, provisions and exclusions of this policy remain the same.



Lead Liability Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l Prem.	Return Prem.
CPO 6444345 - 03	08/17/2024	08/17/2025		76633000		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

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

This insurance does not apply to:

Lead

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of, resulting from, caused by or related to: the actual, alleged or threatened:
 - (a) Exposure to or existence of lead, paint containing lead, or any other material, product or substance containing lead; or
 - (b) Manufacture, distribution, sale, resale, re-branding, installation, repair, removal, encapsulation, abatement, replacement or handling of lead, paint containing lead, or any other material, product or substance containing lead,whether the lead is or was at any time airborne, ingested, inhaled, absorbed, transmitted in any fashion, or found in any form whatsoever, or whether any other cause, event, material, product or substance contributed concurrently or in any sequence to the injury or damage.;
- (2) Any sums that any insured or other entity must pay, repay or reimburse because of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, sample, monitor, clean up, remove, abate, cover, contain, treat, mitigate, or neutralize lead, paint containing lead, or any other material, product or substance containing lead, or in any way respond to, or assess the effects of lead in any form; or
 - (b) Claim or "suit" for damages relating to testing for, sampling, monitoring, cleaning up, removing, abating, covering, containing, treating, mitigating, or neutralizing lead, paint containing lead, or any other material, product or substance containing lead or in any way responding to or assessing the effects of lead in any form.
- (3) Any other loss, cost or expense arising out of, caused by or relating in any way to lead.

Construction Operations Exclusion



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Policy No. CPO 6444345 - 03

Effective Date: 08/17/2024

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

SCHEDULE

Project(s): Not Applicable

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:

Construction Operations

"Bodily injury" or "property damage" arising out of either ongoing operations or operations included within the "products-completed operations hazard" for any loss, cost, expense, demand, claim or "suit" resulting from any work performed by you or on your behalf as part of "construction operations".

This exclusion does not apply to:

- (1) Building operations, including maintenance, repair or replacement activities;
- (2) Interior:
 - (a) Modification;
 - (b) Alteration;
 - (c) Renovation; or
 - (d) Remodeling;
- (3) Any construction or development project by or on behalf of a tenant, including improvements or betterments;
- (4) Landscaping; or
- (5) Any demolition incidental to the activities described in Paragraphs (1) through (4) above.

B. Coverage provided by any exception to the exclusion provided in Section A. of this endorsement:

1. Only applies if:
 - a. The total cost of a project to which such exception applies is less than \$5,000,000; or
 - b. The project to which such exception applies is described in the Schedule of this endorsement;and
2. Is contingent upon compliance with the following conditions:
 - a. The insured must obtain contractual indemnity and defense to the extent allowed by law from all contractors of every tier; and

- b.** The insured must be named as an additional insured on a primary and non-contributory basis on the general liability, umbrella and excess policies of all contractors of every tier on a project to which an exception to such exclusion applies.
- C.** Solely with respect to any coverage provided by any exception to the exclusion provided in Section **A.** of this endorsement:
 - 1. Paragraph **b.(1)(b)** under Condition **4. Other Insurance** of Section **IV – Commercial General Liability Conditions** is deleted; and
 - 2. The following Paragraph is added to Paragraph **b.(1)(a)** under Condition **4. Other Insurance** of Section **IV – Commercial General Liability Conditions**:
 - b. Excess Insurance**
 - (1)** This insurance is excess over:
 - (a)** Any of the other insurance, whether primary, excess, contingent or on any other basis:

Available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.
- D.** Solely with respect to this endorsement, the following definition is added to the **Definitions** Section:

"Construction Operations" means:

 - a.** A wrap-up or other consolidated insurance program project; or
 - b.** The construction, renovation, rehabilitation, demolition, excavation, roofing, structural façade work or remediation of any building, property or structure.

All other terms and conditions of this policy remain unchanged.

Per- and Polyfluoroalkyl Substances (PFAS) Exclusion



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Policy No. CPO 6444345 - 03

Effective Date: 08/17/2024

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

- A.** Notwithstanding any provision of this policy to the contrary, the following exclusion is added to Paragraph **2. Exclusions** of **SECTION I—COVERAGE A—BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and to Paragraph **2. Exclusions** of **SECTION I—COVERAGE B—PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to:

PFAS

- (1)** “Bodily injury”, “property damage” or “personal and advertising injury” arising out of or which would not have occurred in whole or in part, but for the actual, alleged or threatened:
- (a)** manufacture, distribution, sale, resale, re-branding, installation, repair, removal, encapsulation, abatement, replacement or handling of “PFAS” or any other material or substance containing “PFAS”; or
 - (b)** discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of “PFAS”; or
 - (c)** ingestion of, inhalation of, contact with, exposure to, existence of, or presence of “PFAS”
- regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage.
- (2)** Any sums that any insured or other entity must pay, repay or reimburse because of any:
- (a)** Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding “PFAS”; or
 - (b)** Claim or “suit” for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding “PFAS”; or
- (3)** Any other loss, cost or expense arising out of or related in any way to “PFAS”.

- B.** The Section entitled **DEFINITIONS** is amended to add the following:

“PFAS” means Per- and Polyfluoroalkyl Substances (PFAS), including but not limited to:

- a.** any perfluoroalkyl and polyfluoroalkyl substances, including but not limited to perfluoroalkyl acids, perfluoroalkane sulfonamides, perfluoroalkyl ether carboxylic acids, fluorotelomer substances and perfluoroalkane sulfonamido substances; or
- b.** any fluorinated polymers, including but not limited to fluoropolymers, perfluoropolyethers and side-chain-fluorinated polymers;

including associated homologues, isomers, salts, esters, alcohols, acids, precursor chemicals and derivatives, and related degradation or by-products of any such constituent.

In the event that this endorsement conflicts with any terms, conditions, provisions or exclusions in this policy, this endorsement shall supersede and control the application of this insurance. All other terms, conditions, provisions and exclusions of this policy remain the same.

Silica or Silica Mixed Dust Exclusion



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
CPO 6444345 - 03	08/17/2024	08/17/2025		76633000		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Products-Completed Operations Liability Coverage Part

The following additional exclusion is added to **2. Exclusions** of **Section I. Coverages**:

2. Exclusions

This insurance does not apply to:

Silica or Silica Mixed Dust

- A. "Bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly, in whole or in part, by the actual, alleged or threatened inhalation, ingestion, absorption, exposure to, existence of or presence of "silica"; or
- B. Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any manner responding to or assessing the effects of "silica" by any insured or by any other person or entity.
- C. For the purposes of this exclusion, the following definition applies:
"Silica" means:
 - (1) Any form of crystalline or non-crystalline (amorphous) silica, silica particles, silica compounds, silica dust or silica mixed or combined with dust or other particles; or
 - (2) Synthetic silica, including precipitated silica, silica gel, pyrogenic or fumed silica or silica-flour.

Asbestos Exclusion Endorsement



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l Prem.	Return Prem.
CPO 6444345 - 03	08/17/2024	08/17/2025		76633000		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I - Coverage A – Bodily Injury And Property Damage Liability** and **Coverage B - Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Asbestos

- A.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of or which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- B.** Any sums that any insured or other entity must pay, repay or reimburse because of any:
 - 1. Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - 2. Claim or "suit" for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- C.** Any other loss, cost or expense arising out of or relating in any way to asbestos.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** With regard to liability for Bodily Injury, Property Damage and Personal And Advertising Injury, unless we are prejudiced by the insured's or your failure to comply with the requirement, no provision of this Coverage Part requiring you or any insured to give notice of "occurrence", claim or "suit", or forward demands, notices, summonses or legal papers in connection with a claim or "suit" will bar coverage under this Coverage Part.

Communicable Disease Exclusion – Scheduled and Uncontrolled With Limited Exceptions



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Policy No. CPO 6444345 - 03

Effective Date: 08/17/2024

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Form

SCHEDULE OF COMMUNICABLE DISEASE(S)

Scheduled "Communicable Disease(s)":
a. Ebola Virus Disease, Lassa Fever, Crimean-Congo hemorrhagic fever, Yellow Fever, Zika, Chikungunya, Avian and Other Zoonotic Influenza, Pandemic Influenza, Middle East Respiratory Syndrome, Monkeypox, Plague, Leptospirosis, Meningococcal Meningitis, Dengue Fever, Smallpox, Anthrax, Pandemic Coronavirus
b. Not Applicable
If b. in the Schedule above is blank, only a. shall apply.

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

2. Exclusions

This insurance does not apply to:

"Communicable Disease"

- (1)** "Bodily injury", "property damage", or "personal and advertising injury" directly or indirectly arising out of the actual, alleged, or potential presence of, transmission of, or exposure to "communicable disease".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing, including but not limited to the:

- (a)** Supervising, investigating, hiring, employing, training, or monitoring of others who may be infected with or spread a "communicable disease";
- (b)** Testing property or persons for the presence of a "communicable disease";
- (c)** Failure to prevent the presence of or abate the exposure to a "communicable disease";
- (d)** Failure or inability to provide a safe work environment, including but not limited to the failure to provide, evaluate, obtain, maintain or require the use of personal protective equipment;
- (e)** Warning or failure to warn of or disclose the presence of or exposure to, or the diagnosis of, or spread of, a "communicable disease"; or
- (f)** Failure to report or publish the presence of or exposure to, or the diagnosis of, or transmission of, a "communicable disease".

(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 a “communicable disease”; or
- (b)** Claim or suit for costs or 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, a “communicable disease”.

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

(3) The exclusion of Paragraph **(1)** does not apply to any “bodily injury” caused by:

- (a)** any “fungi” or “bacteria” that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption;
- (b)** any “food contamination”; or
- (c)** any “Good Samaritan Acts” rendered or performed by an insured on or away from the premises of the Named Insured.

Subparagraph **(a)** of this exception does not apply to diseases contracted by contact with “fungi” or “bacteria” in water, water vapor or water droplets, including but not limited to Legionnaire's Disease.

B. For purposes of this endorsement:

“Bacteria” means any type or form of bacteria and any materials or substances that are produced or released by bacteria.

“Communicable disease” means:

- 1. all Scheduled “Communicable Disease(s)” identified in Schedule of Communicable Disease(s) above; or
- 2. any “uncontrolled communicable disease”.

“Food contamination” means outbreak of food poisoning or food-related illness of one or more persons arising out of:

- 1. Tainted food you distributed or purchased;
- 2. Food which has been improperly processed, stored, handled or prepared in the course of your business operations; or
- 3. Food which has been contaminated by virus or “bacteria” transmitted through one or more of your “employees” or “temporary workers”.

“Fungi” means any type or form of fungus, including mold or mildew and any mycotoxins, “spores”, scents or by-products produced or released by fungi. As used herein, “spores” means reproductive bodies produced by or arising out of “fungi”.

“Good Samaritan Act” means any assistance of a medical nature rendered or performed in an emergency situation for which no remuneration is requested or received provided that such assistance is rendered or performed for the duration of the emergency and the injured party would have suffered additional injury or death had such assistance not been rendered or performed.

“Uncontrolled communicable disease” means any infectious disease that the World Health Organization (“WHO”) or Center for Disease Control (“CDC”) declares to be a public health emergency (“PHE”), or for which any U.S. state, governor, state health agency, state health department or similar U.S. public health entity has issued a public health notice or similar declaration of a PHE.

All other terms, conditions, provisions and exclusions of this policy remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – VIOLATION OF LAW ADDRESSING DATA PRIVACY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to:

Violation Of Law Addressing Data Privacy

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

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

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

- (1)** The Illinois Biometric Information Privacy Act (BIPA), including any amendment of or addition to such law; or
- (2)** The California Consumer Privacy Act (CCPA), including any amendment of or addition to such law; or

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

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

This insurance does not apply to:

Violation Of Law Addressing Data Privacy

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

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

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

- (1)** The Illinois Biometric Information Privacy Act (BIPA), including any amendment of or addition to such law; or
- (2)** The California Consumer Privacy Act (CCPA), including any amendment of or addition to such law; or

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

Twain Community Funding I, LLC

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.
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A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

Twain Community Partners II, LLC

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

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

Twain HTC Fund XXX, LLC

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.
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A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL MATERIAL OR INFORMATION (COVERAGE B ONLY)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Material Or Information

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

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

- b.** Financial information, credit card information;
- c.** Health information, biometric information; or
- d.** Any other type of nonpublic material or information.

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Premises:

Per Location on schedule U-GU-618 A CW

Project Or Operation:

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

A. If this endorsement is attached to Commercial General Liability Coverage Form **CG 00 01**, the provisions under this Paragraph **A.** apply:

1. Paragraph **1.b.** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

b. This insurance applies to "bodily injury" and "property damage" caused by an "occurrence" that takes place in the "coverage territory" only if:

(1) The "bodily injury" or "property damage":

(a) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

(b) Arises out of the project or operation shown in the Schedule;

(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.

2. Paragraph **1.b.** under **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

b. This insurance applies to "personal and advertising injury" caused by an offense committed in the "coverage territory" but only if:

(1) The offense arises out of your business:

(a) Performed on the premises shown in the Schedule; or

- (b) In connection with the project or operation shown in the Schedule; and
- (2) The offense was committed during the policy period.

However, with respect to Paragraph **1.b.(1)(a)** of this Insuring Agreement, if the "personal and advertising injury" is caused by:

- (1) False arrest, detention or imprisonment; or
- (2) 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;

then such offense must arise out of your business performed on the premises shown in the Schedule and the offense must have been committed on the premises shown in the Schedule or the grounds and structures appurtenant to those premises.

3. Paragraph 1.a. under Section I – Coverage C – Medical Payments is replaced by the following:

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident that takes place in the "coverage territory" if the "bodily injury":
 - (1) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or
 - (2) Arises out of the project or operation shown in the Schedule;

provided that:

- (a) The accident takes place during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

B. If this endorsement is attached to Commercial General Liability Coverage Form CG 00 02, the provisions under this Paragraph B. apply:

1. Paragraph 1.b. under Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

- b. This insurance applies to "bodily injury" and "property damage" caused by an "occurrence" that takes place in the "coverage territory" only if:

- (1) The "bodily injury" or "property damage":

- (a) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

- (b) Arises out of the project or operation shown in the Schedule;

- (2) The "bodily injury" or "property damage" did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and

- (3) A claim for damages because of the "bodily injury" or "property damage" is first made against any insured, in accordance with Paragraph **1.c.** of this Insuring Agreement, during the policy period or any Extended Reporting Period we provide under Section **V** – Extended Reporting Periods.

2. Paragraph 1.b. under Section I – Coverage B – Personal And Advertising Injury Liability is replaced by the following:

- b. This insurance applies to "personal and advertising injury" caused by an offense committed in the "coverage territory" but only if:

- (1) The offense arises out of your business:

- (a) Performed on the premises shown in the Schedule; or

- (b) In connection with the project or operation shown in the Schedule;

- (2) The offense was not committed before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and

- (3) A claim for damages because of the "personal and advertising injury" is first made against any insured, in accordance with Paragraph 1.c. of this Insuring Agreement, during the policy period or any Extended Reporting Period we provide under Section V – Extended Reporting Periods.

However, with respect to Paragraph 1.b.(1)(a) of this Insuring Agreement, if the "personal and advertising injury" is caused by:

- (1) False arrest, detention or imprisonment; or
- (2) 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;

then such offense must arise out of your business performed on the premises shown in the Schedule and the offense must have been committed on the premises shown in the Schedule or the grounds and structures appurtenant to those premises.

3. Paragraph 1.a. under Section I – Coverage C – Medical Payments is replaced by the following:

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident that takes place in the "coverage territory" if the "bodily injury":

- (1) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or
- (2) Arises out of the project or operation shown in the Schedule;

provided that:

- (a) The accident takes place during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION WITH A HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **f.** under Paragraph **2.**, **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:

- (a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
**TEXAS CHANGES – EMPLOYMENT-RELATED
PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to:

"Bodily injury" to:

- (1)** A person arising out of any:
 - (a)** Refusal to employ that person;
 - (b)** Termination of that person's employment; or
 - (c)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2)** The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)** or **(c)** above is directed.

This exclusion applies:

- (1)** Whether the injury-causing event described in Paragraphs **(a)**, **(b)** or **(c)** above occurs before employment, during employment or after employment of that person;

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

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

This insurance does not apply to:

"Personal and advertising injury" to:

- (1)** A person arising out of any:
 - (a)** Refusal to employ that person;
 - (b)** Termination of that person's employment; or
 - (c)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2)** The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)** or **(c)** above is directed.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – CYBER INCIDENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Cyber Incident

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

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

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

2. Exclusions

This insurance does not apply to:

Cyber Incident

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

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

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

"Cyber incident" means any:

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

**ZURICH®**

Pollution Liability Exclusion Disclosure Notice

This insurance policy does not apply to or provides very limited coverage as respects pollution liability. You should refer to the specific pollution liability policy exclusions or pollution liability exclusion endorsements of your policy for determination of specific terms and conditions as respects exclusion of any pollution liability exposures that you may have. The policy exclusions of the Commercial General Liability Coverage Part, form CG 00 01, apply to pollution exposures in the "coverage territory" unless replaced or modified, as indicated in the applicable endorsement, by one or more of the following pollution exclusion endorsements. The pollution exclusion endorsements that are checked ☒ apply to pollution exposures in the indicated area(s) of the "coverage territory":

ISO FORM CG 00 01	
<input type="checkbox"/> Total Pollution Exclusion Endorsement, ISO Form CG 21 49	<input type="checkbox"/> All states in the "coverage territory" except:
<input checked="" type="checkbox"/> Total Pollution Exclusion - Hostile Fire Exception, ISO Form CG 21 55	<input checked="" type="checkbox"/> All states in the "coverage territory" except: Alaska and Virginia <input type="checkbox"/> Only applicable in the following state(s) _____
<input type="checkbox"/> Total Pollution Exclusion with a Building Heating Equipment Exception and a Hostile Fire Exception ISO Form CG 21 65	<input type="checkbox"/> All states in the "coverage territory" except: <input type="checkbox"/> Only applicable in the following state(s) _____
Other State Endorsements:	
<input type="checkbox"/> Indiana Changes - Pollution Exclusion, ISO Form CG 01 23	<input type="checkbox"/> Indiana
<input type="checkbox"/> Missouri Changes - Pollution Exclusion, ISO Form CG 01 34; or	<input type="checkbox"/> Missouri
<input type="checkbox"/> Missouri Changes – Gasoline Risks - Pollution Exclusion, ISO Form CG 01 35;	<input type="checkbox"/> Missouri
<input type="checkbox"/> Vt. Changes - Pollution, ISO form CG 01 54	<input type="checkbox"/> Vermont

<input type="checkbox"/> Other	<input type="checkbox"/> Applicable in the following states:
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THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

**NOTICE REGARDING TERRORISM PREMIUM
(FOR COMMERCIAL AUTOMOBILE INSURANCE)**

SCHEDULE*

Premium attributable to risk of loss resulting from terrorism for the Commercial Automobile line of insurance:

Automobile	\$13
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*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Terrorism Risk Insurance Act ("TRIA")

The Commercial Automobile line is not part of TRIA. On December 22, 2005, the President of the United States signed the first TRIA extension act into law and, at that time, the Commercial Auto line was removed from the program. The federal government does not share in Commercial Automobile terrorism losses.

B. Disclosure of Terrorism Premium

We have elected to provide notice to you of the amount of the total policy premium attributable to the risk of loss from terrorism for the Commercial Automobile line of insurance.

Zurich American Insurance Company of Illinois
1299 Zurich Way
Schaumburg, IL 60196-1056

BUSINESS AUTO DECLARATIONS

ITEM ONE

PRODUCER: SWINGLE, COLLINS & ASSOCIATES

NAMED INSURED: August Family Investments LTD.

MAILING ADDRESS: 3612 Amherst Ave
Dallas, TX 75225-7421

POLICY PERIOD: From 08/17/2024 to 08/17/2025 at 12:01 A.M. Standard Time at your
mailing address shown above

PREVIOUS POLICY NUMBER: 6444345 - 02

FORM OF BUSINESS:

☐ CORPORATION

☐ LIMITED LIABILITY COMPANY (LLC)

☐ INDIVIDUAL

☐ PARTNERSHIP

☒ OTHER Limited Liability Company

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Premium shown is payable at inception: \$1,313.00					
AUDIT PERIOD (IF APPLICABLE)		ANNUALLY		SEMI-ANNUALLY	
				QUARTERLY	
					MONTHLY

ENDORSEMENTS ATTACHED TO THIS POLICY:

IL 00 17 – Common Policy Conditions (**IL 01 46** in Washington)

IL 00 21 – Broad Form Nuclear Exclusion (not Applicable in New York) (**IL 01 98** in Washington)

SEE SCHEDULE OF FORMS AND ENDORSEMENTS

COUNTERSIGNED _____
(Date)

BY _____
(Authorized Representative)

ITEM TWO

Schedule Of Coverages And Covered Autos

This Policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". **"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos section of the Business Auto Coverage Form next to the name of the coverage.**

COVERAGES	COVERED AUTOS	LIMIT OR DEDUCTIBLE	PREMIUM
COVERED AUTOS LIABILITY	8, 9	\$1,000,000	\$1,230
PERSONAL INJURY PROTECTION (or equivalent No-fault Coverage)		SEPARATELY STATED IN EACH P.I.P. ENDORSEMENT MINUS DEDUCTIBLE.	
ADDED PERSONAL INJURY PROTECTION (or equivalent Added No-fault Coverage)		SEPARATELY STATED IN EACH ADDED P.I.P. ENDORSEMENT.	
PROPERTY PROTECTION INSURANCE (Michigan only)		SEPARATELY STATED IN THE PROPERTY PROTECTION INSURANCE ENDORSEMENT MINUS DEDUCTIBLE FOR EACH ACCIDENT.	
AUTO MEDICAL PAYMENTS		EACH INSURED	
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia only)		SEPARATELY STATED IN THE MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT.	
UNINSURED MOTORISTS			
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)			
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	N/A 8	DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY THEFT OR MISCHIEF OR VANDALISM (A maximum deductible may also apply. Refer to Coverage Form for details.) OR (SEE ITEM THREE) DEDUCTIBLE FOR ALL PERILS FOR EACH COVERED AUTO (A maximum deductible may also apply. Refer to Coverage Form for details.) See ITEM FOUR For Hired or Borrowed Autos.	\$14
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY THEFT OR MISCHIEF OR VANDALISM (A maximum deductible may also apply. Refer to Coverage Form for details.) OR DEDUCTIBLE FOR ALL PERILS FOR EACH COVERED AUTO (A maximum deductible may also apply. Refer to Coverage Form for details.) See ITEM FOUR For Hired or Borrowed Autos.	
PHYSICAL DAMAGE COLLISION COVERAGE	8	(SEE ITEM THREE) DEDUCTIBLE FOR EACH COVERED AUTO. See ITEM FOUR For Hired Or Borrowed Autos.	\$56
PHYSICAL DAMAGE TOWING AND LABOR		FOR EACH DISABLEMENT OF A PRIVATE PASSENGER AUTO, LIGHT OR MEDIUM TRUCK.	
TAX/SURCHARGE/FEE			
PREMIUM FOR ENDORSEMENTS			\$13.00
*ESTIMATED TOTAL PREMIUM			\$1,313.00

*This Policy may be subject to final audit.

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN

Covered Auto No.	DESCRIPTION				TERRITORY		Original Cost New	
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)				Town & State Where The Covered Auto Will Be Principally Garaged			
Covered Auto No.	CLASSIFICATION						Except For Towing And Labor, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:	
	Radius Of Operation	Business Use s = service r = retail c = commercial	Size, GVWR, GCW Or Vehicle Seating Capacity	Age Group	Secondary Rating Classification	Code		
							See Schedule Of Loss Payees	
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	COVERED AUTOS LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)		
	Limit	Premium	Limit Stated In Each P.I.P. Endt. Minus Deductible Shown Below	Premium	Premium For Limit Stated In Each Added P.I.P. Endt.	Limit Stated In P.P.I. Endt. Minus Deductible Shown Below	Premium	
Total Premium								

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN (Continued)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)		UNINSURED MOTORISTS		UNDERINSURED MOTORISTS	
	Limit Each Insured	Premium	Limit Stated In The Medical Expense and Income Loss Benefits Endorsement For Each Person	Premium	Limit	Premium	Premium	
Total Premium								
Covered Auto No.	COMPREHENSIVE			SPECIFIED CAUSES OF LOSS			COLLISION	
	* Deductible For Loss Caused by Theft or Mischief or Vandalism	*Deductible For All Perils	Premium	* Deductible For Loss Caused by Theft or Mischief or Vandalism	*Deductible For All Perils	Premium	Deductible	Premium
Total Premium								
Covered Auto No.	TOWING & LABOR							
	Limit Per Disablement	Premium						
Total Premium								

*(A maximum deductible may also apply. Refer to Coverage Form for details.)

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			
<p>For "autos" used in your motor carrier operations, cost of hire means:</p> <ol style="list-style-type: none"> 1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein, 2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and 3. The total dollar amount of any other costs (e.g., repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others. 			

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	TX	\$183	\$190
TOTAL HIRED AUTO PREMIUM			\$190
<p>For "autos" NOT used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.</p>			

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile or Farm Equipment)				
COVERAGE	STATE	DEDUCTIBLE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)	PREMIUM
COMPREHENSIVE	TX	\$1,000 DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY THEFT OR MISCHIEF OR VANDALISM (A maximum deductible may also apply. Refer to Coverage Form for details.)	\$183	\$14
SPECIFIED CAUSES OF LOSS		DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY THEFT OR MISCHIEF OR VANDALISM (A maximum deductible may also apply. Refer to Coverage Form for details.)		
COLLISION	TX	\$1,000 DEDUCTIBLE FOR EACH COVERED AUTO.	\$183	\$56
TOTAL HIRED AUTO PREMIUM				\$70
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.				

Cost Of Hire Rating Basis For Mobile Or Farm Equipment – Other Than Physical Damage Coverages					
COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Covered Autos Liability – Primary Coverage					
Covered Autos Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL HIRED AUTO PREMIUMS					
Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.					

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Cost Of Hire Rating Basis For Mobile or Farm Equipment – Physical Damage Coverages						
COVERAGE	STATE	DEDUCTIBLE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)		PREMIUM	
			Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
COMPREHENSIVE		DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY THEFT OR MISCHIEF OR VANDALISM (A maximum deductible may also apply. Refer to Coverage Form for details.)				
SPECIFIED CAUSES OF LOSS		DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY THEFT OR MISCHIEF OR VANDALISM (A maximum deductible may also apply. Refer to Coverage Form for details.)				
COLLISION		DEDUCTIBLE FOR EACH COVERED AUTO.				
TOTAL HIRED AUTO PREMIUM						

For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any auto that is leased, hired, rented or borrowed with a driver.

Rental Period Rating Basis For Mobile Or Farm Equipment					
COVERAGE	TOWN AND STATE WHERE THE JOB SITE IS LOCATED	ESTIMATED NUMBER OF DAYS EQUIPMENT WILL BE RENTED		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Liability – Primary Coverage					
Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL PREMIUMS					

ITEM FIVE**SCHEDULE FOR NON-OWNERSHIP COVERED AUTO LIABILITY**

NAMED INSURED'S BUSINESS	RATING BASIS	NUMBER	PREMIUM
Other Than Auto Service Operations, Partnerships or LLCs	Number Of Employees	10	\$1,040
	Number Of Volunteers	0	\$0
TOTAL NON-OWNERSHIP COVERED AUTOS LIABILITY PREMIUM			\$1,040

ITEM SIX**SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS**

Type Of Risk (Check one):	<input type="checkbox"/> Public Autos	<input type="checkbox"/> Leasing Or Rental Concern
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Check One):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage
Premiums		
Covered Autos Liability		
Personal Injury Protection		
Added Personal Injury Protection		
Property Protection Insurance (Michigan Only)		
Auto Medical Payments		
Medical Expense And Income Loss Benefits (Virginia Only)		
Comprehensive		
Specified Causes Of Loss		
Collision		
Towing And Labor		

When used as a premium basis:

FOR PUBLIC AUTOS

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

- A.** Amounts paid to air, sea or land carriers operating under their own permits.
- B.** Advertising revenue.
- C.** Taxes collected as a separate item and paid directly to the government.
- D.** C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total live and dead mileage of all "autos" you leased or rented to others without drivers.

BUSINESS AUTO 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 V – Definitions.

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the Policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the Policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the Policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the Policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the Policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this Policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire after the policy period begins of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire after the policy period begins will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.
3. An "auto" that is leased or rented to you without a driver, under a written agreement for a continuous period of at least six months that requires you to provide primary insurance covering such "auto", will be considered a covered "auto" you own.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a registered Gross Vehicle Weight Rating of 3,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;

- b. Repair;
- c. Servicing;
- d. "Loss"; or
- e. Destruction.

SECTION II – COVERED AUTOS LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. 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; or

- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

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

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph **a.** above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or

- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
- (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

14. Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of "unmanned aircraft".

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III – PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. Towing And Labor

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" that is a private passenger type, light truck or medium truck is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

a. Transportation Expenses

We will pay up to \$30 per day, to a maximum of \$900, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the Policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$30 per day, to a maximum of \$900.

B. Exclusions

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

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a.** Wear and tear, freezing, mechanical or electrical breakdown.
- b.** Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a.** Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b.** Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- c.** Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d.** Any accessories used with the electronic equipment described in Paragraph **c.** above.

5. Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a.** Permanently installed in or upon the covered "auto";
- b.** Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c.** An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or
- d.** Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limits Of Insurance

1. The most we will pay for:

- a.** "Loss" to any one covered "auto" is the lesser of:
- (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (2) Removable from a permanently installed housing unit as described in Paragraph **b.(1)** above; or
- (3) An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.

- 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
- 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations prior to the application of the Limit Of Insurance, provided that:

- 1. The Comprehensive or Specified Causes Of Loss Coverage deductible applies only to "loss" caused by:
 - a. Theft or mischief or vandalism; or
 - b. All perils.
- 2. Regardless of the number of covered "autos" damaged or stolen, the maximum deductible applicable for all "loss" in any one event caused by:
 - a. Theft or mischief or vandalism; or
 - b. All perils,

will be equal to five times the highest deductible applicable to any one covered "auto" on the Policy for Comprehensive or Specified Causes Of Loss Coverage. The application of the highest deductible used to calculate the maximum deductible will be made regardless of which covered "autos" were damaged or stolen in the "loss".

SECTION IV – BUSINESS AUTO CONDITIONS

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

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value 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 we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this Policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".

- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this Policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

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

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or

(2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this Policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this Policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the Policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and

(5) Anywhere else in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

- 1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
- 2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

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

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

- 1. Any 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. Any 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".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
 - (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
 - F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
 - G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
 - H. "Insured contract" means:
 - 1. A lease of premises;
 - 2. A sidetrack agreement;
 - 3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - 4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - 5. 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 to pay for "bodily injury" or "property damage" 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; or

- 6.** That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a.** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
 - b.** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
 - c.** That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I.** "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".
- J.** "Loss" means direct and accidental loss or damage.
- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- 1.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - 2.** Vehicles maintained for use solely on or next to premises you own or rent;
 - 3.** Vehicles that travel on crawler treads;
 - 4.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a.** Power cranes, shovels, loaders, diggers or drills; or

- b.** Road construction or resurfacing equipment such as graders, scrapers or rollers;

- 5.** Vehicles not described in Paragraph **1.**, **2.**, **3.** or **4.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- a.** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
- b.** Cherry pickers and similar devices used to raise or lower workers; or

- 6.** Vehicles not described in Paragraph **1.**, **2.**, **3.** or **4.** 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":

- a.** Equipment designed primarily for:
 - (1)** Snow removal;
 - (2)** Road maintenance, but not construction or resurfacing; or
 - (3)** Street cleaning;
- b.** Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- c.** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

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

- L.** "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M.** "Property damage" means damage to or loss of use of tangible property.
- N.** "Suit" means a civil proceeding in which:
- 1.** Damages because of "bodily injury" or "property damage"; or
 - 2.** A "covered pollution cost or expense";
- to which this insurance applies, are alleged.

"Suit" includes:

- a.** An arbitration proceeding in which such damages or "covered pollution costs or expenses" 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 or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.

O. "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.

P. "Trailer" includes semitrailer.

Q. "Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES

For a covered "auto" licensed or principally garaged in Texas, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Physical Damage Coverage

1. The following exclusion is added to Paragraph **B. Exclusions** in the **Physical Damage Coverage** section:

We will not pay for "loss" due to or as a consequence of a seizure of a covered "auto" by federal or state law enforcement officers as evidence in a case against you under the Texas Controlled Substances Act or the federal Controlled Substances Act if you are convicted in such case.

2. Paragraphs **C.2.** and **C.3.** of the **Limits Of Insurance** provision under **Physical Damage Coverage** do not apply.
3. Paragraph **D. Deductible** in the **Physical Damage Coverage** section is amended by the addition of the following:

At the mutual agreement of you and us, we will not apply the deductible to "loss" to glass, if the glass is repaired rather than replaced.

B. Changes In Conditions

1. Paragraph **c.(4)** of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

(4) Agree to examination under oath at our request and give us a signed statement of your answers. A parent or guardian may be present during any examination of a minor.

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

To the extent permitted by Sections 705.003 and 705.004 of the Texas Insurance Code, this Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. The **Two Or More Coverage Forms Or Policies Issued By Us** Condition is replaced by the following:

If this Coverage Form and any other Coverage Form or policy issued to you by us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us specifically to apply as excess insurance over this Coverage Form.

4. The following condition is added:

Claim-handling Procedures

1. Within 15 days after we receive written notice of a claim, we will:
 - a. Acknowledge receipt of the claim. If we do not acknowledge receipt of the claim in writing, we will keep a record of the date, method and content of the acknowledgment;
 - b. Begin any investigation of the claim; and
 - c. Specify the information you must provide in accordance with Paragraph **b.** of the Duties Condition.

We may request more information at a later date, if during the investigation of the claim such additional information is necessary.

2. After we receive the information we request, we will notify you in writing as to whether:
 - a. The claim will be paid;
 - b. The claim has been denied, and inform you of the reasons for denial;
 - c. More information is necessary; or
 - d. We need additional time to reach a decision. If we need additional time, we will inform you of the reasons for such need.

We will provide notification, as described in **2.a.** through **2.d.** above, within:

- a. 15 "business days"; or
- b. 30 days if we have reason to believe the "loss" resulted from arson.

If we have notified you that we need additional time to reach a decision, we must then either approve or deny the claim within 45 days of such notice.

3. If a claim results from a weather-related catastrophe or a major natural disaster as defined by the Texas Department of Insurance, the claim-handling deadlines described above are extended for an additional 15 days.
4. If we notify you that we will pay your claim, or part of your claim, we will pay within five "business days" after we notify you.

However, if payment of the claim or part of the claim is conditioned on your compliance with any of the terms under this Policy, we will make payment within five "business days" after the date you have complied with such terms.

5. We will notify the first Named Insured in writing of:

- a. An initial offer to settle a claim made or "suit" brought against any "insured" under Covered Autos Liability Coverage of this Policy. The notice will be given no later than the 10th day after the date on which the offer is made.
- b. Any settlement of a claim made or "suit" brought against the "insured" under Covered Autos Liability Coverage of this Policy. The notice will be given no later than the 30th day after the date of settlement.

As used in this condition, "business day" means a day other than Saturday, Sunday or a holiday recognized by the state of Texas.

C. Changes In Uninsured/Underinsured Motorists Coverage

All references to "Uninsured Motorists Coverage" in the title or text of any Coverage Form or endorsement thereto are changed to read "Uninsured/Underinsured Motorists Coverage".

D. Changes In Trailer Interchange Coverage

The following exclusion is added to Paragraph **B. Exclusions of Section III – Trailer Interchange Coverage** in the Motor Carrier Coverage Form and to Paragraph **C.2. Exclusions** of the Motor Carrier Endorsement if attached:

Texas Controlled Substance Act

We will not pay for "loss" due to or as a consequence of a seizure of a covered "auto" by federal or state law enforcement officers as evidence in a case against you under the Texas Controlled Substances Act or the federal Controlled Substances Act if you are convicted in such case.

E. Changes In Garagekeepers Coverage

If the Garagekeepers Coverage endorsement or the Garagekeepers Coverage – Customers' Sound-receiving Equipment endorsement is attached, the following exclusion is added:

Texas Controlled Substance Act

We will not pay for "loss" due to or as a consequence of a seizure of a covered "auto" by federal or state law enforcement officers as evidence in a case against you under the Texas Controlled Substances Act or the federal Controlled Substances Act if you are convicted in such case.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** Paragraphs **2.** and **5.** of the **Cancellation** Common Policy Condition contained in Endorsement **IL 00 17** are replaced by the following:
- 2.** We may cancel this policy:
- a.** By mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.
 - b.** For the following reasons, if this policy does not provide coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001:
 - (1)** If this policy has been in effect for 60 days or less, we may cancel for any reason except, that under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.
 - (2)** If this policy has been in effect for more than 60 days, or if it is a renewal or continuation of a policy issued by us, we may cancel only for one or more of the following reasons:
 - (a)** Fraud in obtaining coverage;
 - (b)** Failure to pay premiums when due;
 - (c)** An increase in hazard within the control of the insured which would produce an increase in rate;
 - (d)** Loss of reinsurance covering all or part of the risk covered by the policy; or
 - (e)** If we have been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.
 - c.** For the following reasons, if this policy provides coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001:
 - (1)** If this policy has been in effect for less than 90 days, we may cancel this policy for any reason.
 - (2)** If this policy has been in effect for 90 days or more, or if it is a renewal or continuation of a policy issued by us, we may cancel this policy, only for the following reasons:
 - (a)** If the first Named Insured does not pay the premium or any portion of the premium when due;
 - (b)** If the Texas Department of Insurance determines that continuation of this policy would result in violation of the Texas Insurance Code or any other law governing the business of insurance in Texas;
 - (c)** If the Named Insured submits a fraudulent claim; or
 - (d)** If there is an increase in the hazard within the control of the Named Insured which would produce an increase in rate.

5. If this policy is canceled, we will send the first Named Insured any premium refund due. The refund will be pro rata, subject to the policy minimum premium. The cancellation will be effective even if we have not made or offered a refund.

B. The following condition is added:

Nonrenewal

1. We may elect to renew this policy except that under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.

2. If we elect not to renew this policy, we may do so by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS PUBLIC OR LIVERY PASSENGER CONVEYANCE, TRANSPORTATION NETWORK AND ON-DEMAND DELIVERY SERVICES EXCLUSION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

The following exclusion is added:

Public Or Livery Passenger Conveyance, Transportation Network And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

1. As a public or livery conveyance for passengers;
2. By an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
3. By an "insured" who is logged into a "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, Paragraphs **A.2.** and **A.3.** above do not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

B. Changes In Physical Damage Coverage

The following exclusion is added:

We will not pay for "loss" to any covered "autos" while being used:

1. As a public or livery conveyance for passengers;
2. By an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or

3. By an "insured" who is logged into a "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, Paragraphs **B.2.** and **B.3.** above do not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

C. Changes In Auto Medical Payments

If Auto Medical Payments Coverage is attached, then the following exclusion is added:

Public Or Livery Passenger Conveyance, Transportation Network And On-demand Delivery Services

This insurance does not apply to:

"Bodily injury" sustained by an "insured" "occupying" a covered "auto" while being used:

1. As a public or livery conveyance for passengers;
2. By an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
3. By an "insured" who is logged into a "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, Paragraphs **C.2.** and **C.3.** above do not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

D. Changes In Uninsured/Underinsured Motorists Coverage

If Uninsured/Underinsured Motorists Coverage is attached, then the following exclusion is added:

Public Or Livery Passenger Conveyance, Transportation Network And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

1. As a public or livery conveyance for passengers;
2. By an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
3. By an "insured" who is logged into a "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, Paragraphs **D.2.** and **D.3.** above do not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

E. Changes In Personal Injury Protection Coverage

If Personal Injury Protection Coverage is attached, then the following exclusion is added:

Transportation Network And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network, used to connect customers:
 - a. With drivers; or
 - b. With local vendors using drivers;for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" means the delivery of goods, items or products for compensation and includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.