



GRAY DUCK PLUMBING LLC
2036 SHERWOOD AVE
SAINT PAUL, MN 55119-3243

Dear Policyholder,

Thank you for choosing Liberty Mutual. We appreciate your business and the trust that you and your agent or broker have placed in us to protect what you have worked hard to build.

Enclosed are the following insurance documents:

Commercial Package

Please refer to your declarations page to review your specific coverages, limits, and premium. Verify that all information is correct and contact your agent if you have any questions or need to make any changes.

Finally, visit mybusiness.libertymutual.com/create-profile to take advantage of several self-service options. Once you create an account, you may pay your bill, check the status of a claim, and download policy documents, including a certificate of insurance.

Sincerely,

Luke Bills
President of Independent Agent Distribution

YOUR AGENT

THE ZACHARY GROUP INC DBA
ZACHARY
COMPANIES
2626 E 82ND ST STE 240
BLOOMINGTON, MN 55425

QUICK LINKS

Manage policies and payments at:
mybusiness.libertymutual.com



Explore small business products at:
business.libertymutual.com

FILING A CLAIM

To file a claim, contact your agent or call **800-362-0000** or visit us at:
business.libertymutual.com/claim/report-a-claim/

PRIVACY POLICY

Learn more at libertymutual.com/privacy

CONTINUE TO THE NEXT PAGE

THIS IS NOT YOUR INSURANCE BILL. YOU WILL BE BILLED SEPARATELY

DS 70 20 07 23

NOTICE(S) TO POLICYHOLDER(S)

The important Notice(s) to Policyholder(s) provides a general explanation of changes to policy coverages. It is not a part of your insurance policy and it does not alter policy provisions or conditions. Only the provisions of your policy determine the scope of your insurance protection. It is important that you read your policy carefully to determine your rights, duties, and what is and is not covered.

FORM NUMBER	TITLE
CNI 90 11 07 18	Reporting a Commercial Claim 24 Hours a Day
CNI 90 20 08 21	Important Notice Circumstances Adversely Impacting Credit History
NP 74 44 09 06	U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders
NP 89 69 09 21	Important Policyholder Information Concerning Billing Practices
SNI 04 01 06 24	Liberty Mutual Group Privacy Notice

THIS IS NOT YOUR INSURANCE BILL. YOU WILL BE BILLED SEPARATELY

DS 70 20 07 23

REPORTING A COMMERCIAL CLAIM 24 HOURS A DAY

Liberty Mutual Insurance claims professionals across the United States are ready to resolve your claim quickly and fairly, so you and your team can focus on your business. Our claims teams are specialized, experienced and dedicated to a high standard of service.

We're Just a Call Away — One Phone Number to Report All Commercial Insurance Claims

Reporting a new claim has never been easier. A Liberty Mutual customer service representative is available to you 24/7 at **800-362-0000** for reporting new property, auto, liability and workers' compensation claims. With contact centers strategically located throughout the country for continuity and accessibility, we're there when we're needed!

Additional Resource for Workers' Compensation Customers

In many states, employers are required by law to use state-specific workers compensation claims forms and posting notices. This type of information can be found in the Policyholders Toolkit section of our website along with other helpful resources such as:

- Direct links to state workers compensation websites where you can find state-specific claim forms
- Assistance finding local medical providers
- First Fill pharmacy forms — part of our managed care pharmacy program committed to helping injured workers recover and return to work

Our Policyholder Toolkit can be accessed at www.libertymutualgroup.com/toolkit.

For all claims inquiries please call us at **800-362-0000**.

**IMPORTANT NOTICE
CIRCUMSTANCES ADVERSELY IMPACTING CREDIT HISTORY**

Dear Valued Policyholder,

Thank you for selecting us as your carrier for your commercial insurance.

We may use a credit-based insurance score when pricing your business insurance policy. If your credit HISTORY has been adversely impacted by any of the following circumstances, you may request in writing that we take this under consideration when using your credit information.

- Catastrophic medical expense due to illness, disease, or disability
- Divorce, dissolution of a marriage, or involuntary interruption of legally-owed alimony or support payments
- Death of a spouse or family member
- Temporary loss of employment
- Identity theft
- Total or other loss that makes your home uninhabitable
- Victim of domestic abuse
- Care of an adult dependent or dependent grandchild
- Impact from a major natural catastrophe, including hurricane or tornado
- Military deployment overseas
- Any other circumstance an insurer may choose to recognize
- Personal guarantee of a business loan
- A catastrophic event, as declared by the federal or state government
- A serious illness or injury, or serious illness or injury to an immediate family member
- Predatory lending resulting in the foreclosure of, or commencement of proceedings or an action to foreclose, a mortgage of real property owned by the insured or insurance applicant

In order for us to take into consideration these circumstances, you must submit this request to us not more than sixty (60) days after the date of your application for insurance or your policy's renewal. We may require you to provide additional documentation of the circumstances to explain how the circumstances may have negatively affected your credit history.

You may send your request by email to BL_Credit_Request@libertymutual.com. Please include the business name, your name and title, policy number, and phone number.

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

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

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

Please refer any questions you may have to your insurance agent.

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

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

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

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

IMPORTANT POLICYHOLDER INFORMATION CONCERNING BILLING PRACTICES

Dear Valued Policyholder: This insert provides you with important information about our policy billing practices that may affect you. Please review it carefully and contact your agent if you have any questions.

Premium Notice: We will mail you a policy Premium Notice separately. The Premium Notice will provide you with specifics regarding your agent, the account and policy billed, the billing company, payment plan, policy number, transaction dates, description of transactions, charges/credits, policy amount balance, minimum amount, and payment due date. This insert explains fees that may apply to and be shown on your Premium Notice.

Available Premium Payment Plans:

- **Annual Payment Plan:** When this plan applies, you have elected to pay the entire premium amount balance shown on your Premium Notice in full. No installment billing fee applies when the Annual Payment Plan applies.
- **Installment Payment Plan:** When this plan applies, you have elected to pay your policy premium in installments (e.g.: quarterly or monthly installments - Installment Payment Plans vary by state). As noted below, an installment fee may apply when the Installment Payment Plan applies.

The Premium Payment Plan that applies to your policy is shown on the top of your Premium Notice. Please contact your agent if you want to change your Payment Plan election.

Installment Payment Plan Fee: If you elected to pay your premiums in installments using the Installment Premium Payment Plan, an installment billing fee applies to each installment bill. The installment billing charge will not apply, however, if you pay the entire balance due when you receive the bill for the first installment. Because the amount of the installment charge varies from state to state, please consult your Premium Notice for the actual fee that applies.

Dishonored Payment Fee: Your financial institution may refuse to honor the premium payment withdrawal request you submit to us due to insufficient funds in your account or for some other reason. If that is the case, and your premium payment withdrawal request is returned to us dishonored, a payment return fee will apply. Because the amount of the return fee varies from state to state, please consult your Premium Notice for the actual fee that applies.

Late Payment Fee: If we do not receive the minimum amount due on or before the date or time the payment is due, as indicated on your Premium Notice, you will receive a policy cancellation notice effective at a future date that will also reflect a late payment fee charge. Issuance of the cancellation notice due to non-payment of a scheduled installment(s) may result in the billing and collection of all or part of any outstanding premiums due for the policy period. Late Payment Fees vary from state to state and are not applicable in some states.

Special Note: Please note that some states do not permit the charging of certain fees. Therefore, if your state does not allow the charging of an Installment Payment Plan, Dishonored Payment or Late Payment Fee, the disallowed fee will not be charged and will not be included on your Premium Notice.

EFT-Automatic Withdrawals Payment Option: When you select this option, you will not be sent Premium Notices and, in most cases, will be charged installment fees. For more information on our EFT-Automatic withdrawals payment option, refer to the attached EFT enrollment sheet.

Once again, please contact your agent if you have any questions about the above billing practice information.

Thank you for selecting us to service your insurance needs.

LIBERTY MUTUAL GROUP PRIVACY NOTICE
Commercial Lines (excluding Workers' Compensation)
(Effective June 2024)

Liberty Mutual Group and its affiliates, subsidiaries, and partners (collectively "Liberty Mutual" or "we", "us" and "our") provide insurance to companies and other insurers. This Privacy Notice explains how we gather, use, and share your data. This Privacy Notice applies to you if you are a **Liberty Mutual commercial line insured or are a commercial line claimant**. It does not apply to covered employees or claimants under Workers' Compensation policies. If this notice does not apply to you, go to libertymutual.com/privacy to review the applicable Liberty Mutual privacy notice.

What Data Does Liberty Mutual Gather?

The types of personal data we gather and share depend on both the product and your relationship to us. For example, we may gather different data if you are a claimant reporting an injury than if you want a quote for commercial property insurance. The data we gather can include your Social Security Number, income, transaction data such as account balances and payment history, and data from consumer reports. It may also include data gathered in connection with our provision of insurance services, when you apply for such services, or resulting from other contacts with you. It may also include:

- **Identifiers**, including a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security Number, driver's license number, or other similar identifiers;
- **Personal information**, such as your name, signature, Social Security Number, physical characteristics or description, address, telephone number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, financial information, medical information, or health insurance information;
- **Protected classification characteristics**, including age, race, color, national origin, citizenship, religion or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related medical conditions), sexual orientation, or veteran or military status;
- **Commercial information**, including records of personal property, products or services purchased, obtained, or considered, or other purchasing or consumer histories and tendencies;
- **Internet or other similar network activity**, including browsing history, search history, information on a consumer's interaction with a website, application, or advertisement;
- **Professional or employment related information**, including current or past job history or performance evaluations;
- **Inferences drawn from other personal information**, such as a profile reflecting a person's preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities, and aptitudes;
- **Risk data**, including data about your driving and/or accident history; this may include data from consumer reporting agencies, such as your motor vehicle records, and loss history information, health data, or criminal convictions;
- **Claims data**, including data about your previous and current claims, which may include data regarding your health, criminal convictions, third party reports, or other personal data; and
- **Sensitive Data** as defined under the California Privacy Rights Act when used to infer characteristics of an individual.

How Do You Gather My Data?

We gather your personal data directly from you . For example, you provide us with data when you:	We also gather your personal data from other people . For example:
● ask about or buy insurance, or file a claim	● your insurance agent or broker
● pay your policy	● your employer, association or business (if you are insured through them)

● visit our websites, call us, or visit our office	● our affiliates or other insurance companies about your transactions with them
	● consumer reporting agencies, Motor Vehicle Departments, and inspection services, to gather your credit history, driving record, claims history, or value and condition of your property
	● other public directories and sources
	● third parties, including other insurers, brokers and insurance support organizations who you have communicated with about your policy or claim, anti-fraud databases, sanctions lists, court judgments and other databases, government agencies, open electoral register, or in the event of a claim, third parties including other parties to the claim witnesses, experts, loss adjusters and claim handlers
	● other third parties who take out a policy with us and are required to provide your data such as when you are named as a beneficiary or where a family member has taken out a policy which requires your personal data

Organizations that share data with us may keep it and disclose it to others as permitted by law.

How Does Liberty Mutual Use My Data?

Liberty Mutual uses your data to provide you with our products and services, and as otherwise provided in this Privacy Notice. We may use your data and the data of our former customers for our business and other compatible purposes. Our business purposes include, for example:

<u>Business Purpose</u>	<u>Data Categories</u>	<u>Do We Sell or Share Your Data as Defined by CPRA?</u>
Market, sell and provide insurance. This includes, for example: <ul style="list-style-type: none"> ● calculating your premium; ● determining your eligibility for a quote; ● confirming your identity and servicing your policy; 	<ul style="list-style-type: none"> ● Identifiers ● Personal Information ● Protected Classification Characteristics ● Commercial Information ● Internet or other similar network activity ● Professional or employment related information ● Inferences drawn from other personal information ● Risk data ● Claims data ● Sensitive Data 	<input checked="" type="radio"/> No

<u>Business Purpose</u>	<u>Data Categories</u>	<u>Do We Sell or Share Your Data as Defined by CPRA?</u>
Manage your claim. This includes, for example: <ul style="list-style-type: none"> ● managing your claim, if any; ● conducting claims investigations; ● conducting medical examinations; ● conducting inspections, appraisals; ● providing roadside assistance; ● providing rental car replacement or repairs; 	<ul style="list-style-type: none"> ● Identifiers ● Personal Information ● Protected Classification Characteristics ● Commercial Information ● Internet or other similar network activity ● Professional or employment related information ● Inferences drawn from other personal information ● Risk data ● Claims data 	<input checked="" type="radio"/> No
Day to Day Business and Insurance Operations. This includes, for example: <ul style="list-style-type: none"> ● creating, maintaining, customizing, and securing accounts; ● supporting day-to-day business and insurance related functions; ● doing internal research for technology and development; ● marketing, advertising and creating products and services; ● conducting audits related to a current contact with a consumer and other transactions; ● as described at or before the point of gathering personal data or with your authorization; 	<ul style="list-style-type: none"> ● Identifiers ● Personal Information ● Protected Classification Characteristics ● Commercial Information ● Internet or other similar network activity ● Professional or employment related information ● Inferences drawn from other personal information ● Risk data ● Claims data 	<input checked="" type="radio"/> No
Security and Fraud Detection. This includes, for example: <ul style="list-style-type: none"> ● detecting security issues; ● protecting against fraud or illegal activity, and to comply with regulatory and law enforcement authorities; ● managing risk and securing our systems, assets, infrastructure, and premises; ● help to ensure the safety and security of Liberty Mutual staff, assets, and resources, which may include physical and virtual access controls and access rights management; ● supervisory controls and other monitoring and reviews, as permitted by law; and emergency and business continuity management; 	<ul style="list-style-type: none"> ● Identifiers ● Personal Information ● Protected Classification Characteristics ● Commercial Information ● Internet or other similar network activity ● Professional or employment related information ● Inferences drawn from other personal information ● Risk data ● Claims data 	<input checked="" type="radio"/> No

<u>Business Purpose</u>	<u>Data Categories</u>	<u>Do We Sell or Share Your Data as Defined by CPRA?</u>
<p>Regulatory and Legal Requirements. This includes for example:</p> <ul style="list-style-type: none"> ● controls and access rights management; ● to evaluate or conduct a merger, divestiture, restructuring, reorganization, dissolution, or other sale or transfer of some or all of Liberty's Mutual's assets, whether as a going concern or as part of bankruptcy, liquidation, or similar proceeding, in which personal data held by Liberty Mutual is among the assets transferred; ● exercising and defending our legal rights and positions; ● to meet Liberty Mutual contract obligations; ● to respond to law enforcement requests as required by applicable law, court order, or governmental regulations; ● as otherwise permitted by law; 	<ul style="list-style-type: none"> ● Identifiers ● Personal Information ● Protected Classification Characteristics ● Commercial Information ● Internet or other similar network activity ● Professional or employment related information ● Inferences drawn from other personal information ● Risk data ● Claims data 	<input checked="" type="radio"/> No
<p>Improve Your Customer Experience and Our Products. This includes, for example:</p> <ul style="list-style-type: none"> ● improve your customer experience, our products, and service; ● to provide support, personalize, and develop our website, products, and services; ● create and offer new products and services; 	<ul style="list-style-type: none"> ● Identifiers ● Personal Information ● Commercial Information ● Internet or other similar network activity ● Professional or employment related information ● Inferences drawn from other personal information ● Risk data ● Claims data 	<input checked="" type="radio"/> No
<p>Analytics to identify, understand, and manage our risks and products. This includes, for example:</p> <ul style="list-style-type: none"> ● conducting analytics to better identify, understand, and manage risk and our products; 	<ul style="list-style-type: none"> ● Identifiers ● Personal Information ● Protected Classification Characteristics ● Commercial Information ● Internet or other similar network activity ● Professional or employment related information ● Inferences drawn from other personal information; ● Risk data ● Claims data ● Sensitive Data 	<input checked="" type="radio"/> No

<u>Business Purpose</u>	<u>Data Categories</u>	<u>Do We Sell or Share Your Data as Defined by CPRA?</u>
Customer service and technical support. This includes, for example: <ul style="list-style-type: none"> ● answer questions and provide notifications; ● provide customer and technical support. 	<ul style="list-style-type: none"> ● Identifiers ● Personal Information ● Commercial Information ● Internet or other similar network activity ● Professional or employment related information ● Inferences drawn from other personal information ● Risk data ● Claims data 	<ul style="list-style-type: none"> ● No
Cross-Context Behavioral Advertising	<ul style="list-style-type: none"> ● Identifiers ● IP address ● Internet or other similar network activity 	<ul style="list-style-type: none"> ● We share this information with service providers such as search engines and social media platforms.

Liberty Mutual will not collect additional categories of personal information or use the personal information we collected for materially unrelated, or incompatible purposes without updating our notice.

How Does Liberty Mutual Share My Data?

Liberty Mutual does not sell your personal data as defined by California law.

Liberty Mutual shares your personal data as disclosed above. The California privacy law defines sharing as "communicating orally, in writing, or by electronic or other means, a consumers personal information, to a third party for cross-context behavioral advertising, whether or not for monetary or other valuable consideration". This occurs when you visit the Liberty Mutual website. Cookies or pixels are deployed that then allow us to show you targeted advertisements when you visit other websites or social media platforms.

This type of sharing is different from disclosing personal information to other entities to perform a service related to providing insurance or processing your claim. Liberty Mutual may disclose personal data with the following categories of affiliated and non-affiliated third parties:

- Liberty Mutual affiliates;
- Service Providers (such as auto repair facilities, towing companies, property inspectors, and independent adjusters);
- Insurance support organizations;
- Brokers and agents;
- Public entities (e.g. regulatory, quasi-regulatory, tax or other authorities, law enforcement agencies, courts, arbitral bodies, and fraud prevention agencies);
- Consumer reporting agencies;
- Professional advisors including law firms, accountants, auditors, and tax advisors;
- Insurers, re-insurers, policy holders, and claimants;
- Group policyholders (for reporting claims data or an audit);
- A person, organization, affiliates or service providers conducting actuarial or research studies; and
- As permitted by law.

We may also disclose data with other companies that provide marketing services on our behalf or as part of a joint marketing agreement for products offered by Liberty Mutual. We will not disclose your personal data with others for their own marketing purposes.

We may also disclose data about our transactions (such as payment history) and experiences (such as claims made) with you to our affiliates.

Liberty Mutual may disclose the following categories of personal data to service providers for business purposes:

Identifiers	Personal Data
Protected Classification Characteristics	Commercial Information
Internet or other similar network activity	Claims Data
Inferences drawn from personal data	Risk Data
Professional, employment, and education information	

How Do We Keep Your Personal Data Safe?

We maintain physical, electronic, and procedural safeguards to protect your non-public personal information. These safeguards comply with applicable laws. Our employees and agents are authorized to access your data only for legitimate business purposes.

How Long Does Liberty Mutual Retain Each Category of Personal Data?

We retain your information in accordance with our legal obligations, our records retention policies, or as otherwise permitted by law. For example, we may have a legal obligation to retain information relating to your policies or claims with us. We will delete your data once the legal obligation expires or after the period of time specified in our records retention policies. The period of retention is subject to our review and alteration.

Children's Privacy

We do not direct our services to individuals under the age of 13 and we request that these individuals do not provide personal data through our services.

What Rights Do I Have to Learn More About My Personal Data?

Individuals may request access to a copy of their personal information. We will honor requests for access after we have verified your identity. We will grant two requests per year after. A request may be made to us by contacting us as described below.

You may have additional rights if you are a resident of California. For information about our data practices in the last 12 months, including the types of personal data we have collected, from whom we gathered that data, and with whom we disclosed the data, please go to lmi.co/caprivacynotices and click on the link for the California Privacy Policy (Consumers). As a California resident, you also have the right to opt-out of cross-context behavioral advertising. You can learn more about those rights at lmi.co/caprivacychoices. To learn more about these and other privacy rights you may have as a California resident, please see the [California Privacy Policy \(Consumers\)](https://lmi.co/californiaprivacy). If you cannot access the link, please contact us.

Will Liberty Mutual Update This Privacy Notice?

We reserve the right to make changes to this notice at any time and for any reason. The updated version of this notice will be effective once it is posted online at <https://www.libertymutual.com/>. You are responsible for reviewing this notice to stay informed of any changes or updates.

Who Do I Contact Regarding Privacy?

You can submit requests, seek additional information, or obtain a copy of our Privacy Notice in an alternative format by either:

Calling : 800-344-0197

Email : privacy@libertymutual.com

Online : Libertymutualgroup.com/privacy-policy/data-request

Postal Address :
Liberty Mutual Insurance Company
175 Berkeley St. 6th Floor
Boston, MA 02116
Attn: Privacy Office



Coverage Is Provided In:
First National Insurance Company of America

175 Berkeley Street, Boston, MA 02116

Common Policy Declarations

Policy Number:
JKF (26) 69 63 34 15

Policy Period:
From 08/25/2025 To 08/25/2026
12:01 am Standard Time
at Insured Mailing Location

Named Insured & Mailing Address

Agent Mailing Address & Phone No.

GRAY DUCK PLUMBING LLC
2036 SHERWOOD AVE
SAINT PAUL, MN 55119-3243

(952) 938-2694
THE ZACHARY GROUP INC DBA ZACHARY
COMPANIES
2626 E 82ND ST STE 240
BLOOMINGTON, MN 55425

Named Insured Is: LIMITED LIABILITY COMPANY

Named Insured Business Is: PLUMBING

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.

SUMMARY OF COVERAGE PARTS AND CHARGES

This policy consists of this Common Policy Declarations page, Common Policy Conditions, Coverage Parts (which consist of coverage forms and other applicable forms and endorsements, if any, issued to form a part of them) and any other forms and endorsements issued to be part of this policy.

COVERAGE PART	CHARGES
Commercial Package	\$7,912.55

Total Charges for all of the above coverage parts: **\$7,912.55**

Certified Acts of Terrorism Coverage: **\$43.00** **(Included)**

Note: This is not a bill

IMPORTANT MESSAGES

This policy may be auditable. Please refer to the conditions of the policy for details or contact your agent.

Issue Date

09/03/2025

Authorized Representative

To report a claim, call your Agent or 800-362-0000

DS 70 61 07 23



Coverage Is Provided In:
First National Insurance Company of America

175 Berkeley Street, Boston, MA 02116

Common Policy Declarations

Policy Number:
JKF (26) 69 63 34 15

Policy Period:
From 08/25/2025 To 08/25/2026
12:01 am Standard Time
at Insured Mailing Location

Named Insured & Mailing Address

Agent Mailing Address & Phone No.

GRAY DUCK PLUMBING LLC

(952) 938-2694

THE ZACHARY GROUP INC DBA ZACHARY

POLICY FORMS AND ENDORSEMENTS

This section lists the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

FORM NUMBER	TITLE	STATE(S) APPLICABLE
1G0001FR 07 23	Commercial General Liability Coverage Form	MN
1G0101MN 07 23	Minnesota Changes - Liability	MN
1G0403FR 07 23	Medical Payments At Your Request	MN
1G1001FR 07 23	Primary And Noncontributory	MN
1G1011FR 07 23	Additional Insured - Automatic Status By Contract - Ongoing Operations	MN
1G1505FR 07 23	Construction Management Errors And Omissions Exclusion	MN
1G1507FR 07 23	Cross Suits Liability Exclusion	MN
1G1513FR 07 23	Earth Movement Products-Completed Operations Hazard Exclusion	MN
1G1517FR 07 23	Controlled (Wrap-up) Insurance Programs Exclusion	MN
1G1518FR 07 23	New Multiple Unit And Tract Housing Exclusion	MN
1G1519FR 07 23	Exterior Insulation And Finish Systems Exclusion	MN
1G1523FR 07 23	Cap On Losses From Certified Acts Of Terrorism	MN
1G1531FR 07 23	Punitive Damages Related To A Certified Act Of Terrorism Exclusion	MN
1G1534FR 07 23	Fungi Or Bacteria Exclusion	MN
1G1535FR 01 24	Silica Or Silica-Related Dust Exclusion	MN
1G1552FR 07 23	Tobacco, Tobacco Products, Nicotine, Nicotine Products, Or Electronic Smoking Devices Exclusion	MN
1G1553FR 07 23	Contractors - Professional Liability Exclusion	MN
1G1557FR 07 23	Sexual Misconduct Or Abusive Acts Exclusion	MN
1G1560FR 07 23	Pfc/Pfas Exclusion	MN
1G1562FR 07 23	Biometric Information Privacy Claim Exclusion	MN
1G1565FR 07 23	Contaminated Drywall Exclusion	MN

To report a claim, call your Agent or 800-362-0000

DS 70 61 07 23



Coverage Is Provided In:
First National Insurance Company of America

175 Berkeley Street, Boston, MA 02116

Common Policy Declarations

Policy Number:
JKF (26) 69 63 34 15

Policy Period:
From 08/25/2025 To 08/25/2026
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Named Insured & Mailing Address

Agent Mailing Address & Phone No.

GRAY DUCK PLUMBING LLC

(952) 938-2694
THE ZACHARY GROUP INC DBA ZACHARY

POLICY FORMS AND ENDORSEMENTS

This section lists the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

FORM NUMBER	TITLE	STATE(S) APPLICABLE
1G1566FR 07 23	Communicable Disease Exclusion	MN
1G1572FR 07 23	Magnesium Oxide Board Exclusion	MN
1G1583FR 07 23	Punitive Or Exemplary Damages Exclusion	MN
1G1585FR 07 23	Cyber Incident Liability Exclusion	MN
1G2505FR 07 23	Waiver Of Transfer Of Rights Of Recovery Against Others To Us - When Required In A Contract Or Agreement With You	MN
1G2512FR 07 23	Amendment Of Insured Contract Definition	MN
1M0001FR 07 23	Common Policy Conditions	MN
1M0101MN 07 23	Minnesota Changes - Common Policy Conditions	MN
1M1501FR 07 23	Nuclear Energy Liability Exclusion (Broad Form)	MN
1N0001FR 07 23	Commercial Inland Marine Common Conditions	MN
1N0002FR 07 23	Contractor's Tools And Equipment Coverage Form	MN
1N0003FR 07 23	Installation Coverage Form	MN
1N0101MN 07 23	Minnesota Changes - Inland Marine	MN
1N0413FR 07 23	Installation - Debris Removal Coverage	MN
1N1501FR 07 23	Inland Marine - Virus Or Bacteria Exclusion	MN
1N1503FR 07 23	Inland Marine - Cyber Incident Exclusion	MN
1P0001FR 07 23	Commercial Property Coverage Form	MN
1P0002FR 07 23	Business Income And Extra Expense Coverage Form	MN
1P0101MN 07 23	Minnesota Changes - Property	MN
1P0401FR 07 23	Business Personal Property Limit - Seasonal Increase	MN
1P0403FR 07 23	Inventory And Appraisal Expense	MN
1P0404FR 07 23	Brands And Labels Coverage	MN
1P0405FR 07 23	Non-Owned Detached Trailers Or Portable Storage Units Coverage	MN

To report a claim, call your Agent or 800-362-0000

DS 70 61 07 23



Coverage Is Provided In:
First National Insurance Company of America

175 Berkeley Street, Boston, MA 02116

Common Policy Declarations

Policy Number:
JKF (26) 69 63 34 15

Policy Period:
From 08/25/2025 To 08/25/2026
12:01 am Standard Time
at Insured Mailing Location

Named Insured & Mailing Address

Agent Mailing Address & Phone No.

GRAY DUCK PLUMBING LLC

(952) 938-2694

THE ZACHARY GROUP INC DBA ZACHARY

POLICY FORMS AND ENDORSEMENTS

This section lists the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

FORM NUMBER	TITLE	STATE(S) APPLICABLE
1P0406FR 07 23	Fire Extinguisher Systems Recharge Expense Coverage	MN
1P0407FR 07 23	Fire Department Service Charge Coverage	MN
1P0408FR 07 23	Loss To Pair Or Set Coverage	MN
1P0409FR 07 23	Pollutant Clean-Up And Removal Coverage	MN
1P0411FR 07 23	Debris Removal Coverage	MN
1P0412FR 07 23	Limited Fungi, Wet Rot, Or Dry Rot Coverage	MN
1P0413FR 07 23	Water Damage, Other Liquids, Powder Or Molten Material Damage Coverage	MN
1P0417FR 07 23	Water Back-Up, Discharge, And Sump Overflow Coverage	MN
1P0418FR 07 23	Employee Dishonesty Coverage	MN
1P0420FR 07 23	Personal Effects Coverage	MN
1P0423FR 07 23	Accounts Receivable Coverage	MN
1P0424FR 07 23	Newly Acquired Or Constructed Property Coverage	MN
1P0425FR 07 23	Reward Coverage	MN
1P0426FR 07 23	Outdoor Property Coverage	MN
1P0428FR 07 23	Valuable Papers And Records Coverage	MN
1P0429FR 07 23	Fine Arts Coverage	MN
1P0434FR 07 23	Forgery, Alteration, Money Orders, And Counterfeit Money Coverage	MN
1P0439FR 07 23	Money And Securities Coverage	MN
1P0450FR 07 23	Lock And Key Replacement Coverage	MN
1P0461FR 07 23	Business Income - Limited Fungi, Wet Or Dry Rot Coverage	MN
1P1508FR 07 23	Cyber Incident Property Exclusion	MN
1P2503FR 07 23	Windstorm Or Hail Loss Notification	MN
CNI 90 23 11 23	Important Information	MN

To report a claim, call your Agent or 800-362-0000

DS 70 61 07 23



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FORM NUMBER	TITLE	STATE(S) APPLICABLE
CNI 90 24 08 22	Information About Your Policy	MN
CNI 90 37 07 23	Audit Information Policyholder Notice	MN
CNL 90 11 07 23	Adequately Insured Subcontractor Policyholder Notice	MN
IL 09 52 01 15	Cap On Losses From Certified Acts Of Terrorism	MN
SNI 22 01 09 21	Notice Concerning Policyholder Rights In An Insolvency Under The Minnesota Insurance Guaranty Association Law	MN
SNI 90 07 07 23	Terrorism Insurance Premium Disclosure and Opportunity To Reject	MN
CNI 90 29 07 23	Signature Form	MN

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COMPANIES
2626 E 82ND ST STE 240
BLOOMINGTON, MN 55425

SUMMARY OF CHARGE(S)

DESCRIPTION	PREMIUM
Commercial General Liability Premium	\$6,838.00
Commercial Property Premium	\$526.00
Commercial Inland Marine Premium	\$483.00
MN Fire Safety Surcharge	\$6.63
MN Fireman's Relief Association Surcharge	\$58.92
Certified Acts of Terrorism Coverage (Included)	\$43.00

Total Charges: **\$7,912.55**

Note: This is not a bill

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SUMMARY OF LOCATION(S) AND BUILDING(S)

LOCATION(S) AND BUILDING(S) SCHEDULE

The below are the location(s) and building(s) that are scheduled on the policy(s) as shown in this Declarations. Coverage(s) and Exclusion(s) that apply to the location(s) and building(s) listed below are indicated in each Section within the Summary of Coverages.

Loc #	Bldg #	Address	Description
0001	0001	3747 Dunlap St N, Arden Hills, MN 55112	SHOP

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SUMMARY OF COMMERCIAL GENERAL LIABILITY LIMIT(S) AND CHARGE(S)

COVERAGE(S) AND EXCLUSION(S)

Coverage(s) and Exclusion(s) listed below apply, unless otherwise indicated with a Loc # or Bldg #. If a Loc# and/or Bldg# is shown next to a coverage or exclusion, that coverage or exclusion applies only to those Location(s) and/or Building(s).

N/A = Not Applicable

If "Deductible Liability" is shown in the schedule below that deductible applies to all of the coverage(s) and exclusion(s) listed unless otherwise indicated in the deductible column.

When "Included" is listed in the premium column, the premium is calculated as part of the GL premium.

A Retroactive Date may apply for certain coverages. Check the list below for details. (If left blank, the entry will be deemed the same as "From" as indicated in the Policy Period above.)

Limits displayed may either be included in or in addition to Commercial General Liability limits. Form language must be reviewed to determine application.

The Commercial General Liability premium shown in the Declarations is an advance premium.

Loc #	Bldg #	Coverage & Form Number	Deductible	Limit of Insurance	Premium
		Commercial General Liability Coverage Form - 1G0001FR - Each Occurrence		1,000,000	\$1,476.00
		Commercial General Liability - General Aggregate Limit (Other than Products - Completed Operations) - 1G0001FR		2,000,000	Included
		Damage To Premises Rented To You - 1G0001FR - Any One Premises		100,000	Included
		Medical Expenses - 1G0001FR - Any One Person		15,000	Included
		Personal And Advertising Injury - 1G0001FR - Any One Occurrence		1,000,000	Included
		Products - Completed Operations - 1G0001FR - Aggregate		2,000,000	\$5,036.00
		Supplementary Payments - Bail Bonds - 1G0001FR		3,000	Included
		Supplementary Payments - Loss Of Earnings - 1G0001FR		500	Included
		Amendment Of Insured Contract Definition - 1G2512FR	N/A	N/A	N/A

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SUMMARY OF COMMERCIAL GENERAL LIABILITY LIMIT(S) AND CHARGE(S)

COVERAGE(S) AND EXCLUSION(S) – continued

Loc #	Bldg #	Coverage & Form Number	Deductible	Limit of Insurance	Premium
		Biometric Information Privacy Claim Exclusion - 1G1562FR	N/A	N/A	N/A
		Cap On Losses From Certified Acts Of Terrorism - 1G1523FR	N/A	See Form	\$26.00
		Communicable Disease Exclusion - 1G1566FR	N/A	N/A	N/A
		Construction Management Errors & Omissions Exclusion - 1G1505FR	N/A	N/A	N/A
		Contaminated Drywall Exclusion - 1G1565FR	N/A	N/A	N/A
		Contractors - Professional Liability Exclusion - 1G1553FR	N/A	N/A	N/A
		Controlled (Wrap-Up) Insurance Programs Exclusion - 1G1517FR	N/A	N/A	N/A
		Cross Suits Liability Exclusion - 1G1507FR	N/A	N/A	N/A
		Cyber Incident Liability Exclusion - 1G1585FR	N/A	N/A	N/A
		Earth Movement Products/Completed Operations Hazard Exclusion - 1G1513FR	N/A	N/A	N/A
		Exterior Insulation And Finish Systems Exclusion - 1G1519FR	N/A	N/A	N/A
		Fungi Or Bacteria Exclusion - 1G1534FR	N/A	N/A	N/A
		Magnesium Oxide Board Exclusion - 1G1572FR	N/A	N/A	N/A
		Medical Payments At Your Request - 1G0403FR		See Form	N/A
		New Multiple Unit And Tract Housing Exclusion - 1G1518FR	N/A	N/A	N/A
		Nuclear Energy Liability Exclusion (Broad Form) - 1M1501FR	N/A	N/A	N/A
		PFC/PFAS Exclusion - 1G1560FR	N/A	N/A	N/A
		Primary and Noncontributory - 1G1001FR	N/A	N/A	N/A

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SUMMARY OF COMMERCIAL GENERAL LIABILITY LIMIT(S) AND CHARGE(S)

COVERAGE(S) AND EXCLUSION(S) – continued

Loc #	Bldg #	Coverage & Form Number	Deductible	Limit of Insurance	Premium
		Punitive Damages Related To A Certified Act Of Terrorism Exclusion - 1G1531FR	N/A	N/A	N/A
		Punitive or Exemplary Damages Exclusion - 1G1583FR	N/A	N/A	N/A
		Sexual Misconduct Or Abuse Acts Exclusion - 1G1557FR	N/A	N/A	N/A
		Silica Or Silica-Related Dust Exclusion - 1G1535FR	N/A	N/A	N/A
		Tobacco, Tobacco Products, Nicotine, Nicotine Products, Or Electronic Smoking Devices Exclusion - 1G1552FR	N/A	N/A	N/A
		Waiver of Transfer of Rights of Recovery Against Others To Us - When Required In A Contract Or Agreement With You - 1G2505FR	N/A	N/A	\$130.00
		General Liability Expense Constant	N/A	N/A	\$96.00

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SUMMARY OF COMMERCIAL GENERAL LIABILITY CLASSIFICATION(S) BY LOCATION(S)

CLASSIFICATION(S) BY LOCATION(S)

Loc #	Class Code	GL Class Code Description	Exposure	Premium
0001	98483	Plumbing - residential or domestic		
		Owner/Executive	\$84,000 (P)	
		Employee	\$158,760 (P)	
		Premise / Operations		\$1,476.00
		Products Completion		\$5,036.00

A=Acres, AD=Admissions, C=Cost, E=Each, GAL=Gallon, GS=Gross Sales, M=Member(s), P=Payroll, PE=Per Employee, R= Receipts,
SQ=Square Feet of Area, U=Units

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SUMMARY OF ADDITIONAL INSURED(S)

ADDITIONAL INSURED(S)

Additional insured(s) listed below apply to Commercial General Liability Coverage.

Additional Insured	Coverage Applicable	Premium
Additional Insured - Automatic Status By Contract - Ongoing Operations - 1G1011FR	N/A	\$74.00

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SUMMARY OF COMMERCIAL PROPERTY LIMIT(S) AND CHARGE(S)

COVERAGE(S) AND EXCLUSION(S)

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Deductible - If a coverage has a specific deductible, it will be shown in the deductible column. If "Follows Loc/Bldg" is indicated in the Deductible column, a Building, Business Income or Business Personal Property applicable Deductible(s) will apply. See the coverage form for Deductible(s) application.

Limit of Insurance - If "Follows Loc/Bldg" is indicated in the Limit of Insurance column, we will apply the applicable Limit of Insurance for the location / building where the loss occurs.

When "included" is listed in the premium column, the premium is calculated as part of the associated Building, Business Personal Property, Business Income, or Optional Coverage Premium.

N/A = Not Applicable

Loss Settlement Options - ACV = Actual Cash Value; RC = Replacement Cost

Loc #	Bldg #	Coverage & Form Number	Loss Settlement Option	Deductible	Limit of Insurance	Premium
0001	0001	Business Personal Property Includes Personal Property Of Others, Tenants Improvement And Betterments - 1P0001FR	RC	\$1,000	50,000	\$327.00
0001	0001	Business Personal Property - 1P0001FR - Inflation Guard - 4%		N/A	N/A	Included
0001	0001	Business Income And Extra Expense Coverage - 1P0002FR - ALS Coverage Period - 12 Months	N/A	Waiting Period - 72 Hours	Actual Loss Sustained	\$42.00
0001	0001	Water Back-Up, Discharge, And Sump Overflow Coverage - 1P0417FR		\$500	5,000	\$10.00
	Where BI/EE Applies	Business Income - Limited Fungi, Wet, Or Dry Rot - 1P0461FR - Per Annual Period - Number of Days 30	N/A	Follows Loc/Bldg	15,000	N/A
		Accounts Receivable Coverage - 1P0423FR		Follows Loc/Bldg	10,000	\$2.00

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SUMMARY OF COMMERCIAL PROPERTY LIMIT(S) AND CHARGE(S)

COVERAGE(S) AND EXCLUSION(S) – continued

Loc #	Bldg #	Coverage & Form Number	Loss Settlement Option	Deductible	Limit of Insurance	Premium
		Brands And Labels - 1P0404FR		Follows Loc/Bldg	Follows Loc/Bldg	\$1.00
		Business Personal Property Limit - Seasonal Increase - 1P0401FR - 33%		N/A	Follows Loc/Bldg	\$8.00
		Cap On Losses From Certified Acts Of Terrorism - IL 09 52		N/A	N/A	\$5.00
		Cyber Incident Exclusion - 1P1508FR		N/A	N/A	N/A
		Debris Removal Coverage - 1P0411FR		N/A	25% Of Amount Paid For Covered Loss	N/A
		Debris Removal Of Other Property - 1P0411FR		N/A	5,000	N/A
		Debris Removal - Additional Limit - 1P0411FR		N/A	25,000	\$11.00
		Employee Dishonesty - 1P0418FR		\$500	10,000	\$3.00
		Fine Arts - 1P0429FR		Follows Loc/Bldg	5,000	\$1.00
		Fire Department Service Charge - 1P0407FR		N/A	2,500	\$1.00
		Fire Extinguisher Systems Recharge Expense - 1P0406FR		N/A	15,000	\$1.00
		Forgery, Alteration, Money Orders, And Counterfeit Money - 1P0434FR		\$250	2,500	\$1.00
		Inventory And Appraisal Expense - 1P0403FR - Per Occurrence		N/A	5,000	\$1.00
		Limited Fungi, Wet Rot, Or Dry Rot Coverage - 1P0412FR		Follows Loc/Bldg	15,000	\$1.00
		Lock And Key Replacement - 1P0450FR		N/A	5,000	\$1.00
		Loss To Pair Or Set - 1P0408FR		N/A	Included in BPP	\$1.00
		Money And Securities - 1P0439FR		Follows Loc/Bldg	10,000	\$1.00

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SUMMARY OF COMMERCIAL PROPERTY LIMIT(S) AND CHARGE(S)

COVERAGE(S) AND EXCLUSION(S) – continued

Loc #	Bldg #	Coverage & Form Number	Loss Settlement Option	Deductible	Limit of Insurance	Premium
		Newly Acquired Or Constructed Property - 1P0424FR - Business Personal Property - Number Of Days - Up To 90		Follows Loc/Bldg	100,000	\$2.00
		Non-Owned Detached Trailers Or Portable Storage Units - 1P0405FR		Follows Loc/Bldg	5,000	\$2.00
		Outdoor Property - 1P0426FR		Follows Loc/Bldg	5,000	\$2.00
		Personal Effects - 1P0420FR		Follows Loc/Bldg	5,000	\$1.00
		Pollutant Clean-up And Removal - 1P0409FR		Follows Loc/Bldg	10,000	\$1.00
		Reward Coverage - 1P0425FR		N/A	25,000	\$1.00
		Valuable Papers And Records - 1P0428FR		Follows Loc/Bldg	10,000	\$3.00
		Water Damage, Other Liquids, Powder, Or Molten Material Damage - 1P0413FR		N/A	Included in Building and/or BPP Limit	\$1.00
		Property Expense Constant		N/A		\$95.00

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SUMMARY OF COMMERCIAL INLAND MARINE LIMIT(S) AND CHARGE(S)

COVERAGE(S) AND EXCLUSION(S)

Coverage(s) and Exclusion(s) listed below apply, unless otherwise indicated with a Loc # or Bldg #. If a Loc # and/or Bldg # is shown next to a coverage or exclusion, that coverage or exclusion applies only to those Location(s) and/or Building(s).

When "included" is listed in the premium column, the premium is calculated as part of the associated Commercial Inland Marine Base Contract premium.

The Commercial Inland Marine premium shown in the Declarations is an advance premium.

The following Coverages and Exclusions apply to all Commercial Inland Marine Summaries listed:

Loc #	Bldg #	Coverage & Form Number	Deductible	Limit of Insurance	Premium
		Commercial Inland Marine - Cyber Incident Exclusion - 1N1503FR	N/A	N/A	N/A
		Commercial Inland Marine - Virus Or Bacteria Exclusion - 1N1501FR	N/A	N/A	N/A
		Cap On Losses From Certified Acts Of Terrorism - IL 09 52	N/A	N/A	\$12.00

Contractor's Tools And Equipment Coverage Summary

The Maximum Occurrence Limit of Insurance for Commercial Inland Marine Contractor's Tools And Equipment Coverage(s) and Exclusion(s) listed below is 10,000. The Maximum Occurrence Limit of Insurance is the most we will pay for loss or damage covered under the Contractor's Tools and Equipment Coverage Form and its endorsement(s) in any one "occurrence".

Deductible - If a coverage has a specific deductible, it will be shown in the deductible column. If "Follows Contractor's Tools And Equipment" is indicated in the Deductible column, the applicable Contractor's Tools And Equipment Deductible for the lost or damaged tool or equipment will apply. See the coverage form for Deductible(s) application.

Loc #	Bldg #	Coverage & Form Number	Deductible	Limit of Insurance	Premium
		Unscheduled Insured-Owned Contractor's Tools and Equipment - 1N0002FR - Per Item / Per Occurrence	\$1,000	2,500 / 10,000	\$266.00
		Unscheduled Employee-Owned Contractor's Tools and Equipment - 1N0002FR - Per Employee / Per Occurrence	N/A	No Coverage Provided	N/A
		Unscheduled Leased, Rented, Or Borrowed From Others Contractor's Tools and Equipment - 1N0002FR - Per Item / Per Occurrence	N/A	No Coverage Provided	N/A

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SUMMARY OF COMMERCIAL INLAND MARINE LIMIT(S) AND CHARGE(S)

COVERAGE(S) AND EXCLUSION(S) – continued

Loc #	Bldg #	Coverage & Form Number	Deductible	Limit of Insurance	Premium
		Contractor's Tools and Equipment Leased, Rented, Or Loaned To Others - 1N0002FR - Per Item / Per Occurrence	N/A	No Coverage Provided	N/A
		Contractor's Tools And Equipment - Expense Constant			\$64.00

Installation Coverage Summary

Valuation - Unless otherwise stated, Replacement Cost applies to owned Covered Property. Covered Property owned by others will be based on the amount for which the insured is legally liable, subject to conditions outlined in the Installation Coverage form.

Deductible - If a coverage has a specific deductible, it will be shown in the deductible column. If "Follows Installation" is indicated in the Deductible column, the applicable Deductible (at any one job site, at temporary offsite locations, or in transit) for the lost or damaged installation material(s) will apply.

Loc #	Bldg #	Coverage & Form Number	Deductible	Limit of Insurance	Premium
		Installation - At Any One Job Site - 1N0003FR	\$1,000	10,000	\$76.00
		Installation - At Temporary Offsite Locations - 1N0003FR	\$1,000	2,500	\$3.00
		Installation - In Transit - 1N0003FR	\$1,000	2,500	\$3.00
		Installation - Annual Aggregate - 1N0003FR	N/A	10,000	Included
		Installation - Tree, Plant, or Shrub (per item) - 1N0003FR	N/A	1,000	Included
		Installation - Debris Removal - 1N0413FR - (25% Of Amount Paid For Covered Loss)	N/A	25% Of Loss	N/A
		Installation - Debris Removal - 1N0413FR - Additional Limit	N/A	5,000	\$16.00
		Installation - Expense Constant			\$43.00

To report a claim, call your Agent or 800-362-0000

DS 88 35 07 23



Coverage Is Provided In:
First National Insurance Company of America

175 Berkeley Street, Boston, MA 02116

Declarations Schedule

Policy Number:
JKF (26) 69 63 34 15

Policy Period:
From 08/25/2025 To 08/25/2026
12:01 am Standard Time
at Insured Mailing Location

Named Insured & Mailing Address

Agent Mailing Address & Phone No.

GRAY DUCK PLUMBING LLC
2036 SHERWOOD AVE
SAINT PAUL, MN 55119-3243

(952) 938-2694
THE ZACHARY GROUP INC DBA ZACHARY
COMPANIES
2626 E 82ND ST STE 240
BLOOMINGTON, MN 55425

SUMMARY OF APPLICABLE TAXES AND SURCHARGES

TAXES AND SURCHARGES

Tax/Surcharge Description	Premium
Commercial General Liability	
MN Fireman's Relief Association Surcharge	\$47.86
Commercial Property	
MN Fire Safety Surcharge	\$3.49
MN Fireman's Relief Association Surcharge	\$5.75
Commercial Inland Marine	
MN Fire Safety Surcharge	\$3.14
MN Fireman's Relief Association Surcharge	\$5.31

To report a claim, call your Agent or 800-362-0000

DS 88 35 07 23

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 or coverage part 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 any insured or additional 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 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 or to have begun to occur by any insured listed under 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 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. ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL MATERIAL OR INFORMATION

"Bodily injury" or "property damage" arising out of:

- (1) 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 or medical information;
 - (d) Any other type of nonpublic material or information; or
 - (e) Personal data or information as defined by applicable law; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data and media data".

This exclusion applies even if damages claimed are for expenses to notify any person, organization, or other entity, credit monitoring expenses, identity monitoring expenses, data restoration expenses, extortion expenses, forensic expenses, public relations expenses, fines, penalties (including but not limited to, fees or surcharges from affected financial institutions), 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 which is described in (1) or (2) above.

However, unless (1) above applies, this exclusion does not apply to damages because of "bodily injury".

b. AIRCRAFT, AUTO, OR WATERCRAFT

"Bodily injury" or "property damage" arising out of:

- (1) The ownership, maintenance, use, or entrustment to others of any aircraft, "auto", or watercraft owned or operated by, or rented, leased, or loaned to, any insured; or
- (2) Any "auto" you do not own, lease, hire, rent, or borrow that is used in connection with your business.

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, or any other business practices 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, leased or loaned to any insured.

This exclusion does not apply to:

- (3) A watercraft while ashore on premises you own or rent;
- (4) A watercraft that is:
 - (a) Not owned by any insured;
 - (b) Less than 52 feet long; and

- (c) Not being used to carry persons or property for a charge;
- (5) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by, rented, leased, or loaned to any insured;
- (6) Liability assumed under any "insured contract" for the ownership, maintenance, or use of aircraft or watercraft;
- (7) "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 or motor vehicle registration law where it is licensed or principally garaged; or
 - (b) The operation of any of the machinery or equipment listed in f.(2) or f.(3) of the definition of "mobile equipment"; or
- (8) An aircraft that is:
 - (a) Not owned by any insured;
 - (b) Hired, chartered, or loaned with a trained paid crew;
 - (c) Commanded by a pilot who holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating them a commercial or airline pilot; and
 - (d) Not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent, or on any other basis, that would also apply to the loss covered under this provision.

c. ASBESTOS

- (1) "Bodily injury" or "property damage" arising out of:
 - (a) Asbestos, asbestos fibers, asbestos dust, asbestos-containing materials, goods, products, or structures including, but not limited to, manufacture, storage, processing, mining, use, sale, installation, removal, disposal, handling, or distribution activities; or
 - (b) Actual, alleged, threatened, or suspected inhalation, ingestion, absorption, migration, release, contact with, exposure to, existence of, or presence of asbestos, asbestos fibers, asbestos dust, asbestos-containing materials, goods, products, or structures, anywhere at any time, however caused.
- (2) Any damages, loss, costs, or expenses arising out of any:
 - (a) Request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, abate, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of, or in any way respond to, or assess the effects of asbestos, asbestos fibers, asbestos dust, asbestos-containing materials, goods, products, or structures; or
 - (b) Claim or suit by or on behalf of any governmental authority or any other person, entity, or organization for damages because of testing for, monitoring, abating, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to, or assessing the effects of asbestos, asbestos fibers, asbestos dust, asbestos-containing materials, goods, products, or structures.

d. 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.

e. CRIMINAL ACTS

"Bodily injury" or "property damage" arising out of a criminal act committed by or at the direction of any insured.

f. 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.

g. DAMAGE TO PROPERTY

"Property damage" to:

- (1) Property you own, rent, lease, 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.

Items (1), (3), and (4) above do not apply to "property damage" (other than damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system) to:

- (7) Premises rented to you for a period of seven or fewer consecutive days; or
- (8) Contents of premises rented to you for a period of seven or fewer consecutive days; or
- (9) Contents that you rent or lease as part of a premises rental or lease agreement for a period of more than seven days.

Items **(3)**, **(4)**, and **(6)** of this exclusion do not apply if such "property damage" results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.

A separate limit of insurance applies to Damage To Premises Rented To You as described in **Section III – Limits of Insurance**.

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

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

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

h. DAMAGE TO YOUR PRODUCT

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

i. 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.

j. EMPLOYER'S LIABILITY

"Bodily injury" to:

(1) An "employee" of any 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, sister, sibling, or dependent of that "employee" as a consequence of **(1)** above.

This exclusion applies:

(3) Whether any insured may be liable as an employer or in any other capacity; and

(4) 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".

k. EMPLOYMENT-RELATED PRACTICES

"Bodily injury" to:

(1) A person arising or allegedly arising out of any:

- (a)** Refusal to employ or promote a person;
- (b)** Termination of a person's employment;
- (c)** Employment-related practices, policies, acts, or omissions, including, but not limited to, coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, or malicious prosecution directed at a person; or

(2) The spouse, child, parent, brother, sister, sibling, or dependent of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in **(1)** above is directed.

This exclusion applies:

- (3) Whether the injury-causing event described in (1) or (2) above occurs before employment, during employment, or after employment of that person;
- (4) Whether the insured may be liable as an employer or in any other capacity; and
- (5) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

I. EXPECTED OR INTENDED INJURY

"Bodily injury" or "property damage" expected or intended by, or at the direction of, any insured.

This exclusion applies even if:

- (1) Such "bodily injury" or "property damage" is of a different kind or degree than expected or intended; or
- (2) Such "bodily injury" or "property damage" is sustained by a different person or persons, entity, real or personal property than expected or intended.

However, this exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

m. 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:

- (4) The supervision, hiring, employment, training, or monitoring of others by that insured; or
- (5) 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 (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.

n. 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, leased, 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.

o. PERSONAL AND ADVERTISING INJURY

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

p. POLLUTION

(1) "Bodily injury" or "property damage" arising out of the actual, alleged, threatened, or suspected discharge, dispersal, seepage, migration, release, escape, emission, transmission, absorption, ingestion or inhalation of, contact with, exposure to, existence of, or presence 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 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;

(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 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"; or

(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, abate, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of, or in any way respond to, or assess the effects of, "pollutants".

(2) Any damages, loss, costs, or expenses arising out of any:

- (a) Request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, abate, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of any governmental authority or any other person, entity, or organization for damages because of testing for, monitoring, abating, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, 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.

q. PROFESSIONAL LIABILITY

"Bodily injury" or "property damage" arising out of the rendering or failure to render of any professional service by or on behalf of any insured.

This includes but is not limited to:

- (1) Legal, accounting, or advertising services;
- (2) Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, field orders, change orders, designs, and specifications;
- (3) Supervisory, inspection, architectural, or engineering services;
- (4) Medical, surgical, dental, X-ray, or nursing services treatment, advice, or instruction;
- (5) Any health or therapeutic service treatment, advice, or instruction;
- (6) Any service, treatment, advice, or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;
- (7) Hearing aid services including but not limited to the selling, handling, prescribing, preparing, fitting, demonstrating, or distributing of hearing aid devices;
- (8) Optical, optometry, or optometric services including but not limited to:
 - (a) Administration of eye or optical examinations, diagnosis, or general treatment or advice;
 - (b) Prescribing or fitting ophthalmic lenses to the eyes;
 - (c) Production or reproduction of ophthalmic lenses and related products, including the mounting of such lenses into the frames; or
 - (d) Preparing, selling, handling, demonstrating, or distributing of optical goods or products in connection with your business;
- (9) Body piercing services (not including ear piercing);
- (10) Tattooing, including but not limited to, inserting pigments in the skin;
- (11) Computer or "electronic data processing equipment" design, consulting, or programming services including advice or instruction; or
- (12) Services in the practice of pharmacy including but not limited to:
 - (a) Compounding, administering, prescribing, preparing, or distributing of pharmaceutical drugs;
 - (b) Administering vaccinations or immunizations;
 - (c) Advising and consulting customers; or
 - (d) Providing or failure to provide any home health care services.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others, or any other business practices by an insured, if "bodily injury" or "property damage", arises out of the rendering or failure to render of any professional service by or on behalf of an insured.

This exclusion applies even if a professional service does not require licensing or registration.

r. 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.

s. 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.

t. 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;
- (3) Seizure or destruction or use for a military purpose; or
- (4) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Discharge of a nuclear weapon shall be deemed a warlike action even if accidental.

u. WORKERS' COMPENSATION AND SIMILAR LAWS

Any obligation for which an insured or insurer(s) of that insured may be held liable under a Workers Compensation, Unemployment Compensation or Disability Benefits Law, or under any similar law, regulation, or ordinance.

Exclusions **b.**, **f.**, **g.**, **h.**, **i.**, **j.**, **m.**, **n.**, **p.**, **r.**, **t.**, and **u.** do not apply to damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Damage To Premises Rented To You 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 any insured or additional 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. ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL MATERIAL OR INFORMATION

"Personal and advertising injury" arising out of:

- (1) 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 or medical information;
 - (d) Any other type of nonpublic material or information; or
 - (e) Personal data or information as defined by applicable law; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data and media data".

This exclusion applies even if damages claimed are for expenses to notify any person, organization, or other entity, credit monitoring expenses, identity monitoring expenses, data restoration expenses, extortion expenses, forensic expenses, public relations expenses, fines, penalties (including but not limited to, fees or surcharges from affected financial institutions), 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 information which is described in (1) or (2) above.

b. ASBESTOS

(1) "Personal and advertising injury" arising out of:

- (a) Asbestos, asbestos fibers, asbestos dust, asbestos-containing materials, goods, products, or structures including, but not limited to, manufacture, storage, processing, mining, use, sale, installation, removal, disposal, handling, or distribution activities.
- (b) Actual, alleged, threatened or suspected inhalation, ingestion, absorption, migration, release, contact with, exposure to, existence of, or presence of asbestos, asbestos fibers, asbestos dust, asbestos-containing materials, goods, products, or structures, anywhere at any time, however caused.

(2) Any damages, loss, costs, or expenses arising out of any:

- (a)** Request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, abate, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of, or in any way respond to, or assess the effects of asbestos, asbestos fibers, asbestos dust, asbestos-containing materials, goods, products, or structures.
- (b)** Claim or suit by or on behalf of any governmental authority or any other person, entity, or organization for damages because of testing for, monitoring, abating, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to, or assessing the effects of asbestos, asbestos fibers, asbestos dust, asbestos-containing materials, goods, products, or structures.

c. 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".

d. 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.

e. CRIMINAL ACTS

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

f. ELECTRONIC CHATROOMS OR BULLETIN BOARDS

"Personal and advertising injury" arising out of an insured's use of an electronic chatroom, bulletin board, or any social media platform.

g. EMPLOYMENT-RELATED PRACTICES

"Personal and advertising injury" to:

(1) A person arising or allegedly arising out of any:

- (a)** Refusal to employ or promote a person;
- (b)** Termination of a person's employment;
- (c)** Employment-related practices, policies, acts, or omissions, including, but not limited to, coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, or malicious prosecution directed at a person; or

(2) The spouse, child, parent, brother, sister, sibling, or dependent of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in **(1)** above is directed.

This exclusion applies:

- (3)** Whether the injury-causing event described in **(1)** or **(2)** above occurs before employment, during employment, or after employment of that person;
- (4)** Whether the insured may be liable as an employer or in any other capacity; and
- (5)** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

h. INFRINGEMENT OF COPYRIGHT, PATENT, TRADEMARK, TRADE DRESS, TRADE NAME, OR TRADE SECRET

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

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

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

i. 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 **16.a.**, **16.b.**, and **16.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.

j. INTERNET ADVERTISEMENTS AND CONTENT OF OTHERS

"Personal and advertising injury" arising out of:

- (1) Any "advertisement" for others on your web site;
- (2) Placing a link to a web site of others on your web site;
- (3) Content, including information, sounds, text, graphics, or images of others displayed within a frame or border on your web site; or
- (4) Computer or "electronic data processing equipment" code, software, or programming used to enable:
 - (a) Your web site that is marketing the products or services of others; or
 - (b) The presentation or functionality of an "advertisement" or other content on your web site.

k. 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".

l. MATERIAL PUBLISHED WITH KNOWLEDGE OF FALSITY

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

m. MATERIAL PUBLISHED PRIOR TO POLICY PERIOD

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

n. POLLUTION

"Personal and advertising injury" arising out of the actual, alleged, threatened or suspected discharge, dispersal, seepage, migration, release, escape, emission, transmission, absorption, ingestion, or inhalation of, contact with, exposure to, existence of, or presence of "pollutants".

o. POLLUTION-RELATED

Any damages, 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, abate, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of, 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 or any other person, entity, or organization for damages because of testing for, monitoring, abating, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to, or assessing the effects of, "pollutants".

p. PROFESSIONAL LIABILITY

"Personal and advertising injury" arising out of the rendering or failure to render of any professional service by or on behalf of any insured.

This includes but is not limited to:

- (1) Legal, accounting, or advertising services;
- (2) Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, field orders, change orders, designs, and specifications;
- (3) Supervisory, inspection, architectural, or engineering services;
- (4) Medical, surgical, dental, X-ray, or nursing services treatment, advice, or instruction;
- (5) Any health or therapeutic service treatment, advice, or instruction;
- (6) Any service, treatment, advice, or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;
- (7) Hearing aid services including but not limited to the selling, handling, prescribing, preparing, fitting, demonstrating, or distributing of hearing aid devices;
- (8) Optical, optometry, or optometric services including but not limited to:
 - (a) Administration of eye or optical examinations, diagnosis, or general treatment or advice;
 - (b) Prescribing or fitting ophthalmic lenses to the eyes;
 - (c) Production or reproduction of ophthalmic lenses and related products, including the mounting of such lenses into the frames; or
 - (d) Preparing, selling, handling, demonstrating, or distributing of optical goods or products in connection with your business;
- (9) Body piercing services (not including ear piercing);
- (10) Tattooing, including but not limited to, inserting pigments in the skin;
- (11) Computer or "electronic data processing equipment" design, consulting, or programming services including advice or instruction; or

(12) Services in the practice of pharmacy including but not limited to:

- (a)** Compounding, administering, prescribing, preparing, or distributing of pharmaceutical drugs;
- (b)** Administering vaccinations or immunizations;
- (c)** Advising and consulting customers; or
- (d)** Providing or failure to provide any home health care services.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others, or any other business practices by an insured, if "personal and advertising injury", arises out of the rendering or failure to render of any professional service by or on behalf of an insured.

This exclusion applies even if a professional service does not require licensing or registration.

q. 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".

r. 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.

s. RIGHT OF PRIVACY CREATED BY STATUTE

"Personal and advertising injury" arising out of the violation of an individual(s) right of privacy created by any federal, state, or local statute, ordinance, or regulation. This includes their amendments and additions that address right of privacy.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such federal, state, or local statute, ordinance, or regulation.

t. SECURITIES OR FINANCIAL INSTRUMENT

"Personal and advertising injury" arising out of the fluctuation in price or value of any stocks, bonds, financial instruments, or other securities.

u. 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.

v. VIOLATION OF ANTI-TRUST LAW

"Personal and advertising injury" arising directly or indirectly, caused in whole or in part out of a violation of any anti-trust law.

w. 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;
- (3) Seizure or destruction or use for a military purpose; or
- (4) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Discharge of a nuclear weapon shall be deemed a warlike action even if accidental.

x. 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".

COVERAGE C – MEDICAL PAYMENTS

1. INSURING AGREEMENT

- a. We will pay medical expenses incurred 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:
 - (4) The accident takes place in the "coverage territory" and during the policy period;
 - (5) The expenses are incurred and reported to us within three years of the date of the accident; and
 - (6) 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. ATHLETICS ACTIVITIES

To a person injured while practicing, instructing, or participating in any physical exercises or games, sports, or athletic contests.

c. HIRED PERSON

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

d. INJURY ON NORMALLY OCCUPIED PREMISES

To a person injured on that part of premises you own or rent that the person normally occupies.

e. PRODUCTS-COMPLETED OPERATIONS HAZARD

Included within the "products-completed operations hazard".

f. 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.

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 \$3,000 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 appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds, nor arrange for, finance, collateralize, or guarantee these bonds, regardless if the collateralization is characterized as premium or not.
 - 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.
 - 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 2.d.(2) of **Section I – Coverages, Coverage A – Bodily Injury and Property Damage Liability** or 2.d.(2) of **Section I – Coverages, Coverage B – Personal and Advertising Injury Liability**, such payments will not be deemed to be damages for "bodily injury", "property damage", or "personal and advertising injury" 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:

- g. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- h. The conditions set forth above, or the terms of the agreement described in 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 their 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, sister, sibling, or dependent of that co-"employee" or "volunteer worker" as a consequence of (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 (a) or (b) above; or
- (d) Arising out of their providing or failing to provide professional health care services.

However, if you are not in the business of providing professional health care services or providing professional health care personnel to others, or if coverage for providing professional health care services is not otherwise excluded by separate endorsement, this provision (d) does not apply.

(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. NEWLY ACQUIRED OR FORMED ORGANIZATION

Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, 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 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
- 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", except for, the 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.
4. Subject to **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" arising out of any one "occurrence".

Non-Cumulation of Liability – Same Occurrence – if one "occurrence" causes "personal and advertising injury" during the policy period and during the policy period of one or more prior, or future, general liability policies issued to you by us, then this policy's Personal And Advertising Injury Limit will be reduced by the amount of each payment made by any Liberty Mutual underwriting company under the other Policies because of such "occurrence".

5. Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
- a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

Non-Cumulation of Liability – Same Occurrence – if one "occurrence" causes "bodily injury" and/or "property damage" during the policy period and during the policy period of one or more prior, or future, general liability policies issued to you by us, then this policy's Each Occurrence Limit will be reduced by the amount of each payment made by any Liberty Mutual underwriting company under the other Policies because of such "occurrence".

6. Subject to **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to:
- a. Any one premise:
 - (1) While rented to you; or
 - (2) While rented to you or temporarily occupied by you with permission of the owner for damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system; or
 - b. Contents that you rent or lease as part of a premises rental or lease agreement.
7. Subject to **5.** above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the aggregated Limits of Insurance. However, the Each Occurrence Limit is the most we will pay for damages and Medical Expenses because of all "bodily injury" and "property damage" arising out of any one "occurrence", and the Personal and Advertising Injury Limit is the most we will pay for damage because of all "personal and advertising injury" arising out of any one "occurrence", regardless of the length of the policy period.

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

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- 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 or "suit" under this policy. 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;
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense; and
 - (4) Any other pertinent information related to 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. Additionally, in the event of an "occurrence", "suit", claim, or offense, you must:
 - (1) Agree to examinations under oath at our request;
 - (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; and
 - (3) In the event of an examination, an insured's answers must be signed.
- e. 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.
- f. The above duties in a. and b. only apply when the "occurrence" or offense is known or reasonably should be known to any insured listed in 1. of **Section II – Who Is an Insured**, or any "employee" authorized by you to give or receive notice of an "occurrence" or claim.

3. LEGAL ACTION AGAINST US

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative.

4. OTHER INSURANCE

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. PRIMARY INSURANCE

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

b. EXCESS INSURANCE

(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, Owner Controlled Insurance Program or OCIP, Contractor Controlled Insurance Program or CCIP, Wrap Up Insurance, or similar coverage for "your work";
 - (ii)** That is insurance for fire, lightning, explosion, smoke, or leakage from automatic fire protection systems 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 **2.b. of Section I – Coverages, 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. 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.

6. 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.

7. GENERAL LIABILITY VALUE UP

If we renew your policy, we may adjust certain exposure estimates (such as sales and payroll) to reflect inflationary and market trends. Those estimates are used to calculate your premium for future renewals.

This may impact the premium we charge for your future renewal and other associated charges.

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 physical:

- a. Injury;
- b. Sickness; or
- c. Disease;

sustained by a person, and, if arising out of the above, mental anguish or death at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico, and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
- c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **a.** above or in a settlement we agree to.

5. "Electronic data and media data" means:

- a.** Data stored on, created, or used on, or transmitted to or from software (including systems and applications software) on any electronic media or other storage media including, but not limited to hard or floppy disks, CD-ROMS, DVDs, flash memory, tapes, drives, cells, data processing devices, or any other repositories used with electronically controlled equipment;
- b.** The electronic media on which the data is stored; and
- c.** Programming records and instructions used with "electronic data processing equipment".

"Electronic data and media data" does not mean prepackaged software.

6. "Electronic data processing equipment" means:

- a.** Electronic data processing equipment used in your data processing operations including, but not limited to computers, servers, facsimile machines, word processors, multi-functional telephone equipment, laptop, and other portable devices, digital assistants; and
- b.** Any component parts or peripherals of such equipment, including related surge protection devices.

7. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

8. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws, or any other similar governing document.

9. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

10. "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.

11. "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, lightning, explosion, smoke, or leakage from an automatic fire protection system 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.

However, 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, drawings, opinions, reports, surveys, field orders, change orders, 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.

12. "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".

13. "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".

14. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts, and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers, or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers, or rollers;
- e. Vehicles not described in a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo.

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

(1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

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

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

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".

15. "Occurrence" means:

- a. With respect to "bodily injury" or "property damage", an accident, including continuous or repeated exposure to substantially the same general harmful conditions; or
- b. With respect to "personal and advertising injury", an offense or series of related offenses.

16. "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", 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", of material that violates a person's right of privacy;
- f. Oral or written "publication", of material that:
 - (1) Misappropriates a person's name, voice, photograph, or likeness; or
 - (2) Unreasonably places a person in a false light.
- g. The use of another's advertising idea in your "advertisement"; or
- h. Infringing upon another's copyright, or slogan in your "advertisement".

17. "Pollutants" mean any solid, liquid, gaseous, thermal, auditory, or olfactory irritant or contaminant, including but not limited to smoke, vapor, soot, silt, dust, sediment, fumes, acids, alkalis, chemicals, metals, odors, noise or sound, hazardous substances, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

18. "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; or
 - (2) The existence of tools, uninstalled equipment, or abandoned or unused materials.

19. "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 and media data" is not tangible property.

20. "Publication" means an insured's act of disseminating or broadcasting material or information, including disseminating or broadcasting by electronic or digital means. It does not include the wrongful appropriation, interception, or retrieval of material or information by a third party, or the insured's dissemination or broadcasting of material or information to a person who is the subject of the material or the information.

21. "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.

22. "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.

23. "Volunteer worker" means a person who is not your "employee", and who donates their 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.

24. "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.
- 25. "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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINNESOTA CHANGES – LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

EMPLOYMENT PRACTICES LIABILITY COVERAGE PART

SECTION I – COVERAGES of the Commercial General Liability Coverage Form

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

Item 2.d. **Contractual Liability** is deleted and replaced by the following:

d. 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.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

Supplementary Payments – Coverages A and B is deleted and replaced by the following:

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 \$3,000 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 appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds, nor arrange for, finance, collateralize, or guarantee these bonds, regardless if the collateralization is characterized as premium or not.
 - 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.
 - e. All court costs taxed against the insured in the "suit". However, this coverage does 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.
 - 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.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

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

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS of the Commercial General Liability Coverage Form

Item 1. is deleted and replaced by the following:

1. BANKRUPTCY

Bankruptcy, insolvency, or dissolution of the insured or of the insured's estate will not relieve us of our obligation under this Coverage Part, and in case an execution against the insured on a final judgment is returned unsatisfied, then such judgment creditor shall have a right of action on this Coverage Part against the company to the same extent that the insured would have, had the insured paid the final judgment.

The following is added to item 2.:

The requirement to notify us can be satisfied by notifying our agent. Notice can be by any means of communication.

SECTION VI – EMPLOYMENT PRACTICES LIABILITY CONDITIONS of the Employment Practices Liability Coverage Form

Item 1. is deleted and replaced by the following:

Subject to **3.b. Bankruptcy or Acquisition by Another Entity of Section I – Coverages**, the bankruptcy, insolvency, or dissolution of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part, and in case an execution against the insured on a final judgment is returned unsatisfied, then such judgment creditor shall have a right of action on this Coverage Part against the company to the same extent that the insured would have, had the insured paid the final judgment.

The following is added to item 2.:

The requirement to notify us can be satisfied by notifying our agent. Notice can be by any means of communication.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MEDICAL PAYMENTS AT YOUR REQUEST

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE C – MEDICAL PAYMENTS

The following is added to 1. Insuring Agreement:

If medical payments or medical expenses are not otherwise excluded from the policy, medical expenses will be paid only if an insured has requested that we pay such expenses.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

The following is added to **4.a. Primary Insurance**:

However, when an additional insured has been added to this Coverage Part by attachment of an endorsement, we will not seek contribution from the "additional insured's own insurance" provided that:

- (1) You have agreed in a written contract or written agreement that this insurance is primary and non-contributory; and
- (2) The "bodily injury" or "property damage" occurs, or the "personal and advertising injury" is committed subsequent to the execution of such contract or agreement.

The following is added to **4.b. Excess Insurance**:

- (1) When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement, or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over the "additional insured's own insurance".
- (2) Regardless of the written contract or written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent, or on any other basis for which the additional insured has been added as an additional insured on other policies.

SECTION V – DEFINITIONS

For purposes of this endorsement the following is added:

"Additional insured's own insurance" means any other insurance for which the additional insured is designated as a Named Insured.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – AUTOMATIC STATUS BY CONTRACT – ONGOING OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

For purposes of this endorsement, the following are added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

ADDITIONAL INSURED

- (1) "Bodily injury", "property damage", or "personal and advertising injury" arising from the sole negligence of the additional insured.
- (2) "Bodily injury", "property damage", or "personal and advertising injury" that occurs prior to you commencing operations at any location where such "bodily injury", "property damage", or "personal and advertising injury" occurs.
- (3) "Bodily injury", "property damage", or "personal and advertising injury" arising out of the rendering or failure to render of any professional architectural, engineering, or surveying services, including:
 - (a) The preparing, approving, editing of, or failing to prepare or approve maps, drawings, opinions, reports, surveys, field orders, change orders, designs, drawings, specifications, warnings, recommendations, permit applications, payment requests, manuals, or instructions;
 - (b) Supervisory, inspection, quality control, architectural, engineering, surveying, or services activities;
 - (c) Maintenance of job site safety, construction administration, construction contracting, construction management, computer consulting or design software development or programming service, or selection of a contractor or programming service; and
 - (d) Monitoring, sampling, or testing service necessary to perform any of the services included in (a), (b), or (c) above.

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, or any other business practices by an insured, if "bodily injury", "property damage", or "personal and advertising injury", arises out of the rendering or failure to render of any professional services.

- (4) "Bodily injury", "property damage", or "personal and advertising injury" occurring after:
 - (a) All work, including materials, parts, or equipment furnished in connection with such work, on the project (other than service, maintenance, or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed, abandoned, or otherwise left incomplete; or
 - (b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
- (5) Any person or organization specifically designated as an additional insured for ongoing operations by a separate additional insured endorsement issued by us and made a part of this policy.

SECTION II – WHO IS AN INSURED

For purposes of this endorsement, the following is added:

ONGOING OPERATIONS

Any person or organization whom you have agreed to add as an additional insured on your policy in a written contract, written agreement, or because of a permit issued by a state or political subdivision, provided that the "bodily injury", or "property damage" occurs, or the "personal and advertising injury" is committed, subsequent to the signing of such written contract or written agreement.

Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused in whole or in part by:

- a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your ongoing operations for the additional insured that are the subject of the written contract or written agreement; or
- b. The ownership, maintenance, or use by you of premises or facilities rented or leased to you by such person or organization; or
- c. The maintenance, operation, or use by you of equipment rented or leased to you by such person or organization; or
- d. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit subject to the following additional provisions:
 - (1) This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the operations performed for the state or political subdivision.
 - (2) This insurance does not apply to "bodily injury" or "property damage" included within the "products completed operations hazard".
 - (3) Insurance applies to premises you own, rent, or control but only with respect to the following hazards:
 - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures;
 - (b) The construction, erection, or removal of elevators; or
 - (c) The ownership, maintenance, or use of any elevators covered by this insurance.

However, the insurance afforded to such additional insured described above:

- e. Only applies to the extent permitted by law; and
- f. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to **a.** above, a person's or organization's status as an additional insured under this endorsement ends when:

- g. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance, or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed, abandoned, or otherwise left incomplete; or
- h. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

With respect to **b.** above, a person's or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such premises or facilities ends.

With respect to **c.** above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

SECTION III – LIMITS OF INSURANCE

For purposes of this endorsement, the following is added:

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:

- a. Required by the contract or agreement; or
 - b. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

For purposes of this endorsement, the following is added to **2. Duties in the Event of Occurrence, Offense, Claim, or Suit:**

An additional insured under this endorsement must:

- (1) Cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions;
- (2) See to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim or "suit"; and
- (3) Tender the defense and indemnity of any "suit" to all insurers who also have insurance available to the additional insured in compliance with the terms of this endorsement.

We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a "suit" from the additional insured.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONSTRUCTION MANAGEMENT ERRORS AND OMISSIONS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following exclusion is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

CONSTRUCTION MANAGEMENT ERRORS AND OMISSIONS

"Bodily injury", "property damage", or "personal and advertising injury" arising out of:

- (1) A project on which any insured serves as construction manager or general contractor;
- (2) The preparing, approving, editing of, or failure to prepare or approve maps, drawings, opinions, reports, surveys, field orders, change orders, designs, manuals, or instructions and specifications by any architect, engineer, or surveyor performing services on a project on which you serve as construction manager;
- (3) Inspection, supervision, surveying, quality control, architectural, or engineering activities done by or for you on a project on which you serve as construction manager; or
- (4) Services performed within construction means or methods, techniques, sequences, and procedures by or for you on a project on which you serve as a construction manager.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others, or any other business practices by an insured, if "bodily injury", "property damage", or "personal and advertising injury", arises out of the rendering or failure to render of any professional service by or on behalf of an insured.

This exclusion applies even if a professional service does not require licensing or registration.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CROSS SUITS LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

CROSS SUITS LIABILITY

This insurance does not apply to any claim made or "suit" brought by any Named Insured under this policy against another Named Insured under this policy for damages because of "bodily injury", "property damage", or "personal and advertising injury".

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTH MOVEMENT PRODUCTS-COMPLETED OPERATIONS HAZARD EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

The following is added to 2. Exclusions:

EARTH MOVEMENT

This insurance does not apply to "bodily injury" or "property damage" arising out of, caused by, resulting from, attributable to, or aggravated by, whether in whole or in part, "earth movement" and included in the "products-completed operations hazard".

This exclusion applies regardless of the cause of the "earth movement" or any other cause or event contributing concurrently or in any sequence or manner to such injury or damage including, but not limited to, the following causes:

- (1) Flood, surface water, waves, tidal water or tidal wave, overflow of streams or other bodies of water, or spray from any of the foregoing, all whether driven by wind or not;
- (2) Water or waterborne material which backs up, overflows, or discharges through sewers or drains;
- (3) Water below the surface of the ground including that which exerts pressure on or flows, seeps or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows, or any other openings in such sidewalks, driveways, foundations, walls or floors;
- (4) Leakage, overflow, or excess water from plumbing, heating, air conditioning, irrigation, or other equipment or appliances;
- (5) Acts or decisions, including the failure to act or decide, of any person, group, organization, or governmental body; or
- (6) Faulty, inadequate, or defective:
 - (a) Planning, zoning, development, surveying, positioning of structure on property;
 - (b) Design specifications, workmanship, repair, constructions, renovations, remodeling, grading, compaction;
 - (c) Materials used in repair, construction, renovation, or remodeling; or
 - (d) Maintenance of part or all of any property wherever located.

SECTION V – DEFINITIONS

For purposes of this endorsement, the following is added:

"Earth movement", whether effected by natural or man-made causes, includes, but is not limited to:

- a. Earthquake, including tremors and aftershocks and any earth sinking, rising, or shifting related to such event;
- b. Landslide or mudflow, including any earth sinking, rising, or shifting related to such event;
- c. Mining, including subsidence of a man-made mine, whether or not mining activity has ceased;

- d. Any earth movement resulting from hydraulic fracturing or injection wells;
- e. Any earth movement resulting from demolition; or
- f. Earth sinking, rising, or shifting including soil conditions which cause settling, cracking, or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil, and the action of water under the ground surface.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTROLLED (WRAP-UP) INSURANCE PROGRAMS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

CONTROLLED (WRAP-UP) INSURANCE PROGRAM

"Bodily injury", "property damage", "personal and advertising injury" arising directly or indirectly out of your current ongoing operations or included within the "products-completed operations hazard" at any site or location where you or your subcontractors or employees working on your behalf are performing or previously performed operations if any insured under this policy has entered into any type of "controlled (wrap-up) insurance program" providing general liability coverage at that site or location.

This exclusion does not apply to other jobs or work that you performed at such site or location if such other jobs or work were not done as part of a "controlled (wrap-up) insurance program".

This exclusion applies whether or not the "controlled (wrap-up) insurance program":

- (1) Provides coverage identical to that provided by this Coverage Part;
- (2) Has limits adequate to cover all claims; or
- (3) Remains in effect.

SECTION V – DEFINITIONS

For purposes of this endorsement, the following is added:

"Controlled (wrap-up) insurance program" means a centralized insurance program under which one party has secured either insurance or self-insurance covering some or all of the contractors or subcontractors performing work on one or more specific project(s).

COMMON POLICY CONDITIONS

For purposes of this endorsement, the following is added to **10. Premium Audit**:

In computing premium for this policy, we will not include any payroll or costs paid to your subcontractors for work at any site or location where any insured under this policy had entered into a "controlled (wrap-up) insurance program" providing insurance coverage at that site or location prior to your work at such site or location.

A copy of the "controlled (wrap-up) insurance program" certificate or similar documents issued to you verifying coverage must be provided to us when we audit this policy.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW MULTIPLE UNIT AND TRACT HOUSING EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

DESIGNATED WORK

"Bodily injury", "property damage", or "personal and advertising injury" arising out of the "designated work" defined in this endorsement

This exclusion does not apply if the certificate of occupancy was granted for the property prior to the start of "your work" relative to any "multiple unit housing" or "tract housing". However, the insurance afforded by this provision does not apply with respect to warranty work performed in connection with "your work" completed before the certificate of occupancy was granted for the property.

SECTION V – DEFINITIONS

For purposes of this endorsement, the following are added:

1. "Designated work" means "your work", prior to or subsequent to the effective date of the policy to which this endorsement is attached, on any part of any project or development that includes:
 - a. "Multiple unit housing";
 - b. "Tract housing"; or
 - c. The conversion of any type of existing structure into any type of habitational structure.
2. "Multiple unit housing" means apartments, condominiums, cooperatives, mixed-use structures with a residential component, similar structures with more than four units built or used for the purpose of residential occupancy, timeshares, townhomes, or any other common areas, appurtenant structure, or improvements associated with the aforementioned habitational units (including, but not limited to, clubhouses, pool houses, landscape maintenance structures, tennis courts, volleyball courts and similar facilities, pools, hot tubs, detached garages, guest houses, or any similar structures). "Multiple unit housing" does not include hotels, motels, nursing homes, educational institution dormitories, penal institutions, or government housing on military bases.
3. "Tract housing" means a parcel of land designated for the development of any subdivision, planned unit community, common interest community, or any other similar development that has been subdivided into multiple lots, tracts, parcels, or other divisions, for the development, building, or sale of freestanding one, two, three, or four-unit family dwellings along with their common areas and/or appurtenant structures (including, but not limited to, clubhouses, pool houses, landscape maintenance structures, tennis courts, volleyball courts and similar facilities, pools, hot tubs, detached garages, guest houses, or any similar structures). A development or subdivision built upon multiple tracts and/or built in multiple phases shall be considered to be one "tract housing" residential development or subdivision.

"Tract housing" does not include developments or subdivisions consisting of 10 or fewer individual dwelling units, detached single family dwellings or lots (whether counted alone or in combination). If a different number of permissible individual dwelling units, detached single family dwellings or lots (alone or in combination) is displayed on the Declaration page, that number supersedes the number 10 referenced in this provision.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXTERIOR INSULATION AND FINISH SYSTEMS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

EXTERIOR INSULATION AND FINISH SYSTEMS

"Bodily injury", "property damage", or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:

- (1) The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance, disposal, or repair, including remodeling, renovation, service, inspection, handling, correction, or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking, or sealants in connection with such a system; or
- (2) "Your product" or "your work" with respect to any exterior component, fixture, or feature of any structure if any "exterior insulation and finish system", or any substantially similar system, is used on any part of that structure.

SECTION V – DEFINITIONS

The following is added:

"Exterior insulation and finish system" means a non-load bearing exterior cladding, or finish system, and all component parts therein, used on any part of any structure, and consisting of, but not limited to:

- a. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
- b. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
- c. A reinforced or unreinforced base coat;
- d. A finish coat providing surface texture to which color may be added; and
- e. Any flashing, caulking, or sealant used with the system for any purpose.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

EMPLOYMENT PRACTICES LIABILITY COVERAGE PART

SECTION III – LIMITS OF INSURANCE

The following is added:

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

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS of the Commercial General Liability Coverage Form

SECTION VI – EMPLOYMENT PRACTICES LIABILITY CONDITIONS of the Employment Practices Liability Coverage Form

For purposes of this endorsement, the following is added:

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any injury, damage, damages, claims, suits, wrongful acts, losses, or employment practices that are otherwise excluded under this Coverage Part.

SECTION V – DEFINITIONS of the Commercial General Liability Coverage Form

SECTION VIII – DEFINITIONS of the Employment Practices Liability Coverage Form

For purposes of this endorsement, the following is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

EMPLOYMENT PRACTICES LIABILITY COVERAGE PART

SECTION I – COVERAGES

The following exclusion is added:

TERRORISM PUNITIVE DAMAGES

This insurance does not apply to damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS of the Commercial General Liability Coverage Form

SECTION VI – EMPLOYMENT PRACTICES LIABILITY CONDITIONS of the Employment Practices Liability Coverage Form

For purposes of this endorsement, the following is added:

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any injury, damage, damages, claims, suits, wrongful acts, losses, or employment practices that are otherwise excluded under this Coverage Part.

SECTION V – DEFINITIONS of the Commercial General Liability Coverage Form

SECTION VIII – DEFINITIONS of the Employment Practices Liability Coverage Form

For purposes of this endorsement, the following is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

The following is added to 2. Exclusions:

FUNGI OR BACTERIA

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged, threatened, or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on, in, or within, or emitting from, a building or structure, pool, tub, or other water-containing fixture, including its contents, regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to such injury or damage.
- (2) Any damages, loss, cost, or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to 2. Exclusions:

FUNGI OR BACTERIA

- (1) "Personal and advertising injury" arising out of the actual, alleged, threatened, or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on, in or within, or emitting from, a building or structure, pool, tub, or other water-containing fixture, including its contents, regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to such injury.
- (2) Any damages, loss, cost, or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

SECTION V – DEFINITIONS

The following is added:

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

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

SILICA

This insurance does not apply to:

- (1) Any liability, damages, loss, or injury, arising out of, or allegedly caused in whole or in part by "silica risks".
- (2) Any demand, claim, or "suit" against any insured of which any part alleges liability, damages, loss, or injury, arising out of, or allegedly caused in whole or in part by "silica risks".
- (3) Any damages, loss, costs, or expenses arising out of any:
 - (a) Request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, abate, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of, or in any way respond to, or assess the effects of "silica risks".
 - (b) Claim or suit by or on behalf of any governmental authority or any other person, entity, or organization for damages because of testing for, monitoring, abating, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to, or assessing the effects of "silica risks".

SECTION V – DEFINITIONS

The following is added:

"Silica risks" means the inhalation of or exposure to silica at any time, in any form, alone or combined with any other substances or factors, whether included as a component part of a product or otherwise.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOBACCO, TOBACCO PRODUCTS, NICOTINE, NICOTINE PRODUCTS, OR ELECTRONIC SMOKING DEVICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

TOBACCO, TOBACCO PRODUCTS, NICOTINE, NICOTINE PRODUCTS, OR ELECTRONIC SMOKING DEVICES

"Bodily injury", "property damage", or "personal and advertising injury" arising, or allegedly arising, in whole or in part, either directly or indirectly, out of the:

- (1) Inhalation, consumption, ingestion, absorption, use, possession, sale, design, manufacture, storage, processing, labeling, packaging, importing, exporting, maintenance, repair, serving, furnishing, removal, disposal, handling, testing, distribution, transportation, marketing, advertising, existence, of; or
- (2) Exposure, direct, or secondhand, to;

"tobacco or tobacco products", "nicotine or nicotine products", or "electronic smoking devices"; either alone or in combination with other substances, goods, or products.

SECTION V – DEFINITIONS

For purposes of this endorsement, the following are added:

1. "Electronic smoking device" includes, but is not limited to any electronic or any other:
 - a. Cigarette;
 - b. Cigar;
 - c. Cigarillo;
 - d. Hookahs;
 - e. Pipe;
 - f. Vapor product or personal vaporizer;
 - g. Mist inhalers;
 - h. Atomizer;
 - i. Device, by whatever name known, that delivers nicotine or is used to inhale any substance;
 - j. Component, part, accessory, charging device, or battery used in connection with any such device;
 - k. Substance, chemical, mineral, or other material, good, or product that may be used with any such device; or

- I. By-products or residues emanating from such device.
2. "Nicotine or nicotine product" includes, but is not limited to any:
 - a. Nicotine, nicotine in any form, or product that contains nicotine;
 - b. Substance or ingredient used in a nicotine product or sprayed on or applied to a natural source of nicotine;
 - c. Nicotine cessation or replacement good, product, service, advice, or instruction;
 - d. Synthetic nicotine, in any form;
 - e. By-products or residues of "nicotine or nicotine products";
 - f. Device used for the absorption, consumption, ingestion, inhalation, or delivery of nicotine, or any container, material, part, equipment, or accessory furnished in connection with such device;
 - g. Warranty or representation made at any time with respect to the fitness, quality, durability, performance, or use of natural or synthetic nicotine, or with respect to any good or product that contains natural or synthetic nicotine; or
 - h. Providing of or failure to provide warnings or instructions with respect to natural or synthetic nicotine, or with respect to any good or product that contains natural or synthetic nicotine.
3. "Tobacco or tobacco product" includes, but is not limited to any:
 - a. Tobacco, in any form, including raw, cured, chewing, snuff, pipe, smokeless tobacco, or any product that contains tobacco;
 - b. Substance or ingredient used in a tobacco product or sprayed on or applied to tobacco;
 - c. Tobacco cessation or replacement good, product, service, advice, or instruction;
 - d. Filter, paper, tip, additives, flavorings, pipe, wrapper, or any other tobacco-related accessory;
 - e. By-products or residue of "tobacco or tobacco products";
 - f. Device used for the absorption, consumption, ingestion, inhalation, or delivery of tobacco, or any container, material, part, equipment, or accessory furnished in connection with such device;
 - g. Warranty or representation made at any time with respect to the fitness, quality, durability, performance, or use of tobacco, or with respect to any good or product that contains tobacco; or
 - h. Providing of or failure to provide warnings or instructions with respect to tobacco, or with respect to any good or product that contains tobacco.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTORS – PROFESSIONAL LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

CONTRACTORS – PROFESSIONAL LIABILITY

"Bodily injury", "property damage", or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:

- (1) Providing engineering, architectural, or surveying services to others in your capacity as an engineer, architect, or surveyor; and
- (2) Providing, or hiring independent professionals to provide, engineering, architectural, or surveying services in connection with construction work you perform.

Professional services include but are not limited to:

- (3) Preparing, approving, editing of or failing to prepare or approve, maps, drawings, opinions, reports, surveys, field orders, change orders, designs, manuals or instructions and specifications; and
- (4) Supervisory or inspection activities performed as part of any related architectural or engineering activities.

Professional services do not include services within construction means, methods, techniques, sequences, and procedures employed by you in connection with your operations in your capacity as a construction contractor.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others, or any other business practices by an insured, if "bodily injury", "property damage", or "personal and advertising injury", arises out of the rendering or failure to render of any professional service by or on behalf of an insured.

This exclusion applies even if a professional service does not require licensing or registration.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SEXUAL MISCONDUCT OR ABUSIVE ACTS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

SEXUAL MISCONDUCT OR ABUSIVE ACTS

Any liability, damages, loss, injury, demand, claim, or "suit" arising out of, caused by, or allegedly caused by, in whole or in part by the:

- (1) Actual, alleged, or threatened "sexual misconduct" or "abusive acts";
- (2) An act or omission in connection with conduct excluded by (1) above, including, but not limited to, actual or alleged:
 - (a) Failure to post notices as required by any applicable judicial, statutory, regulatory, or other legal measure of any nation, province, state, municipality, or other governmental division or subdivision, or any Native American tribe or tribal nation;
 - (b) Failure to offer, provide, or require attendance at training designed to identify and prevent "sexual misconduct" or "abusive acts"; or
 - (c) Failure or inadequacy of any controls, practices, training, procedures, or security designed to identify or prevent "sexual misconduct" or "abusive acts";
- (3) Negligence or other wrongdoing in the supervision, hiring, employment, retention, monitoring, investigation, or training, of any persons related to the conduct excluded by (1) or (2) above, or the reporting or failure to report to proper authorities conduct excluded by (1) or (2) above, or the failure to protect others from the conduct excluded by (1) or (2) above;
- (4) Any allegations that are based on an alleged practice, custom or policy, including but not limited to any allegation that a person's civil rights have been violated in connection with conduct excluded by (1), (2), or (3) above;
- (5) 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 in connection with the conduct excluded by (1) or (2) above; or
- (6) Oral or written publication, in any manner, of material that violates a person's right of privacy in connection with the conduct excluded by (1) or (2) above.

SECTION V – DEFINITIONS

For purposes of this endorsement, the following are added:

1. "Abusive act" means any act or series of acts of actual, alleged, or threatened cruelty or violent treatment of a non-sexual nature of a person in any manner, whether oral, verbal, physical, financial, or psychological.

2. "Sexual misconduct" means any act or series of actual, alleged, or threatened acts of misconduct that is of a sexual nature involving any person or persons and committed by one or more persons.

"Sexual misconduct" includes but is not limited to:

- a. Sexual intercourse, including but not limited to any kind of sexual penetration, of any bodily orifice or part;
- b. Molestation, abuse;
- c. Assault, physical touching, contact including but not limited to any, kissing or fondling of any bodily part, including but not limited to genitalia;
- d. Harassment, advances;
- e. Victimization, exploitation, requests for favors;
- f. Coercion to engage in sexual activities;
- g. Exhibitionism, voyeurism;
- h. Verbal or non-verbal communication; or
- i. Showing or sharing of text, pictures, drawings, audio, video, or digital content.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PFC/PFAS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

The following exclusion is added:

PERFLUORINATED COMPOUNDS OR PER- AND POLYFLUOROALKYL SUBSTANCES

- (1) Any liability arising out of the actual, alleged, threatened, or suspected discharge, dispersal, seepage, migration, release, escape, emission, transmission, absorption, ingestion or inhalation of, contact with, exposure to, existence of, or presence of "PFC/PFAS"; or
- (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, neutralize, remediate, dispose of, or in any way respond to or assess the effects of "PFC/PFAS"; or
 - (b) Claim or suit by or on behalf of any governmental authority or any other, person, entity, or organization for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, remediating, disposing of, or in any way assessing the effects of "PFC/PFAS".

This exclusion applies whether the substances listed above are alone or combined with any other substances or factors, whether included as a component part of a product or otherwise.

This exclusion applies regardless of whether such exposure occurs within or outside a building.

SECTION V – DEFINITIONS

For purposes of this endorsement, the following is added:

"PFC/PFAS" means perfluorinated compounds (PFC) or per- and polyfluoroalkyl substances (PFAS) including, but not limited to, perfluorooctanoic acid (PFOA), perfluorooctane sulfonic acid (PFOS), perfluorononanoic acid (PFNA), perfluorobutyric acid (PFBA), perfluorobutane sulfonic acid (PFBS), perfluoropentanoic acid (PFPeA), perfluorohexane sulfonic acid (PFHxS), GenX, C8 (perfluorinated carboxylic acid), ADONA, perfluorohexanoic acid (PFHxA), perfluoroheptanoic acid (PFHpA), perfluorooctane sulfonamide (PFSOA), perfluorodecanoic acid, (PFDA), perfluorodecane sulfonate (PFDS), perfluoroundecanoic acid (PFUnA), perfluorododecanoic acid (PFDoA), perfluorotridecanoic acid (PFTrDA), perfluorotetradecanoic acid (PFTeDA), or 6:2 fluorotelomer sulfonate (6:2 FTS) or any associated salts, acids, alcohols, precursor chemicals or related higher homologue chemicals.

The addition of this endorsement does not imply that other policy provisions, including but not limited to any pollution exclusion, do not exclude coverage for PFC-related or PFAS-related damages, expense, loss, demand, claim, liability, or legal obligation.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BIOMETRIC INFORMATION PRIVACY CLAIM EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

EMPLOYMENT PRACTICES LIABILITY COVERAGE PART

SECTION I – COVERAGES

The following exclusion is added:

BIOMETRIC INFORMATION PRIVACY CLAIM

This insurance does not apply to any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate any federal, state, local, province, Native American tribe or tribal nation law, or other governmental division or subdivision law that regulates or restricts the collection, storage, use, conversion, retention, sharing and/or publication in any manner, and/or disposal of "biometric information", including, but not limited to, violations of any notifications, disclosures, sale, or authorizations related to such "biometric information".

SECTION V – DEFINITIONS of the Commercial General Liability Coverage Form

SECTION VIII – DEFINITIONS of the Employment Practices Liability Coverage Form

For purposes of this endorsement the following is added:

"Biometric information" means any:

- a. Biometric identifier including, but not limited to, a retina or iris scan, fingerprint, handprint, voiceprint, scan of hand, finger, ear, or face geometry, eye or finger vein verification, handwriting or signature, deoxyribonucleic acid (DNA), or any other personally identifiable measurable biological, physiological, behavioral, or immutable characteristic of an individual or individuals; or
- b. "Biometric information", including any information, regardless of how captured, converted, stored, or shared, which is based on biometric identifiers used to identify an individual.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTAMINATED DRYWALL EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

CONTAMINATED DRYWALL

- (1) "Bodily injury", "property damage", or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:
 - (a) The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance, or repair, including remodeling, service, correction, or replacement, of "contaminated drywall"; or
 - (b) The actual, alleged, threatened, or suspected discharge, dispersal, seepage, migration, release, escape, emission, transmission, absorption, ingestion, or inhalation of, contact with, exposure to, existence of, or presence of "contaminated drywall".
- (2) Any damages, loss, costs, or expenses arising out of any:
 - (a) Request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, abate, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of or in any way respond to, or assess the effects of "contaminated drywall"; or
 - (b) Claim or suit by or on behalf of any governmental authority or any other person, entity, or organization for damages because of testing for, monitoring, abating, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to, or assessing the effects of, "contaminated drywall".
- (3) Any instructions, recommendations, warnings, or advice given, or which should have been given in connection with "contaminated drywall".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in supervision, hiring, employment and/or retention, training, monitoring of others, or any other act or omission by that insured, if the "bodily injury", "property damage", or "personal and advertising injury" arising out of or caused by "contaminated drywall".

SECTION V – DEFINITIONS

For purposes of this endorsement, the following is added:

"Contaminated drywall" means:

- a. Drywall, wallboard, plasterboard, sheetrock, gypsum board, ceiling board, ceiling panels, soffit board, sheathing, underlayment, or other gypsum-based building material; or

- b. Material used in the manufacture of drywall, wallboard, plasterboard, sheetrock, gypsum board, ceiling board, ceiling panels, soffit board, sheathing, underlayment, or other gypsum-based building material; that contains contaminants in a solid, liquid, or gaseous form which causes or contributed to the corrosion or oxidation of metal, including but not limited to metal in structural components, pipes, wiring, heating, ventilation, and air conditioning systems. Such contaminants include but are not limited to butanethiol, carbon disulfide, carbonyl sulfide, hydrogen sulfide, mercaptan, methylthiopyridine, phosphogypsum, pyrite, sulfuric acid, sulfuric gas, sulfurous acid, sulfur dioxide, and strontium sulfide.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

COMMUNICABLE DISEASE

- (1) "Bodily injury", "property damage", or "personal and advertising injury" arising out of the actual or alleged transmission of an "infectious or communicable disease";
- (2) Any request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, detoxify, or neutralize, or in any way respond to or assess the effects of an "infectious or communicable disease"; or
- (3) Any claim or suit by or on behalf of any government authority or any other person, entity, or organization 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, an "infectious or communicable disease".

This exclusion applies even if the claims allege negligence or other wrongdoing in the:

- (4) Supervising, hiring, employing, training, or monitoring of others that may be infected with and spread a "infectious or communicable disease";
- (5) Testing for an "infectious or communicable disease";
- (6) Failure to warn of an "infectious or communicable disease";
- (7) Failure to prevent the spread of the "infectious or communicable disease"; or
- (8) Failure to report the "infectious or communicable disease" to authorities.

SECTION V – DEFINITIONS

For purposes of this endorsement, the following is added:

"Infectious or communicable disease" means any illness or contamination resulting from a pathogen, infectious agent, or their by-products that occurs through the direct or indirect transmission by an infected human or animal host, organism or from the inanimate environment to a human or animal host.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MAGNESIUM OXIDE BOARD EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

MAGNESIUM OXIDE BOARD

- (1) "Bodily injury", "property damage", or "personal and advertising injury" arising out of, caused by, or attributable to, whether directly or indirectly or in whole or in part, the following:
 - (a) The design, manufacture, distribution, sale, service, construction, fabrication, preparation, installation, application, maintenance, or repair, including remodeling, service, correction, removal, or replacement of any "magnesium oxide board"; or
 - (b) "Your product" or "your work" conducted by or on behalf of any insured involving "magnesium oxide board" or any component thereof, or any facing treatment or component, including but not limited to, flooring, ceiling, wall board, windows, siding materials, roofing, and gutters that are attached or adjacent to "magnesium oxide board".
- (2) Any damages, loss, costs, or expenses arising out of any:
 - (a) Request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, abate, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of or in any way respond to, or assess the effects of "magnesium oxide board"; or
 - (b) Claim or suit by or on behalf of any governmental authority or any other person, entity, or organization for "damages" because of testing for, monitoring, abating, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to, or assessing the effects of, "magnesium oxide board".
- (3) Any instructions, recommendations, warnings, or advice given, or which should have been given in connection with "magnesium oxide board".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in supervision, hiring, employment, and/or retention, training, monitoring of others, or any other act or omission by that insured, if the "bodily injury", "property damage", or "personal and advertising injury" arising out of or caused by "magnesium oxide board".

We shall not have the duty to defend or indemnify any insured or additional insured regarding any such claim or "suit".

SECTION V – DEFINITIONS

For purposes of this endorsement, the following is added:

"Magnesium oxide board" means a composite substrate, board, wallboard, drywall, panel, underlayment, or cladding primarily consisting of a magnesia binder, including magnesium oxide, magnesium chloride, magnesium oxychloride, magnesium sulfate, or other magnesium salts aqueous solution combined with or without perlite, other organic and inorganic materials, and woven cloth or glass fiber reinforcing sheet layer(s) which may be molded, pressed, or extruded into various sizes and thicknesses as required for its final use specification. This includes composite, or laminated panel products, consisting of such "magnesium oxide board" combined with structural or insulating components to include but not limited to oriented strand board or plywood sheathing, expanded polystyrene (EPS), or other insulating or structural materials.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUNITIVE OR EXEMPLARY DAMAGES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

PUNITIVE OR EXEMPLARY DAMAGES

Either obligation to pay, or to judgments which reflect "punitive or exemplary damages" awarded against an insured, regardless of any other provision of this policy.

However, if a "suit" is brought against an insured with respect to a claim for acts or alleged acts seeking compensatory damages within coverage afforded by the policy and "punitive or exemplary damages", we will afford a defense to such action without liability for such "punitive or exemplary damages".

SECTION V – DEFINITIONS

For purposes of this endorsement, the following is added:

"Punitive or exemplary damages" include damages which are imposed or awarded to punish or deter wrongful conduct, to set an example, to fine, penalize, or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage B – Personal and Advertising Injury Liability**:

CYBER INCIDENT

"Bodily injury", "property damage", or "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".

SECTION V – DEFINITIONS

For purposes of this endorsement, the following definition is added:

"Cyber incident" means any:

- a. Unauthorized access to or use of any computer system.
- b. 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.
- c. 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.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO
US – WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COMMON POLICY CONDITIONS

The following is added to 11.b.:

We waive any right of recovery we may have against any person or organization because of any payments we make under this Coverage Part, provided:

- (1) You and that person or organization have agreed in writing a contract or agreement that you waive such rights against that person or organization; and
- (2) The injury or damage occurs subsequent to the execution of the written contract or written agreement.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF INSURED CONTRACT DEFINITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION V – DEFINITIONS

Item **11.f.** is deleted and replaced by the following:

- f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

However, **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, drawings, opinions, reports, surveys, field orders, change orders, 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.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMON POLICY CONDITIONS

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

1. CANCELLATION

- a. The first Named Insured shown in the Declarations may cancel this policy or coverage part by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy or coverage part by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
 - (3) Five days before the effective date of cancellation if any one of the following conditions exists at any building that is Covered Property in this policy:
 - (a) The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:
 - (i) Seasonal unoccupancy; or
 - (ii) Buildings in the course of "construction or renovation"."Construction or renovation" means alterations to an existing building or structure with evidence of continuous, substantial construction, or major renovation activity.
However, "construction or renovation" does not include:
 - i. Routine maintenance or repair; or
 - ii. Updates to the existing building that are cosmetic in nature, including but not limited to: interior/exterior paint, new furniture, window ware, rugs, and plumbing/electrical fixtures.Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.
 - (b) After damage by a Covered Cause of Loss, permanent repairs to the building:
 - (i) Have not started; and
 - (ii) Have not been contracted for; within 30 days of initial payment of loss.
 - (c) The building has:
 - (i) An outstanding order to vacate;
 - (ii) An outstanding demolition order; or
 - (iii) Been declared unsafe by governmental authority.
 - (d) Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.
 - (e) Failure to:
 - (i) Furnish necessary heat, water, sewer service, or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or

- (ii) Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. If the policy is cancelled, that date will become the end of the policy period. If a Coverage Part is cancelled, that date will become the end of the policy period as respects that Coverage Part only.
- e. If this policy or coverage part is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

2. CHANGES

This policy or coverage part 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 or coverage part 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.

3. CONCEALMENT, MISREPRESENTATION, OR FRAUD

We may void this policy or coverage part and/or deny a claim if, before or after a loss, you or any insured:

- a. Concealed or misrepresented any material fact or circumstance; or
- b. Made incorrect statements or representations with regard to any material fact or circumstance; or
- c. Engaged in any fraudulent conduct;

at the time of application or any time during the policy period.

4. EXAMINATION OF YOUR BOOKS AND RECORDS

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

5. INSPECTIONS AND SURVEYS

- a. We have the right to:
 - (1) Make inspections and surveys at any time;
 - (2) Give you reports on the conditions we find; and
 - (3) Recommend changes.
- b. 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:
 - (1) Are safe and healthful; or
 - (2) Comply with laws, regulations, codes, or standards.
- c. Items **a.** and **b.** 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.
- d. Item **b.** 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.

6. 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.

7. LIBERALIZATION

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

8. PAYMENT OF PREMIUMS

If your initial premium payment is by check, draft, or any remittance other than cash, coverage under this policy is conditioned upon the check, draft, or remittance being honored upon presentment to the bank or other financial institution. If the check, draft, or remittance is not honored upon presentment, this policy may, at our option, be deemed void from its inception. This means that we will not be liable under this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

9. PREMIUMS

a. 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.

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

c. If we offer to renew or continue this policy, you may accept to continue this policy in force by paying a renewal premium for each successive one-year period. The premium will be computed at our then current rate and rules for coverage then offered and must be:

- (1) Paid to us prior to the anniversary date; and
- (2) Coverage under renewal policy is conditioned upon the check, draft or remittance being honored upon presentment to the bank or other financial institution.

d. Failure to pay the required renewal premium when due shall mean that you have not accepted our renewal offer. Therefore, this policy will automatically terminate at the end of the current policy period, and you will have no coverage. Undeclared exposures, changes in exposures, or change in your business operation, acquisition or use of locations may occur during the policy period that are not shown in the Declarations. If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

10. PREMIUM AUDIT

- a. This policy is subject to audit if a premium designated as an advance premium is shown in the Declarations. We will calculate the premiums for this policy in accordance with our rules and rates.
- b. Any premiums shown in this policy as advance premium shall be considered a deposit premium only. At the close of each audit period, we may compute the earned premium for that period and send notice to the first Named Insured. The due date for audit 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.

11. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

- a.** Applicable to the Commercial Property Coverage Part and Commercial Inland Marine Coverage Part:

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

- (1)** Prior to a loss to your Covered Property or covered income;
- (2)** After a loss to your Covered Property or covered income only if, at time of loss, that party is one of the following:
 - (a)** Someone insured by this insurance;
 - (b)** A business firm;
 - (i)** Owned or controlled by you; or
 - (ii)** That owns or controls you; or
 - (c)** Your tenant.

You may also accept the usual bills of lading or shipping receipts limiting the liability of carriers. This will not restrict your insurance.

- b.** Applicable to anything not referenced in **a.** above

If the insured has rights to recover all or part of any payment we have made under this policy, 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.

12. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy or coverage part 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.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINNESOTA CHANGES – COMMON POLICY CONDITIONS

This endorsement modifies insurance provided under the following:

COMMON POLICY CONDITIONS

COMMON POLICY CONDITIONS

Item 1. is deleted and replaced by the following:

1. CANCELLATION

- a. The first Named Insured shown in the Declarations may cancel this policy or coverage part by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy or coverage part, subject to the provisions of c. below, by first class mailing, or by delivery, of a written notice of cancellation to the first Named Insured and any agent, to their last mailing addresses known to us. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

c. Policies In Effect

(1) Less Than 90 Days

If this policy is a new policy and has been in effect for fewer than 90 days, we may cancel for any reason by giving notice 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.

(2) 90 Days Or More

If this policy has been in effect for 90 days or more, or if it is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

- (a) Nonpayment of premium;
- (b) Misrepresentation or fraud made by you or with your knowledge in obtaining the policy or in pursuing a claim under the policy;
- (c) An act or omission by you that substantially increases or changes the risk insured;
- (d) Refusal by you to eliminate known conditions that increase the potential for loss after notification by us that the condition must be removed;
- (e) Substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the contract;
- (f) Loss of reinsurance by us which provided coverage to us for a significant amount of the underlying risk insured. Any notice of cancellation pursuant to this item shall advise the policyholder that he or she has 10 days from the date of receipt of the notice to appeal the cancellation to the commissioner of commerce and that the commissioner will render a decision as to whether the cancellation is justified because of the loss of reinsurance within 30 business days after receipt of the appeal;
- (g) A determination by the commissioner that the continuation of the policy could place us in violation of the Minnesota insurance laws; or

- (h) Nonpayment of dues to an association or organization, other than an insurance association or organization, where payment of dues is a prerequisite to obtaining or continuing such insurance. This provision for cancellation for failure to pay dues shall not be applicable to persons who are retired at 62 years of age or older or who are disabled according to social security standards.

Under this Item c.(2), we will give notice at least:

- (a) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium. The cancellation notice shall contain the information regarding the amount of premium due and the due date, and shall state the effect of nonpayment by the due date. Cancellation shall not be effective if payment of the amount due is made prior to the effective date of cancellation; or
- (b) 60 days before the effective date, if we cancel for a reason described in c.(2)(b) through (h) above. The notice of cancellation will state the reason for cancellation.
- d. 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.
- e. Proof of mailing of any notice shall be sufficient proof of notice.

Item 4. is deleted and replaced by the following:

4. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy or coverage part at any time during the policy period and up to one year afterward.

Item 11. is deleted and replaced by the following:

11. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

a. Applicable to the Commercial Property Coverage Part and Commercial Inland Marine Coverage Part:

- (1) If any person or organization to or for whom we make payment under this policy or coverage part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. However, our rights do not apply against:

- (a) An insured; or
(b) Any person or organization insured under another policy which was issued by us and responds to the same loss;

provided the loss was not intentionally caused by such insureds.

- (2) You may waive your rights against another party in writing:

- (a) Prior to a loss to your Covered Property or Covered Income.
(b) After a loss to your Covered Property or Covered Income only if, at the time of loss, that party is one of the following:
(i) Someone insured by this insurance, unless the loss was caused intentionally by such insured;
(ii) A business firm:
i. Owned or controlled by you; or
ii. That owns or controls you; or
(iii) Your tenant.

You may also accept the usual bills of lading or shipping receipts limiting the liability of carriers. This will not restrict your insurance.

- b. Applicable to anything not referenced in a. above

If the insured has rights to recover all or part of any payment we have made under this policy, 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.

Our rights do not apply against any person or organization insured, under this or any other policy we issue, with respect to the same "occurrence".

The following provision applies to the Commercial Property Coverage Part, item **12.** is deleted and replaced by the following:

12. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy or coverage part 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:

- a. 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.
- b. The person designated as the grantee beneficiary under a transfer on death deed, which we have been notified of the existence of, which conveys real property insured under this policy or coverage part. That person will have your rights and duties under this policy or coverage part, but only with respect to the insured real property transferred under the transfer on death deed, and only for the period from the date of the grantor's death until the first of the following occurs:
 - (1) A period of 30 days from the date of the grantor's death;
 - (2) The date that alternative coverage is obtained on such real property; or
 - (3) The expiration date of this policy.

Coverage during the period of time after the death of the grantor is subject to all provisions of this policy.

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

NONRENEWAL

If we decide not to renew this policy, we may do so by giving the first Named Insured and any agent written notice of our intent not to renew at least 60 days before the expiration date of this policy. Such notice will be delivered or mailed by first class mail to their last mailing addresses known to us.

Proof of mailing of any notice shall be sufficient proof of notice.

We need not mail or deliver this notice if you have:

- a. Insured elsewhere;
- b. Accepted replacement coverage; or
- c. Agreed not to renew this policy.

The following is added

RENEWAL

If we decide to renew this policy, we will deliver or mail the renewal policy or written notice of our renewal offer to your last known address at least 30 days prior to the renewal date.

Proof of mailing of any notice shall be sufficient proof of notice.

The following provision applies to any Liquor Liability Coverage endorsement, item The following applies with respect to coverage provided under the following:

LIQUOR LIABILITY COVERAGE

Item 1.c.(1)(b) is deleted and replaced by the following:

- (b) 60 days before the effective date of cancellation, if we cancel for any other reason.

The following provision applies to any Liquor Liability Coverage endorsement, the following is added to item 1.:

1. CANCELLATION

If this policy is cancelled by us, we will notify, in writing, the governmental authority in the State of Minnesota that issued the current liquor license to the Named Insured that the policy is being cancelled at the same time that the cancellation notice is sent to the first Named Insured.

If the first Named Insured cancels, we will notify, in writing, the governmental authority in the State of Minnesota that issued the current liquor license to the Named Insured that the policy is being cancelled upon receiving the written notice of cancellation from the first Named Insured.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION (BROAD FORM)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

CONTRACTORS ERRORS AND OMISSIONS COVERAGE PART

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE – CONTRACTORS ERRORS AND OMISSIONS

The following is added to **2. Exclusions of Coverage A – Bodily Injury and Property Damage Liability** and **Coverage – Contractors Errors and Omissions**:

NUCLEAR ENERGY LIABILITY

- (1) Under any Liability Coverage, to "bodily injury", "property damage", or a "claim" arising out of a "contractors error or omission":
 - (a) 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
 - (b) Resulting from the "hazardous properties" of "nuclear material" and with respect to which:
 - (i) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or
 - (ii) 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.
- (2) 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.
- (3) Under any Liability Coverage, to "bodily injury", "property damage", or a "claim" arising out of a "contractors error or omission" resulting from "hazardous properties" of "nuclear material", if:
 - (a) The "nuclear material":
 - (i) Is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or
 - (ii) Has been discharged or dispersed therefrom;
 - (b) 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
 - (c) The "bodily injury", "property damage", or a "claim" arising out of a "contractors error or omission" 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 (c) applies only to "property damage" to such "nuclear facility" and any property thereat.

SECTION V – DEFINITIONS of the Commercial General Liability Coverage Form

SECTION VII – DEFINITIONS of the Contractors Error And Omissions Coverage Form

For purposes of this endorsement, the following are added:

1. "Hazardous properties" includes radioactive, toxic, or explosive properties.
2. "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.
3. "Nuclear material" means "source material", "special nuclear material", or "by-product material".
4. "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.
5. "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.
6. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".
7. "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".

For purposes of this endorsement, the following is amended:

"Property damage" includes all forms of radioactive contamination or destruction of property.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL INLAND MARINE COMMON CONDITIONS

All Inland Marine Coverage Parts included in this policy are subject to the following conditions in addition to the Common Policy Conditions and Conditions in the Commercial Inland Marine Coverage Forms.

LOSS CONDITIONS

1. ABANDONMENT

There can be no abandonment of any Covered Property to us unless we specifically agree in writing.

2. APPRAISAL

- a. If we and you disagree on the amount of loss or the value of the Covered Property, including the amount of actual cash value or replacement cost, either party, may make a written demand for an appraisal of the loss or the value of the Covered Property. In this event, each party will select a competent, impartial, and disinterested appraiser.
- b. The two appraisers will select a competent, impartial, and disinterested umpire.
- c. If the appraisers selected cannot agree on an umpire, either appraiser may request that the umpire be selected by a judge of a court having jurisdiction. The appraisers shall then appraise the loss stating separately, the amount of loss or the value of the Covered Property including the itemized estimate of the actual cash value and replacement cost of each item and the duration of repairs. If the appraisers fail to agree, they will submit their differences to the selected umpire.
- d. A decision agreed to by the umpire and either of the appraisers will be binding.
- e. Each party will:
 - (1) Pay its chosen appraiser; and
 - (2) Bear the other expenses of the appraisal and umpire equally.
- f. If there is an appraisal, we will still retain our right to deny the claim.
- g. In no event will an appraisal be used for the purpose of interpreting any Coverage Part provision, determining causation, or determining whether any item or loss is covered under this Coverage Part.
- h. If non-covered damaged property is included in the appraisal award, we retain the right to deny the uncovered portion of the claim.

3. DUTIES IN THE EVENT OF LOSS OR DAMAGE

- a. You must see that the following are done in the event of loss or damage to Covered Property:
 - (1) Notify us or one of our authorized representatives and any applicable regulatory authority as to what occurred and include the names and addresses of available witnesses where applicable.
 - (2) Notify the police if a law may have been broken.
 - (3) Give us prompt notice of the loss or damage. Include a description of the property involved.
 - (4) As soon as possible, give us a description of how, when, and where the loss or damage occurred.
 - (5) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase any Limits 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.

- (6) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
- (7) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
 - Also permit us to take samples of damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from your books and records.
- (8) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (9) Cooperate with us in the investigation or settlement of the claim.
- (10) You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
- (11) Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the claim or suit.
- (12) Resume all or part of your operations as quickly as possible.

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

4. LEGAL ACTION AGAINST US

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

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within two years after you first have knowledge of the direct physical loss or direct physical damage.

5. LOSS PAYMENT

In the event of loss or damage covered by this Coverage Part:

- a. At our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to the Valuation Condition;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild, or replace the property with other property of like kind and quality, subject to the Valuation Condition.
- b. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- c. We will not pay you more than your financial interest in the Covered Property.
- d. We will not be liable for any part of a loss that has been paid or made good by others.
- e. Our payment for loss of or damage to property of others will only be for the account of the owners of the property. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

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

- f. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, provided you have complied with all of the terms of this Coverage Part, and:
 - (1) We have reached agreement with you on the amount of loss; or

- (2) An appraisal award has been made.

6. OTHER INSURANCE

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

7. PAIR, SETS, OR PARTS

a. PAIR OR SET

In case of loss or damage to any part of a pair or set, we may at our discretion:

- (1) Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- (2) Pay the difference between the value of the pair or set before and after the loss or damage.

The loss is not considered a total loss of the pair or set.

b. PARTS

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we may at our discretion:

- (1) Pay for the value of the lost or damaged part; or
- (2) The cost to repair or replace it.

8. RECOVERED PROPERTY

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may retain the property. But then you must return to us the amount we paid to you for the property.

a. We will pay:

- (1) Recovery expenses; and
- (2) Expenses to repair the recovered property.

b. But the amount we pay will not exceed the least of the following:

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

9. SALVAGE

If, following a loss, a recovery is made from the sale of damaged Covered Property, we will be entitled to this salvage recovery until we have recovered the loss settlement amount plus any salvage fees and expenses. If applicable, the remaining balance of the salvage recovery will then be promptly refunded to you.

GENERAL CONDITIONS

1. CONTROL OF PROPERTY

- a. Except as outlined under the Dishonesty Exclusion or any concealment, misrepresentation, fraud, or similar provision applicable to this Coverage Part, any act or neglect of any person other than you beyond your direction or control will not affect this insurance.
- b. The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

2. NO BENEFIT TO BAILEE

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

3. POLICY PERIOD, COVERAGE TERRITORY

Under this policy:

- a. We cover loss or damage commencing:
 - (1) During the policy period shown in the Declarations; and
 - (2) Within the coverage territory.
- b. The coverage territory is:
 - (1) The United States of America (including its territories and possessions);
 - (2) Puerto Rico; and
 - (3) Canada.

All other provisions of this policy apply.



CONTRACTOR'S TOOLS AND EQUIPMENT 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 VI – Definitions**.

SECTION I – COVERAGES

We will pay for direct physical loss of or direct physical damage to Covered Property caused by or resulting from a Covered Cause of Loss under **3. Covered Causes of Loss** below.

1. COVERED PROPERTY

Covered Property, as used in this Coverage Part, means Contractor's Tools and Equipment as described below that are owned by you or owned by others in your care, custody, or control, when listed and described in the "schedule of coverages" and for which a Limit of Insurance is shown.

Regardless of coverage shown in the "schedule of coverages", there is no coverage for property described under **2. Property Not Covered** unless otherwise stated within this Coverage Part.

Contractor's Tools and Equipment means:

- a. Equipment, tools, or machinery, including attachments and/or accessories to such property;
- b. Self-propelled vehicles or trailers designed and used primarily to carry mounted equipment;
- c. Vehicles designed for highway use that are unlicensed and not operated on public roads;
- d. Trailers that are specifically described on the "schedule of coverages";
- e. Crew boats, work boats, barges, or marine floats less than 26 feet in length that are specifically described on the "schedule of coverages";

used for your contracting, installation, erection, servicing, repair, moving, or surveyor operations or projects.

2. PROPERTY NOT COVERED

Unless otherwise stated in this Coverage Part, Covered Property does not include:

- a. Aircraft, including "unmanned aircraft";
- b. Trailers and self-propelled motor vehicles including automobiles, motorcycles, motortrucks, motorhomes, and tractors, principally designed and used to transport property or persons over public roads. However, this does not include those types of trailers and self-propelled motor vehicles described in 1. above;
- c. Contraband under any state, federal, local, or other law or regulation, or property in the course of illegal transportation or trade;
- d. Property while underground or in cofferdams;
- e. Property while waterborne except while in transit in the custody of a carrier for hire;
- f. Watercraft, except those types of watercraft described in 1. above; or
- g. Property while rented, leased, or loaned to other, unless specifically described on the "schedule of coverages".

3. COVERED CAUSES OF LOSS

Covered Causes of Loss means direct physical loss of or direct physical damage to Covered Property unless the loss is:

- a. Excluded under this Coverage Form; or
- b. Excluded by any other provisions of this policy.

4. ADDITIONAL COVERAGES

Additional Coverages may be attached to this Coverage Form by endorsement. These coverages and their limits, if applicable, will be shown in the "schedule of coverages". Unless otherwise stated, the Limits of Insurance available under these Additional Coverages are in addition to, and not part of, any other Limits of Insurance shown in the "schedule of coverages". However, in no instance will we pay more than the Maximum Occurrence Limit of Insurance.

SECTION II – EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

a. FUNGI, WET ROT, OR DRY ROT

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

But if "fungi", wet rot, or dry rot results in a "specified cause of loss" to Covered Property, we will pay for the direct physical loss of or direct physical damage to the Covered Property caused by that "specified cause of loss".

This exclusion does not apply when "fungi", wet rot, or dry rot results from fire or lightning (if fire or lightning would otherwise be covered under this Coverage Part).

b. GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority.

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

c. NUCLEAR HAZARD

Nuclear reaction, radiation, or radioactive contamination, however caused, whether intentional or unintentional. This includes but is not limited to the release, dispersal, or application of radioactive material, or the use of a nuclear weapon or device that involves or produces a nuclear reaction, or nuclear radiation, or radioactive contamination, or radioactive force.

When a law in effect in the jurisdiction where the loss or damage occurs requires that we cover any resulting fire damage from nuclear hazard as described above, we will pay only for the resulting damage to Covered Property caused by that resulting fire, if the fire would be covered under this Coverage Part. We will pay only the "actual cash value" for the damaged property.

d. WAR AND MILITARY ACTION

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

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
2. We will not pay for loss or damage caused by or resulting from any of the following:
- CONSEQUENTIAL LOSSES**

Delay, loss of use, or loss of market.
 - DISHONESTY**

Dishonest, intentional, or criminal acts (including theft) by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees (including temporary or leased employees), directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party. In the event of such loss involving dishonest, intentional, or criminal acts, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

 - This exclusion applies whether or not an act occurs during your normal hours of operation.
 - This exclusion does not apply to:
 - Acts of destruction by your employees (including temporary or leased employees) or authorized representatives; but theft by your employees (including temporary or leased employees) or authorized representatives is not covered; or
 - Covered Property in the custody of a carrier for hire.
 - ELECTRICAL APPARATUS**
 - Artificially generated electrical, magnetic, or electromagnetic energy that damages, disturbs, disrupts, or otherwise interferes with any:
 - Electrical or electronic wire, device, appliance, system, or network; or
 - Device, appliance, system, or network utilizing cellular or satellite technology.
 - For the purpose of this exclusion, electrical, magnetic, or electromagnetic energy includes but is not limited to:
 - Electrical current, including arcing;
 - Electrical charge produced or conducted by a magnetic or electromagnetic field;
 - Pulse of electromagnetic energy; or
 - Electromagnetic waves or microwaves.

But if fire results, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by fire (if fire would otherwise be covered under this Coverage Part).
 - FALSE PRETENSE**

Voluntary parting with any title to or possession of property by you or anyone else to whom you have entrusted the title or property if induced to do so by any fraudulent scheme, trick, device, or false pretense.
 - MISSING PROPERTY**

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

This exclusion does not apply to Covered Property in the custody of a carrier for hire.

f. POLLUTION

Discharge, dispersal, seepage, migration, release, escape, absorption, contact with, exposure to, existence of, or presence of "pollutants" unless such loss or damage is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape, absorption, contact with, exposure to, existence of, or presence of "pollutants" results in damage to Covered Property caused by a "specified cause of loss", we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that "specified cause of loss".

g. OTHER TYPES OF LOSS

- (1) Wear and tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in the property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- (5) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- (6) Dampness or dryness of atmosphere;
- (7) Changes in or extremes of temperature;
- (8) Weather conditions, but this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **1. of Section II – Exclusions**;
- (9) Marring or scratching; or
- (10) Repair process or work upon the property;

But if an excluded cause of loss that is listed in (1) through (10) above results in a Covered Cause of Loss, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that Covered Cause of Loss.

SECTION III – LIMITS OF INSURANCE

1. As shown in the "schedule of coverages", the most we will pay for loss or damage covered under this Contractor's Tools and Equipment Coverage Form and its endorsements:
 - a. In any one "occurrence", is the Maximum Occurrence Limit of Insurance.
 - b. In any one "occurrence", specific to Unscheduled Contractor's Tools and Equipment or Additional Coverage(s) is the Per Occurrence Limit of Insurance for the described Unscheduled Contractor's Tools and Equipment or Additional Coverage(s).
 - c. For any one item of Covered Property is the Per Item Limit of Insurance. However, if an item of Covered Property is specifically described and listed on the "schedule of coverages", the most we will pay for loss or damage to that item is the Limit of Insurance shown for that item. If a quantity higher than one is shown for a specifically described item of Covered Property, the most we will pay for any one item of the described Covered Property is the Limit of Insurance shown.
 - d. In any one "occurrence" for Covered Property owned by any one employee, is the Per Employee Limit of Insurance.
 - e. For the total of all loss, damage, cost, or expense in a 12 month period (beginning with the effective date of this policy) is the Annual Aggregate Limit of Insurance. However, this only applies when an Annual Aggregate Limit of Insurance is shown.
2. If a more specific Limit of Insurance is shown in the "schedule of coverages" and coverage applies under that Limit of Insurance, the most we will pay for loss or damage is that more specific Limit.

- 3.** When a Limit of Insurance is shown as No Coverage Provided (also shown as NCP) on the "schedule of coverages", it means that no coverage is provided for the described property.

SECTION IV – DEDUCTIBLES

- 1.** Unless otherwise stated, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the applicable Deductible shown in the "schedule of coverages". We will then pay the amount of the covered loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

If a percentage Deductible is shown in the "schedule of coverages", the Deductible amount is determined by applying the percentage to the value of Covered Property involved in the loss. We will then pay the amount of the covered loss or damage in excess of the Deductible up to the applicable Limit of Insurance. If a loss involves two or more items of Covered Property, the percentage Deductible will apply only to the Covered Property with the highest value at the time of loss. In no event will the Deductible amount be less than or more than the minimum and maximum Deductible shown.

- 2.** When one "occurrence" at a single location involves loss or damage to more than one item of Covered Property or one or more Additional Coverages apply, and such property or Additional Coverages are subject to separate Limits of Insurance, only the highest applicable Deductible will be applied. However, when an "occurrence" involves loss or damage covered solely by one or more Additional Coverage(s), we will pay the amount of loss in excess of the applicable Deductible for that Additional Coverage or coverages.
- 3.** If there is a covered loss due to theft of Covered Property that is equipped with an operational location-tracking, recovery device, or is properly registered with National Equipment Register (also show as NER), we will waive the Deductible.

Properly registered means providing the NER with any and all information required to register the equipment on the NER database, including affixing NER warning decals to the registered equipment prior to the date and time of the theft.

SECTION V – CONDITIONS

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

1. BLANKET LOSS PAYEE

In the event of loss to Covered Property in which both you and a Loss Payee, Loss Payable, Lender Loss Payee, or Lender Loss Payable share an insurable interest under a written agreement, we will:

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

2. OTHER INSURANCE – RENTED OR LEASED PROPERTY

This insurance will be primary with respect to any other available insurance covering property which you have rented or leased from others and for which you have agreed in a written rental or lease agreement to obtain primary insurance.

3. VALUATION

a. OWNED COVERED PROPERTY

(1) REPLACEMENT COST

Unless otherwise stated in the "schedule of coverages", in the event of loss to Covered Property with a model year within the five-year period prior to the loss, we will determine the value of the Covered Property at replacement cost without deduction for depreciation, subject to the following:

- (a) For loss or damage on a replacement cost basis, we will not pay more than the least of the following amounts:

- (i) The Limit of Insurance applicable to the lost or damaged Covered Property;
 - (ii) The cost to replace such property with other property:
 - i. Of comparable material and quality; and
 - ii. Used for the same purpose; or
 - (iii) The amount that you actually spend that is necessary to repair or replace the lost or damaged property.
- (b) We will pay on an "actual cash value" basis, as described in a.(2) below, until the lost or damaged property is actually repaired or replaced.
- (c) If the Covered Property is not repaired or replaced within 180 days of the date of loss or damage, we will pay on an "actual cash value" basis as described in a.(2) below.

This five-year period prior to the loss or damage applies unless a different period is stated in the "schedule of coverages".

(2) ACTUAL CASH VALUE

If the replacement cost condition in a.(1) above does not apply, model year is not shown, or Actual Cash Value is shown, we will determine the value of the Covered Property on an "actual cash value" basis and pay you the least of the following:

- (a) The Limit of Insurance applicable to the lost or damaged Covered Property;
- (b) The amount which you actually spend to repair or replace the lost or damaged Covered Property with property of the same kind or quality; or
- (c) The property's "actual cash value".

(3) PARTIAL LOSS

In the event of partial loss or damage, not exceeding 20% of the applicable Per Item or Scheduled Item Limit, no deduction for depreciation will be applied in the settlement of the claim.

This 20% shall apply unless a different Waiver of Depreciation percentage is shown in the "schedule of coverages".

b. COVERED PROPERTY OWNED BY OTHERS

- (1) If there is a written rental or lease agreement, the value of Covered Property will be the least of the following:
 - (a) The amount of your legal liability as described in a written lease or rental agreement;

If the written agreement requires replacement cost, we will pay the cost to replace such property with other property:

 - (i) Of comparable material and quality; and
 - (ii) Used for the same purpose.
 - (b) The actual amount spent to repair, replace, or rebuild the damaged leased or rented Covered Property; or
 - (c) The Limit of Insurance applicable to the Covered Property.
- (2) If there is no written rental or lease agreement, the value of Covered Property will be the least of the following:
 - (a) The Covered Property's "actual cash value" as described in a.(2) above;
 - (b) The amount it costs that is reasonable and necessary to repair the damaged Covered Property; or

(c) The Limit of Insurance applicable to the Covered Property.

In the event of loss or damage, the value of the Covered Property will be determined as of the time of loss or damage.

SECTION VI – DEFINITIONS

1. "Actual cash value" (also shown as ACV) means the amount it would cost to repair or replace, on the date of loss, with material of like kind and quality, with reasonable deduction for physical depreciation and obsolescence, but in no event more than the fair market value. Unless otherwise provided by this Coverage Part, we may deduct expense depreciation subject to state, local, or other jurisdictional law. Expense depreciation is defined as depreciation, including but not limited to the cost of goods, materials, overhead and profit, labor and services necessary to replace, repair, or rebuild damaged property. If expense depreciation is applied to loss for damaged property, we shall provide a written explanation as to how the expense depreciation was calculated.
2. "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".
3. "Manager" means a person serving in a directorial capacity for a limited liability company.
4. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
5. "Occurrence" means one event or a series of related events that contribute concurrently to or contribute in any sequence to direct physical loss of or direct physical damage to Covered Property.
6. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes material to be recycled, reconditioned, or reclaimed.
7. "Schedule of coverages" means:
 - a. All schedules of coverage which pertain to this policy, whether attached or on file, and whether included in an endorsement or standalone.
 - b. All Declarations or supplemental Declarations which pertain to this policy.
8. "Specified causes of loss" means the following:

Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice, or sleet; water damage.

 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss of or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and

- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the premises of a location at which the Covered Property is located and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.
9. "Unmanned aircraft" means an aircraft that is not:
- a. Designed;
 - b. Manufactured; or
 - c. Modified after manufacture
- to be controlled directly by a person from within or on the aircraft.
- "Unmanned aircraft" includes equipment designed for and used with the "unmanned aircraft."



INSTALLATION 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 VI – Definitions**.

SECTION I – COVERAGES

We will pay for direct physical loss of or direct physical damage to Covered Property caused by or resulting from a Covered Cause of Loss under **3. Covered Causes of Loss** below.

1. COVERED PROPERTY

Covered Property, as used in this Coverage Part, means the type of property described in **1.a.** below if a Limit of Insurance is shown in the "schedule of coverages" for that type of property.

Regardless of coverage shown in the "schedule of coverages", there is no coverage for property described under **2. Property Not Covered** unless otherwise stated within this Coverage Part.

a. Installation Materials, meaning:

Materials, supplies, machinery, fixtures, equipment, and other similar property owned by you or owned by others in your care, custody, or control, while such property is:

- (1) At a "job site";
- (2) At an offsite location, but only while temporarily in storage; or
- (3) In transit to, from, or between a "job site" and/or an offsite location.

However, we only cover Installation Materials that you or your subcontractors are contractually obligated to permanently install, construct, or rig.

b. PRESERVATION OF COVERED PROPERTY

If it is necessary to move Covered Property described in **a.** above from a "job site" or an offsite location to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss of or direct physical damage to that Covered Property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 90 days after the property is first moved.

2. PROPERTY NOT COVERED

Unless otherwise stated in this Coverage Part, Covered Property does not include:

- a. Accounts, accounts receivable, bills, food stamps, "money", "securities", precious metals, precious stones, or property of a similar nature;
- b. Buildings or structures that existed prior to the start of "your work". However, we do cover property that is part of "your work" and is in connection with any building or structure;
- c. Contraband under any state, federal, local, or other law or regulation, or property in the course of illegal transportation or trade;

- d. "Contractor's tools and equipment" or property of a similar nature that you are not contractually obligated to permanently install, construct, or rig;
- e. Land, land values, and the value of cut, fill, and backfill materials. However, this does not apply to:
 - (1) The value of cut, fill, and backfill materials purchased for use in the completion of "your work", or
 - (2) Labor charges incurred to move, remove, place, or otherwise handle cut, fill, and backfill materials if such costs are incurred in the completion of "your work";
- f. Property at a "job site" that stores, processes, handles, or makes use of radioactive materials. However, this does not apply to property at a "job site" making use of radioactive isotopes contained within equipment used for diagnostic or testing purposes;
- g. Property while waterborne except while in transit in the custody of a carrier for hire;
- h. Spacecraft, satellites, associated launch vehicles, and any major components, including any property contained therein;
- i. Transmission, distribution, and communication lines, and their supporting structures, that existed prior to the beginning of "your work"; or
- j. Water, whether in its natural state or otherwise, and whether above or below ground, including the cost of reclaiming or restoring water.

3. COVERED CAUSES OF LOSS

Covered Causes of Loss means direct physical loss of or direct physical damage to Covered Property unless the loss is:

- a. Excluded under this Coverage Form; or
- b. Excluded by any other provisions of this policy.

4. ADDITIONAL COVERAGES

Additional Coverages may be attached to this Coverage Form by endorsement. These coverages and their limits, if applicable, will be shown in the "schedule of coverages". Unless otherwise stated, the Limits of Insurance available under these Additional Coverages are in addition to, and not part of, any other Limits of Insurance shown in the "schedule of coverages".

SECTION II – EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

a. EARTH MOVEMENT

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising, or shifting related to such event;
- (2) Landslide, including any earth sinking, rising, or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (4) Earth sinking (other than sinkhole collapse), rising, or shifting including soil conditions which cause settling, cracking, or other disarrangement of foundations, or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil, and the action of water under the ground surface.

But if Earth Movement, as described in (1) through (4) above, results in fire or explosion damage to Covered Property, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that fire or explosion (if fire or explosion would otherwise be covered under this Coverage Part).

(5) Volcanic eruption, explosion, or effusion. But if volcanic eruption, explosion, or effusion results in fire, building glass breakage (other than "specialty glass"), or Volcanic Action damage to Covered Property, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that fire, building glass breakage, or Volcanic Action (if fire, building glass breakage (other than "specialty glass"), or Volcanic Action would otherwise be covered under this Coverage Part).

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

- (a)** Airborne volcanic blast or airborne shock waves;
- (b)** Ash, dust, or particulate matter; or
- (c)** Lava flow.

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

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

This exclusion applies regardless of whether any of the above, in **(1)** through **(5)**, is caused by an act of nature or is otherwise caused by an artificial, man-made, or other cause.

This exclusion does not apply to property in transit.

b. FUNGI, WET ROT, OR DRY ROT

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

But if "fungi", wet rot, or dry rot results in a "specified cause of loss" to Covered Property, we will pay for the direct physical loss of or direct physical damage to the Covered Property caused by that "specified cause of loss".

This exclusion does not apply when "fungi", wet rot, or dry rot results from fire or lightning (if fire or lightning would otherwise be covered under this Coverage Part).

c. GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority.

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

d. NUCLEAR HAZARD

Nuclear reaction, radiation, or radioactive contamination, however caused, whether intentional or unintentional. This includes but is not limited to the release, dispersal, or application of radioactive material, or the use of a nuclear weapon or device that involves or produces a nuclear reaction, or nuclear radiation, or radioactive contamination, or radioactive force.

When a law in effect in the jurisdiction where the loss or damage occurs requires that we cover any resulting fire damage from nuclear hazard as described above, we will pay only for the resulting damage to Covered Property caused by that resulting fire, if the fire would be covered under this Coverage Part. We will pay only the "actual cash value" for the damaged property.

e. ORDINANCE OR LAW

(1) The enforcement of or compliance with any ordinance or law:

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

(2) Item e. above applies whether the loss results from:

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

f. WAR AND MILITARY ACTION

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel, or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. WATER

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of streams, or other natural or man-made bodies of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow;
- (3) Water or sewage that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump, or related equipment. However, this exclusion does not apply to the backup or overflow of water or sewage from drains within a building or structure if the backup or overflow is not otherwise directly or indirectly caused by (1) or (2) above or (4) or (5) below;
- (4) Water under the ground surface pressing on, or flowing, or seeping through:
 - (a) Foundations, walls, floors, or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows, or other openings; or
- (5) Waterborne material carried or otherwise moved by any of the water referred to in (1), (3), or (4) above, or material carried or otherwise moved by mudslide or mudflow.

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

But if any of the above, in (1) through (5), results in fire, explosion, or sprinkler leakage damage, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that fire, explosion, or sprinkler leakage (if fire, explosion, or sprinkler leakage would otherwise be covered under this Coverage Part).

This exclusion does not apply to property in transit.

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

a. CONSEQUENTIAL LOSSES

- (1) Delay, loss of use, or loss of market; or
- (2) Penalties for non-compliance, non-completion, or delay in completion of "your work" in accordance with any contract provisions or conditions.

b. DISHONESTY

Dishonest, intentional, or criminal acts (including theft) by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees (including temporary or leased employees), directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party. In the event of such loss involving dishonest, intentional, or criminal acts, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

(1) This exclusion applies whether or not an act occurs during your normal hours of operation.

(2) This exclusion does not apply to:

- (a) Acts of destruction by your employees (including temporary or leased employees) or authorized representatives; but theft by your employees (including temporary or leased employees) or authorized representatives is not covered; or
- (b) Covered Property in the custody of a carrier for hire.

c. ELECTRICAL APPARATUS

(1) Artificially generated electrical, magnetic, or electromagnetic energy that damages, disturbs, disrupts, or otherwise interferes with any:

- (a) Electrical or electronic wire, device, appliance, system, or network; or
- (b) Device, appliance, system, or network utilizing cellular or satellite technology.

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

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

But if an excluded cause of loss that is listed above results in a Covered Cause of Loss, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that Covered Cause of Loss.

d. FALSE PRETENSE

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

e. MISSING PROPERTY

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

This exclusion does not apply to Covered Property in the custody of a carrier for hire.

f. NEGLIGENT WORK

Faulty, inadequate, or defective:

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation, or remodeling; or

(4) Maintenance;

of part or all of any Covered Property.

But if an excluded cause of loss that is listed above results in a Covered Cause of Loss, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that Covered Cause of Loss.

However, in no event will we pay for:

(5) Costs or expenses to correct the fault, inadequacy, or defect itself, including any cost incurred to tear down, tear out, repair, or replace any property to correct the fault, inadequacy, or defect; or

(6) Costs or expenses to improve or redesign the original materials, supplies, designs, plans, or specifications or to improve workmanship.

g. POLLUTION

Discharge, dispersal, seepage, migration, release, escape, absorption, contact with, exposure to, existence of, or presence of "pollutants" unless such loss or damage is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape, absorption, contact with, exposure to, existence of, or presence of "pollutants" results in damage to Covered Property caused by a "specified cause of loss", we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that "specified cause of loss". This exclusion does not apply to damage to glass caused by chemicals applied to the glass.

h. STEAM APPARATUS

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

i. WARRANTIES OR GUARANTEES

Loss, damage, costs, or expenses covered under any written or implied guarantee or warranty by any manufacturer or supplier but only to the extent of recovery from such written or implied guarantee or warranty.

j. OTHER TYPES OF LOSS

(1) Wear and tear;

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

(3) Smog;

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

(5) Settling, cracking, shrinking, or expansion;

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force;

(7) Dampness or dryness of atmosphere;

(8) Changes in or extremes of temperature;

(9) Weather conditions, but this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in 1. above to produce loss or damage; or

(10) Marring or scratching;

But if an excluded cause of loss that is listed in **(1)** through **(10)** above results in a "specified cause of loss", we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that "specified cause of loss".

- 3.** We will not pay for loss of or damage to property as described and limited below. In addition, we will not pay for any loss that is a consequence of loss or damage to property as described and limited below.

Lawns, trees, plants, or shrubs caused by or resulting from:

- (a)** Dampness or dryness of atmosphere or of soil supporting the vegetation;
- (b)** Changes in or extremes of temperature;
- (c)** Disease;
- (d)** Frost or hail; or
- (e)** Rain, snow, sand, dust, ice, sleet, smoke, soot, or ash.

SECTION III – LIMITS OF INSURANCE

- 1.** As shown in the "schedule of coverages", the most we will pay for loss or damage covered under this Installation Coverage Form and its endorsements:
 - a.** In any one "occurrence", when the loss occurs at a "job site" is the Any One Job Site Limit of Insurance.
 - b.** In any one "occurrence", when the loss occurs at an offsite location is the At Temporary Offsite Locations Limit of Insurance.
 - c.** In any one "occurrence", when the loss occurs in transit, is the In Transit Limit of Insurance.
 - d.** In any one "occurrence", for any one tree, plant, or shrub, is \$1,000, unless a different Tree, Plant, or Shrub Per Item Limit of Insurance is shown.
 - e.** In any one "occurrence", at all locations including in transit, is the At All Locations Limit of Insurance. However, this only applies when an At All Locations Limit of Insurance is shown.
 - f.** For the total of all loss, damage, cost, or expense in a 12 month period (beginning with the effective date of this policy) is the Annual Aggregate Limit of Insurance. However, this only applies when an Annual Aggregate Limit of Insurance is shown.
- 2.** The applicable Limit of Insurance will be determined by the location of the Covered Property at the time of loss or damage, and in no event will more than one Limit of Insurance described in **a.**, **b.**, or **c.** above apply to the same Covered Property.
- 3.** When a Limit of Insurance is shown as No Coverage Provided (also shown as NCP) in the "schedule of coverages", it means that no coverage is provided for the described property.
- 4.** Payments under **1.b. Preservation of Covered Property** of **Section I – Coverages** will not increase the applicable Limit of Insurance.

SECTION IV – DEDUCTIBLES

- 1.** Unless otherwise stated, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the applicable Deductible shown in the "schedule of coverages". We will then pay the amount of the covered loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.
- 2.** When one "occurrence" at a single location involves loss or damage to more than one item of Covered Property or one or more Additional Coverages apply, and such property or Additional Coverages are subject to separate Limits of Insurance, only the highest applicable Deductible will be applied. However, when an "occurrence" involves loss or damage covered solely by one or more Additional Coverages, we will pay the amount of the loss in excess of the highest applicable Deductible for that Additional Coverage or coverages.

3. If one "occurrence" results in loss or damage at more than one location, the Deductible will apply separately to loss or damage at each location that has sustained loss or damage.

SECTION V – CONDITIONS

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

1. POLICY PERIOD – EXPIRATION

As it relates to when this coverage ends, this condition applies above all other policy language.

Coverage ends the earliest of the following:

- a. The policy expires or is cancelled;
- b. The Covered Property is accepted by the purchaser or has been completed for more than 30 days, regardless of whether or not you have been paid;
- c. Your interest in the Covered Property ceases;
- d. You abandon the Covered Property with no intent to complete "your work"; or
- e. The Covered Property is installed and has been put to its intended use.

Coverage under this policy will not be extended by any guaranty or warranty or any maintenance or service contract.

2. VALUATION

In the event of loss or damage, the value of the Covered Property will be determined as of the time of loss or damage.

a. OWNED COVERED PROPERTY

(1) REPLACEMENT COST

In the event of loss to Covered Property, we will determine the value of the Covered Property at replacement cost without deduction for depreciation, subject to the following:

- (a) For loss or damage on a replacement cost basis, we will not pay more than the least of the following amounts:
 - (i) The Limit of Insurance applicable to the lost or damaged Covered Property;
 - (ii) The cost to replace such property with other property:
 - i. Of comparable material and quality; and
 - ii. Used for the same purpose; or
 - (iii) The amount that you actually spend that is necessary to repair or replace the lost or damaged property.
 - (iv) The cost to repair or replace Covered Property includes:
 - i. Reasonable and necessary labor and delivery charges; and
 - ii. Reasonable overhead and profit, as it relates to the repair or replacement of the Covered Property sustaining loss or damage.
- (b) We will pay on an "actual cash value" basis, as described in a.(2) below, until the lost or damaged property is actually repaired or replaced.
- (c) If the Covered Property is not repaired or replaced within 180 days of the date of loss or damage, we will pay on an "actual cash value" basis as described in a.(2) below.

(2) ACTUAL CASH VALUE

If the replacement cost condition in **a.(1)** above does not apply, we will determine the value of the Covered Property on an "actual cash value" basis and pay you the least of the following:

- (a)** The Limit of Insurance applicable to the lost or damaged Covered Property; or
- (b)** The Covered Property's "actual cash value".

b. COVERED PROPERTY OWNED BY OTHERS

The value of Covered Property owned by others will be based on the amount for which you are legally liable, not to exceed the replacement cost of that property or the applicable Limit of Insurance.

SECTION VI – DEFINITIONS

1. "Actual cash value" (also shown as ACV) means the amount it would cost to repair or replace, on the date of loss, with material of like kind and quality, with reasonable deduction for physical depreciation and obsolescence, but in no event more than the fair market value. Unless otherwise provided by this Coverage Part, we may deduct expense depreciation subject to state, local, or other jurisdictional law. Expense depreciation is defined as depreciation, including but not limited to the cost of goods, materials, overhead and profit, labor and services necessary to replace, repair, or rebuild damaged property. If expense depreciation is applied to loss for damaged property, we shall provide a written explanation as to how the expense depreciation was calculated.
2. "Contractor's tools and equipment" means equipment, tools, or machinery, including attachments and/or accessories to such property, used for your contracting, installation, erection, servicing, repair, moving operations, or projects.
3. "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".
4. "Job site" means any location where Covered Property will be permanently installed, constructed, or rigged.
5. "Manager" means a person serving in a directorial capacity for a limited liability company.
6. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
7. "Money" means:
 - a. Currency, coins, and bank notes in current use and having a face value;
 - b. Traveler's checks, register checks, and money orders held for sale to the public."Money" does not include "securities".
8. "Occurrence" means one event or a series of related events that contribute concurrently to or contribute in any sequence to direct physical loss of or direct physical damage to Covered Property.
9. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes material to be recycled, reconditioned, or reclaimed.
10. "Schedule of coverages" means:
 - a. All schedules of coverage which pertain to this policy, whether attached or on file, and whether included in an endorsement or standalone.
 - b. All Declarations or supplemental Declarations which pertain to this policy.
11. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue, and other stamps (whether represented by actual stamps or unused value in a

- meter) in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money" or lottery tickets held for sale.
12. "Specialty glass" means rare building glass, ballistic glass, art or stained glass windows, or any building glass serving a functional or protective purpose beyond that of traditional door or window glass.
13. "Specified causes of loss" means the following:
- Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice, or sleet; water damage.
- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man-made underground cavities.
- b. Falling objects does not include loss of or damage to:
- (1) Personal property in the open; or
- (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c. Water damage means:
- (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and
- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the premises of a location at which the Covered Property is located and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.
- But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.
- To the extent that accidental discharge or leakage of water falls within the criteria set forth in c.(1) or c.(2) above this definition of "specified causes of loss", such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the ground surface.
14. "Your work" means the business activities related to Covered Property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINNESOTA CHANGES – INLAND MARINE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

COMMERCIAL INLAND MARINE COMMON CONDITIONS

LOSS CONDITIONS

The following is added to **2. Appraisal**:

Reference to a court having jurisdiction means a court of record in the state where the described premium at which the loss occurred are located.

The following is added under **3. Duties in the Event of Loss or Damage**, item **a.**:

Send to us, within a reasonable time after our request, the following:

- (a) Changes in title or occupancy of the property during the term of the policy; and
- (b) Estimates, Specifications, inventories, and other reasonable information we may require to settle the loss.

Under **3. Duties in the Event of Loss or Damage**, item **a.(7)**, **a.(8)**, and **b.** are deleted and replaced by the following:

- (7) As often as we reasonably require:

- (a) Permit us to inspect the property. Also, permit us to take samples of damaged and undamaged property for inspection, testing, and analysis; and
- (b) Provide us with records and documents reasonably related to the loss, or certified copies if the originals are lost, and permit us to make copies.

- (8) Send us, within 60 days after our request, a signed, sworn proof of loss containing the following information we require to investigate the claim:

- (a) A description of how and when the loss or damage occurred;
- (b) The value of the property, except in the case of a total loss of an insured building;
- (c) The interest of the insured and all others in the property; and
- (d) Other insurance which may cover the loss or damage.

We will supply you with the necessary forms.

- b. After we inform an insured:

- (1) Of the right to counsel; and
- (2) That an insured's answers may be used against the insured in later civil or criminal proceedings;

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. In the event of an examination, an insured's answers must be signed.

The following is added under **3. Duties in the Event of Loss or Damage**:

The requirement to notify us can be satisfied by notifying our agent, the requirement to provide us with prompt notice of the claim or suit can be satisfied by written or oral notification.

Under **5. Loss Payment**, item **f.** is deleted and replaced by the following:

- f.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within five business days after we have received the proof of loss and:
- (1)** We have reached agreement with you on the amount of loss; or
 - (2)** An appraisal award has been made.

However, we will not pay you any interest, other than the interest that accrues between the time that it is determined that a loss shall be payable, in accordance with **(1)** or **(2)** above, and before we pay, tender, or deposit in court payment for the loss.

The following is added to **5. Loss Payment**:

We will pay the prejudgment interest awarded in a judgment against you on that part of the judgment for which payment is made under this policy.

The following is added:

With respect to a post-loss assignment of benefits involving loss or damage to a covered building, including appurtenant structures, constructed for habitation by at least one family but no more than four families, this condition applies to such post-loss assignment of benefits to a residential contractor unless such assignment complies with Minnesota law.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSTALLATION – DEBRIS REMOVAL COVERAGE

This endorsement modifies insurance provided under the following:

INSTALLATION COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

DEBRIS REMOVAL COVERAGE

- (1)** We will pay your expenses to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss of or direct physical damage to Covered Property.

The amount we will pay includes the increased costs you incur to divert debris of Covered Property to recycling facilities other than landfills. Any income or remuneration derived from this recycling will reduce the amount of debris removal expenses we would have otherwise paid.

- (2)** Debris removal does not apply to costs to:

- (a) Extract "pollutants" from land or water; or
(b) Remove, restore, or replace polluted land or water.

SECTION III – LIMITS OF INSURANCE

The following is added:

DEBRIS REMOVAL COVERAGE

- a.** The most we will pay in any one "occurrence" under Debris Removal Coverage is 25% of the amount that we pay for direct physical loss of or direct physical damage to the Covered Property that has sustained loss or damage. Except as provided in **b.** below, this limit is part of, and not in addition to, the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.

- b.** However, if:

- (1)** The total amount we pay for direct physical loss of or direct physical damage plus the actual debris removal expense exceeds the Limit of Insurance; or
(2) The actual debris removal expense exceeds the 25% limitation in **a.** above;

We will pay the Debris Removal – Additional Limit of Insurance shown in the "schedule of coverages" in any one "occurrence".

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INLAND MARINE – VIRUS OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

SECTION II – EXCLUSIONS

The following is added:

VIRUS OR BACTERIA

We will not pay for loss or damage caused directly or indirectly by or resulting from any virus, bacterium, or other microorganism that induces or is capable of inducing physical distress, illness, or disease. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungi", wet rot, or dry rot.

With respect to any loss or damage subject to this exclusion, such exclusion supersedes any exclusion relating to "pollutants".

The terms of this exclusion, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this policy.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INLAND MARINE – CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

SECTION II – EXCLUSIONS

The following is added:

CYBER INCIDENT

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

But if a cyber incident results in fire or explosion damage to Covered Property, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that fire or explosion (if fire or explosion would otherwise be covered under this Coverage Part).

Cyber incidents include but are not limited to:

- a. Unauthorized access to or use of any computer system or computer software (including electronic data);
- b. Malicious code, virus, or any other harmful code that is directed at, enacted upon, or introduced into any computer system or computer software (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent, or restrict access to, or the use of, any part of any computer system or computer software (including electronic data), or otherwise disrupt their normal functioning or operation;
- c. Denial of service attack which disrupts, prevents, or restricts access to or use of any computer system or computer software (including electronic data), or otherwise disrupts their normal functioning or operation.

Cyber incidents are not considered acts of vandalism and, accordingly, no coverage applies under any existing Vandalism Coverage provided as part of this policy.

All other provisions of this policy apply.



COMMERCIAL PROPERTY COVERAGE FORM

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

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

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

SECTION I – COVERAGES

We will pay for direct physical loss of or direct physical damage to Covered Property at a location shown in the Declarations caused by or resulting from any Covered Cause of Loss under **3. Covered Causes of Loss**.

1. COVERED PROPERTY

Covered Property, as used in this Coverage Part, means the type of property described in **1. Covered Property** if a Limit of Insurance is shown in the Declarations for that type of property. Regardless of coverage shown in the Declarations, there is no coverage for property described under **2. Property Not Covered** unless otherwise stated within this Coverage Part.

- a. Building, meaning a building or structure shown in the Declarations, including:
 - (1) Completed additions;
 - (2) Fixtures, including outdoor fixtures;
 - (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
 - (4) Your personal property in apartments, rooms, or common areas furnished by you as landlord;
 - (5) Personal property owned by you that is used to maintain or service a building or structure shown in the Declarations, or the premises of a location shown in the Declarations.
 - (6) If not covered by other insurance:
 - (a) Additions under construction, alterations, and repairs to a building or structure shown in the Declarations;
 - (b) Materials, equipment, supplies, and temporary structures, on or within 1,000 feet of a location shown in the Declarations, used in connection with (a) above.
 - (7) Building glass, meaning glass that is part of a building or structure. Building glass does not include "specialty glass". We will also pay for the following glass expenses:
 - (a) Expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
 - (b) Expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.
 - (8) Bridges not exceeding 30 feet in length, roadways, walks, patios, or other paved surfaces.
 - (9) Outdoor signs attached to a building or structure shown in the Declarations.

b. Business Personal Property:

- (1) In or on a building or structure shown in the Declarations;
- (2) In the open at or within 1,000 feet of a location shown in the Declarations;
- (3) In a vehicle at or within 1,000 feet of a location shown in the Declarations; or
- (4) In a trailer or portable storage unit, at or within 1,000 feet of a covered location shown in the Declarations, when a limit for Business Personal Property in a Trailer or Portable Storage Unit is shown in the Declarations. The Business Personal Property in a Trailer or Portable Storage Unit Limit shown in the Declarations is the most we will pay in any one "occurrence" for all direct physical loss of or direct physical damage to Business Personal Property in a Trailer or Portable Storage Unit, regardless of the number or type of such trailer or units.

Coverage provided under (4) above does not apply to loss or damage to the trailer or portable storage unit itself.

(5) Business Personal Property includes:

- (a) Property you own that is used in your business;
- (b) Property of others that is in your care, custody, or control, except as limited in **d.(3)(b)** under **Section V – Conditions, Property Loss Conditions. 5. Loss Payment and Valuation.** This includes labor, materials, or services furnished or arranged by you on personal property of others.
- (c) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations, or additions:
 - (i) Made a part of the building or structure you occupy but do not own; and
 - (ii) You acquired or made at your expense but cannot legally remove;
- (d) Leased personal property which you have a written, contractual responsibility to insure, unless otherwise provided for under (5)(b) above; and
- (e) Exterior building glass (other than "specialty glass"), if you are a tenant and no Limit of Insurance is shown in the Declarations for Building property. The glass must be owned by you, or you must be legally required or have a written, contractual responsibility to insure such glass. Exterior building glass includes semi-exterior glass (glass which is on the exterior of the insured premises, but which is interior to an enclosed structure, i.e., an enclosed store in a shopping mall). We will also pay for the following glass expenses:
 - (i) Expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
 - (ii) Expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

c. PRESERVATION OF COVERED PROPERTY

If it is necessary to move Covered Property described in **a.** or **b.** above from a location shown in the Declarations to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss of or direct physical damage to that Covered Property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 90 days after the property is first moved.

2. PROPERTY NOT COVERED

Unless otherwise stated in this Coverage Part, Covered Property does not include:

- a. Accounts, bills, food stamps, other evidences of debt, or accounts receivable;

- b. Aircraft including "unmanned aircraft". This item does not apply to "unmanned aircraft" that you hold for sale or that you manufacture, store, process, or hold for repair or maintenance, but only while not in flight. In flight includes takeoff and landing;
- c. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- d. Automobiles held for sale;
- e. Automobiles, motorcycles, motortrucks, motorhomes, and other self-propelled vehicles or machines subject to motor vehicle registration or that are:
 - (1) Licensed for use on public roads; or
 - (2) Operated principally away from the premises of a location shown in the Declarations;

This item (2) does not apply to:

 - (a) Vehicles or self-propelled machines or autos you manufacture, process, or warehouse; or
 - (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
- f. Bridges exceeding 30 feet in length;
- g. Contraband under any state, federal, local, or other law or regulation, or property in the course of illegal transportation or trade;
- h. Costs of excavations, grading, backfilling, or filling, other than costs incurred that are necessary to repair or replace Covered Property lost or damaged by a Covered Cause of Loss. Any costs associated with land stabilization or the reconstruction, reclaiming, or restoring land or water are not covered;
- i. Dams, dikes, bulkheads, pilings, piers, wharves, docks, or any similar type of property used or built in connection with a body of water, whether man-made or naturally occurring;
- j. "Digital art or media";
- k. "Electronic data and media data" (including the cost to research, replace, or restore "electronic data and media data");
- l. "Fine arts";
- m. Land (including land on which the property is located), water, growing crops, or lawns (other than lawns which are part of a vegetated roof);
- n. "Money";
- o. Outdoor signs not attached to the building or structure shown in the Declarations;
- p. Personal property while airborne or waterborne;
- q. Portable storage units, trailers, or semi-trailers;
- r. Property that is covered under another Coverage Form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- s. Retaining walls that are not part of a covered building or structure shown in the Declarations;
- t. "Securities";
- u. Underground pipes, flues, or drains;
- v. "Valuable papers and records", including the cost to replace or restore the information on "valuable papers and records";
- w. "Virtual currency";
- x. "Virtual currency related equipment";

- y. Watercraft (including motors, equipment, and accessories) while afloat; or
- z. The following property while outside of buildings:
 - (1) Grain, hay, straw, or other crops;
 - (2) Fences, antennas (including dish-shaped antennas) and their lead-in wiring, masts, or towers not attached to the building, trees, shrubs, or plants (other than trees, shrubs, or plants which are "stock" or are part of a vegetated roof);

3. COVERED CAUSES OF LOSS

- a. Covered Causes of Loss means direct physical loss of or direct physical damage to Covered Property unless the loss is:
 - (1) Excluded or limited under this Coverage Form; or
 - (2) Excluded or limited by any other provisions of this policy.

b. COLLAPSE

Unless excluded or limited under this Coverage Form or any other provisions of this policy, the following applies to the peril of collapse:

The coverage provided under this provision applies only to an actual and abrupt collapse as described and limited in (1) through (7) below.

- (1) For the purpose of this provision, abrupt collapse means the actual and abrupt falling down or caving in of a building or any part of a building with the result that the building or any part of the building cannot be occupied for its intended purpose.
- (2) We will pay for direct physical loss of or direct physical damage to Covered Property, caused by the actual and abrupt collapse of a building or any part of a building that is insured under this Coverage Part, if such collapse is caused by one or more of the following:
 - (a) The "specified causes of loss";
 - (b) Breakage of building glass;
 - (c) Weight of rain that collects on a roof;
 - (d) Weight of people or Business Personal Property;
 - (e) Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - (f) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
 - (g) Use of defective material or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling, or renovation; or
 - (h) Use of defective material or methods in construction, remodeling, or renovation if the collapse occurs after the construction, remodeling, or renovation is complete, but only if the collapse is caused in whole or in part by a cause of loss listed in (a) through (f) above.
- (3) Collapse does not include and we will not pay for loss or damage caused by, resulting from, or consisting of the following:
 - (a) A building or any part of a building that is in danger of falling down or caving in;
 - (b) Any part of a building that is standing, even if it has separated from another part of the building;
 - (c) A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion.

But if a non-covered collapse results in a Covered Cause of Loss at a location shown in the Declarations, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that Covered Cause of Loss.

(4) With respect to the following property:

- (a) Outdoor antennas (including dish-shaped antennas) and their lead-in wiring, masts, or towers;
- (b) Awnings;
- (c) Gutters and downspouts;
- (d) Yard fixtures;
- (e) Outdoor swimming pools;
- (f) Piers, wharves, and docks;
- (g) Beach or diving platforms or appurtenances;
- (h) Retaining walls; and
- (i) Walks, roadways, and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in (2)(a) through (2)(h) above, we will pay for direct physical loss of or direct physical damage to the above property only if such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Part and the property is Covered Property under this Coverage Part.

(5) If Business Personal Property abruptly falls down or caves in and such collapse is not the result of actual and abrupt collapse of a building, we will pay for direct physical loss of or direct physical damage to Covered Property caused by such collapse of Business Personal Property only if:

- (a) The collapse of Business Personal Property was caused by a cause of loss listed in (2)(a) through (2)(h) above;
- (b) The Business Personal Property which collapses is inside a building; and
- (c) The property which collapses is not of a kind listed in (4) above, regardless of whether that kind of property is considered to be Business Personal Property or real property.

The coverage stated in item (5) does not apply to Business Personal Property if marring and/or scratching is the only damage to that Business Personal Property caused by the collapse.

(6) This provision does not apply to and coverage is not afforded to Business Personal Property that has not abruptly fallen down or caved in, even if the Business Personal Property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion.

(7) This provision will not increase the Limits of Insurance provided in this Coverage Part.

4. ADDITIONAL COVERAGES

Additional Coverages may be attached to this Coverage Form by endorsement. These coverages and their limits, if applicable will be shown in the Declarations or the Schedule of the Additional Coverage Form. Unless otherwise stated, the Limits of Insurance available under these Additional Coverages are in addition to, and not part of, any other Limits of Insurance in this Coverage Form.

SECTION II – EXCLUSIONS AND LIMITATIONS

1. EXCLUSIONS

- a. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

(1) ORDINANCE OR LAW

- (a)** The enforcement of or compliance with any ordinance or law:
 - (i)** Regulating the construction, use, or repair of any property; or
 - (ii)** Requiring the tearing down of any property, including the cost of removing its debris.
- (b)** Item **(1)** above applies whether the loss results from:
 - (i)** An ordinance or law that is enforced even if the property has not been damaged; or
 - (ii)** The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling, or demolition of property or removal of its debris, following a physical loss to that property.

(2) EARTH MOVEMENT

- (a)** Earthquake, including tremors and aftershocks and any earth sinking, rising, or shifting related to such event;
- (b)** Landslide, including any earth sinking, rising, or shifting related to such event;
- (c)** Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (d)** Earth sinking (other than sinkhole collapse), rising, or shifting including soil conditions which cause settling, cracking, or other disarrangement of foundations, or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil, and the action of water under the ground surface.

But if Earth Movement, as described in **(a)** through **(d)** above, results in fire or explosion damage to Covered Property, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that fire or explosion (if fire or explosion would otherwise be covered under this Coverage Part).

- (e)** Volcanic eruption, explosion, or effusion. But if volcanic eruption, explosion, or effusion results in fire, building glass breakage (other than "specialty glass"), or Volcanic Action damage to Covered Property, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that fire, building glass breakage, or Volcanic Action (if fire, building glass breakage (other than "specialty glass") or Volcanic Action would otherwise be covered under this Coverage Part).

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

- (i)** Airborne volcanic blast or airborne shock waves;
- (ii)** Ash, dust, or particulate matter; or
- (iii)** Lava flow.

With respect to coverage for Volcanic Action as set forth in **(e)(i)**, **(e)(ii)**, and **(e)(iii)** above, all volcanic eruptions that occur within any 168-hour period will constitute a single "occurrence".

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

This exclusion applies regardless of whether any of the above, in **(a)** through **(e)**, is caused by an act of nature or is otherwise caused by an artificial, man-made, or other cause.

(3) GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority.

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

(4) NUCLEAR HAZARD

Nuclear reaction, radiation, or radioactive contamination, however caused, whether intentional or unintentional. This includes but is not limited to the release, dispersal, or application of radioactive material, or the use of a nuclear weapon or device that involves or produces a nuclear reaction, or nuclear radiation, or radioactive contamination, or radioactive force.

When a law is in effect in the jurisdiction where the loss or damage occurs requires that we cover any resulting fire damage from nuclear hazard as described above, we will pay only for the resulting damage to Covered Property caused by that resulting fire, if the fire would be covered under this Coverage Part. We will pay only the "actual cash value" for the damaged property. Therefore, we will not pay for any indirect or related loss(es), such as Business Income, Extra Expense, legal liability, or leasehold interest loss(es).

(5) UTILITY SERVICES

The failure of power, communication, water, or other utility service supplied to a location shown in the Declarations, however caused, if the failure:

- (a) Originates away from the location shown in the Declarations; or
- (b) Originates at the location shown in the Declarations, but only if such failure involves equipment used to supply the utility service to the described location from a source away from the described location.

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

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

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

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

(6) WAR AND MILITARY ACTION

- (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.

(7) WATER

- (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of streams, or other natural or man-made bodies of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (b) Mudslide or mudflow;

- (c) Water or sewage that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump, or related equipment;
- (d) Water under the ground surface pressing on, or flowing, or seeping through:
 - (i) Foundations, walls, floors, or paved surfaces;
 - (ii) Basements, whether paved or not; or
 - (iii) Doors, windows, or other openings; or
- (e) Waterborne material carried or otherwise moved by any of the water referred to in (a), (c), or (d) above, or material carried or otherwise moved by mudslide or mudflow.

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

But if any of the above, in (a) through (e), results in fire, explosion, or sprinkler leakage damage, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that fire, explosion, or sprinkler leakage (if fire, explosion, or sprinkler leakage would otherwise be covered under this Coverage Part).

(8) CERTAIN ELECTRONIC DATA PROCESSING RELATED LOSSES

This insurance does not apply to loss or damage caused by any of the following:

- (a) Interruption in normal "electronic data processing equipment" function on network service or function due to insufficient capacity to process transactions or to an overload of activity on the system or network;
- (b) Unexplained or indeterminable failure, malfunction, or slowdown of "electronic data processing equipment" or "electronic data and media data", including the inability to access or properly manipulate "electronic data and media data";
- (c) The inability of "electronic data processing equipment" to correctly recognize, process, distinguish, interpret, or accept one or more dates or times.
- (d) Errors, omissions, or deficiency in design in:
 - (i) Programming, processing, or storing "electronic data and media data"; or
 - (ii) Installation, testing, maintenance, modification, or repair of your:
 - i. "Electronic data processing equipment";
 - ii. "Electronic data or media data";
 - iii. Network to which your "electronic data processing equipment" or "electronic data or media data" is connected to or depends on.
- (e) Loss or damage caused by or resulting from manipulation of "electronic data and media data" by employees (including temporary or leased employees), or by an entity retained by you, or for you, to inspect, design, install, modify, maintain, repair, or replace that system.
- (f) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement, or supervision provided, or done by you, or for you to determine, rectify, or test for any potential or actual problems described in (a) through (e) above.

However, if excluded loss or damage, as described in (a) through (f) above, results in a "specified cause of loss", we will pay only for the direct physical loss of or direct physical damage to Covered Property caused by such "specified cause of loss".

We will not pay to correct any deficiencies or change any features due to loss or damage described in (a) through (f) above.

Mere loss of use or loss of functionality of any property is not considered direct physical loss or direct physical damage.

(9) FUNGI, WET ROT, OR DRY ROT

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

But if "fungi", wet rot, or dry rot results in a "specified cause of loss" to Covered Property, we will pay for the direct physical loss of or direct physical damage to the Covered Property caused by that "specified cause of loss".

This exclusion does not apply when "fungi", wet rot, or dry rot results from fire or lightning (if fire or lightning would otherwise be covered under this Coverage Part).

(10) VIRUS OR BACTERIA

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

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

With respect to any loss or damage subject to this exclusion, such exclusion supersedes any exclusion relating to "pollutants".

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

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

(1) ELECTRICAL APPARATUS

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

- (i) Electrical or electronic wire, device, appliance, system, or network; or
- (ii) Device, appliance, system, or network utilizing cellular or satellite technology.

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

- (i) Electrical current, including arcing;
- (ii) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (iii) Pulse of electromagnetic energy; or
- (iv) Electromagnetic waves or microwaves.

But if fire results, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by fire (if fire would otherwise be covered under this Coverage Part).

This exclusion does not apply to direct physical loss or direct physical damage to "electronic data processing equipment".

(2) CONSEQUENTIAL LOSSES

Delay, loss of use, or loss of market.

(3) SMOKE, VAPOR, GAS

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

(4) STEAM APPARATUS

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

(5) FROZEN PLUMBING

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

This provision does not apply if you have used reasonable care to:

- (a)** Maintain heat in the building or structure; or
- (b)** Shut off the water supply and drain all systems and appliances of water if the heat is not maintained.

(6) DISHONESTY

Dishonest, intentional, or criminal acts (including theft) by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees (including temporary or leased employees), directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party. In the event of such loss involving dishonest, intentional, or criminal acts, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

This exclusion:

- (a)** Applies whether or not an act occurs during your normal hours of operation;
- (b)** Does not apply to acts of destruction by your employees (including temporary or leased employees) or authorized representatives; but theft by your employees (including temporary or leased employees) or authorized representatives is not covered.

(7) FALSE PRETENSE

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

(8) EXPOSED PROPERTY

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

(9) PATHOGENIC OR POISONOUS BIOLOGICAL OR CHEMICAL MATERIALS

Deliberate or intentional dispersal or application of any pathogenic or poisonous biological or chemical materials.

But if direct physical loss of or direct physical damage to Covered Property by fire results, we will pay for the resulting direct physical loss of or direct physical damage to Covered Property caused by that fire (if fire would otherwise be covered under this Coverage Part).

(10) POLLUTION

Discharge, dispersal, seepage, migration, release or escape, absorption, contact with, exposure to, existence of, or presence of "pollutants" unless such loss or damage is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape, absorption, contact with, exposure to, existence of, or presence of "pollutants" results in damage to Covered Property caused by a "specified cause of loss", we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that "specified cause of loss". This exclusion does not apply to damage to glass caused by chemicals applied to the glass.

(11) NEGLECT

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

(12) OTHER TYPES OF LOSS

- (a)** Wear and tear;
- (b)** Rust or other corrosion, decay, deterioration, pressure from or presence of plant or tree roots, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (c)** Smog;
- (d)** Settling, cracking, shrinking, or expansion;
- (e)** Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- (f)** Mechanical breakdown, including rupture or bursting caused by centrifugal force. This exclusion does not apply to direct physical loss of or direct physical damage to:
 - (i)** Covered Property from an elevator collision as a result of a mechanical breakdown; or
 - (ii)** "Electronic Data Processing Equipment"
- (g)** The following causes of loss to personal property:
 - (i)** Dampness or dryness of atmosphere;
 - (ii)** Changes in or extremes of temperature;
 - (iii)** Marring or scratching;
 - (iv)** Changes in flavor, color, texture, or finish; or
 - (v)** Evaporation or leakage

But if an excluded cause of loss that is listed in **(a)** through **(g)** above results in a "specified cause of loss" or building glass breakage (other than "specialty glass"), we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that "specified cause of loss" or building glass breakage (if such "specified cause of loss" or building glass breakage is otherwise covered under this Coverage Part).

(13) CONTINUOUS OR REPEATED SEEPAGE OR LEAKAGE OF WATER

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

- c. We will not pay for loss or damage caused by or resulting from any of the following **(1)** through **(3)** below. But if an excluded cause of loss that is listed in **(1)** through **(3)** below results in a Covered Cause of Loss, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that Covered Cause of Loss.

(1) WEATHER CONDITIONS

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

(2) ACTS OR DECISIONS

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

(3) NEGLIGENT WORK

Faulty, inadequate, or defective:

- (a)** Planning, zoning, development, surveying, siting;
- (b)** Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (c)** Materials used in repair, construction, renovation, or remodeling; or
- (d)** Maintenance;

of part or all of any property on or off the premises of a location shown in the Declarations.

d. ADDITIONAL EXCLUSION(S)

The following applies only to the property specified in this Additional Exclusion(s):

LOSS OR DAMAGE TO PRODUCTS

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

2. LIMITATIONS

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

- (1)** Steam boilers, steam pipes, steam engines, or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for the direct physical loss of or direct physical damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass (if such losses would otherwise be covered under this Coverage Part).
- (2)** Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
- (3)** Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft. However, this limitation does not apply to building materials and supplies held for sale by you.
- (4)** Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- (5)** Property that has been transferred to a person or to a place outside the premises of a location shown in the Declarations on the basis of unauthorized instructions.

- (6) The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand, or dust, whether driven by wind or not, unless:
 - (a) The building or structure first sustains direct physical loss or direct physical damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand, or dust enters; or
 - (b) The loss or damage is caused by or results from thawing of snow, sleet, or ice on the building or structure.
- (7) Lawns, trees, shrubs, or plants which are part of a vegetated roof, caused by or resulting from:
 - (a) Dampness or dryness of atmosphere or of soil supporting the vegetation;
 - (b) Changes in or extremes of temperature;
 - (c) Disease;
 - (d) Frost or hail; or
 - (e) Rain, snow, sand, dust, ice, sleet, smoke, soot, or ash.
- b. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - (1) Animals, and then only if they are killed or their destruction is made necessary.
 - (2) Articles such as glassware, statuary, marble, chinaware, and porcelain, if broken. This restriction does not apply to:
 - (a) Building glass, meaning glass that is part of a building or structure. Building glass does not include "specialty glass";
 - (b) Containers of property held for sale; or
 - (c) Photographic or scientific instrument lenses.
 - c. For direct physical loss of or direct physical damage to Covered Property caused by theft, special limits apply to certain articles of property. The articles of property listed below are covered only up to the Theft Special Limit shown in the Declarations. The Theft Special Limit is the total limit we will pay for all the property listed below for any one "occurrence" of theft, regardless of the types or number of articles that are lost or damaged in that "occurrence". The Theft Special Limit is part of, not in addition to, the Limit of Insurance to the applicable Covered Property. This limitation does not apply to jewelry and watches worth \$100 or less per item. The Theft Special Limit is the most we will pay for:
 - (1) Furs, fur garments, and garments trimmed with fur.
 - (2) Jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones,
 - (3) Bullion, gold, silver, platinum, and other precious alloys or metals.
 - (4) Patterns, dies, molds, and forms.
 - (5) Stamps, letters of credit, and tickets that do not include lottery tickets.
 - d. For direct physical loss of or direct physical damage to lottery tickets, including those held for sale, the Theft Special Limits – Lottery Tickets limit shown in the Declarations is the total limit we will pay for the direct physical loss of or direct physical damage to lottery tickets in one "occurrence" of theft, regardless of the types or number that are lost or damaged in that "occurrence". This special limit is part of, not in addition to, the Limit of Insurance to the applicable Covered Property.

SECTION III – LIMITS OF INSURANCE

1. Unless otherwise stated, the most we will pay for loss or damage in any one "occurrence" is the applicable Limits of Insurance shown in the Declarations.

Payments under **1.c. Preservation of Covered Property** of **Section I – Coverages** will not increase the applicable Limit of Insurance.

2. INFLATION GUARD

- a. In accordance with **b.** below, the Limit of Insurance for property to which this Inflation Guard provision applies will automatically increase by the amount shown in the Declarations.
- b. The amount of increase is calculated as follows:
 - (1) Multiply the property limit that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the property limit by:
The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 7% is .07); and
 - (2) Multiply the number calculated in accordance with **b.(1)** above by:
 - (a) The number of days starting on the most recent policy inception date, or the effective date of the most recent policy change amending the property limit, whichever is later, and ending at the date of loss; and
 - (b) Divided by 365.

EXAMPLE

If the applicable property limit is \$100,000. The annual percentage increase is 8%. The number of days starting on the most recent policy inception date,(or last policy change) and ending at the date of loss, is 146.

The amount of increase is:

\$100,000 X .08 X 146 ÷ 365 = \$3,200.

SECTION IV – DEDUCTIBLES

Unless otherwise stated:

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

When one "occurrence" at a single location involves loss or damage to more than one item of Covered Property or one or more Additional Coverages apply, and such property or Additional Coverages are subject to separate Limits of Insurance, only the highest applicable Deductible will be applied. However, when an "occurrence" involves loss or damage covered solely by one or more Additional Coverages, we will pay the amount of the loss in excess of the highest applicable Deductible for that Additional Coverage or coverages.

If one "occurrence" results in loss or damage at more than one location, the Deductible will apply separately to loss or damage at each location that has sustained loss or damage.

SECTION V – CONDITIONS

PROPERTY LOSS CONDITIONS

1. ABANDONMENT

There can be no abandonment of any Covered Property to us unless we specifically agree in writing.

2. APPRAISAL

- a. If we and you disagree on the amount of loss or the value of the Covered Property, including the amount of "actual cash value" or replacement cost, either party, may make a written demand for an appraisal of the loss or the value of the Covered Property. In this event, each party will select a competent, impartial, and disinterested appraiser.
- b. The two appraisers will select a competent, impartial, and disinterested umpire.

- c. If the appraisers selected cannot agree on an umpire, either appraiser may request that the umpire be selected by a judge of a court having jurisdiction. The appraisers shall then appraise the loss stating separately, the amount of loss or the value of the Covered Property including the itemized estimate of the "actual cash value" and replacement cost of each item and the duration of repairs. If the appraisers fail to agree, they will submit their differences to the selected umpire.
- d. A decision agreed to by the umpire and either of the appraisers will be binding.
- e. Each party will:
 - (1) Pay its chosen appraiser; and
 - (2) Bear the other expenses of the appraisal and umpire equally.
- f. If there is an appraisal, we will still retain our right to deny the claim.
- g. In no event will an appraisal be used for the purpose of interpreting any Coverage Part provision, determining causation, or determining whether any item or loss is covered under this Coverage Part.
- h. If non-covered damaged property is included in the appraisal award, we retain the right to deny the uncovered portion of the claim.

3. DUTIES IN THE EVENT OF LOSS OR DAMAGE

- a. You must see that the following are done in the event of loss or damage to Covered Property:
 - (1) Notify us or one of our authorized representatives and any applicable regulatory authority as to what occurred and include the names and addresses of available witnesses where applicable.
 - (2) Notify the police if a law may have been broken.
 - (3) Give us prompt notice of the loss or damage. Include a description of the property involved.
 - (4) As soon as possible, give us a description of how, when, and where the loss or damage occurred.
 - (5) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase any Limits 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.
 - (6) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
 - (7) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
- Also permit us to take samples of damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from your books and records.

- (8) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (9) Cooperate with us in the investigation or settlement of the claim.
- (10) Resume all or part of your operations as quickly as possible.

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

4. LEGAL ACTION AGAINST US

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

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

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

5. LOSS PAYMENT AND VALUATION

In the event of loss or damage covered by this Coverage Part:

- a. At our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to d. below;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild, or replace the property with other property of like kind and quality, subject to d. below.
- b. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- c. We will not pay you more than your financial interest in the Covered Property.
- d. Except as provided in (2) through (5) below or otherwise superseded in this Coverage Part, we will determine the value of Covered Property at replacement cost without deduction for depreciation, subject to the following:
 - (1) For loss or damage on a replacement cost basis, we will not pay more than the least of the following amounts:
 - (a) The Limit of Insurance applicable to the lost or damaged Covered Property;
 - (b) The cost to replace, on the same premises, the lost or damaged property with other property:
 - (i) Of comparable material and quality; and
 - (ii) Used for the same purpose; or
 - (c) The amount that you actually spend that is necessary to repair or replace the lost or damaged property.
 - If a building is rebuilt at a new premises, the cost described in (b) above is limited to the cost which would have been incurred had the building been built at the original premises.
 - (d) You may make a claim for loss or damage covered by this insurance on an "actual cash value" basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an "actual cash value" basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.
 - (e) We will not pay on a replacement cost basis for any loss or damage:
 - (i) Until the lost or damaged property is actually repaired or replaced; and
 - (ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.
 - However, if the cost to repair or replace the damaged Building property is \$2,500 or less, we will settle the loss according to the provisions of (a) and (b) above whether or not the actual repair or replacement is complete. If coinsurance is a condition of this Coverage Part, the coinsurance condition must be satisfied for this condition to apply.
 - (f) The cost to repair, rebuild, or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
 - (2) If any "actual cash value" (also shown as ACV) option applies, as shown in the Declarations, (1) above does not apply to Covered Property. Instead, we will determine the value of Covered Property at "actual cash value".

(3) We will value of the following property at "actual cash value":

(a) Used or secondhand merchandise held in storage or for sale;

(b) Personal Property of others. However:

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

(ii) Our payment for loss of or damage to personal property of others will only be for the account of the owners of the property. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

(c) Household contents, except personal property in apartments or rooms furnished by you as landlord;

(d) Manuscripts; and

(e) Contents of a residence, other than your personal property in apartments, rooms, or common areas furnished by you as landlord. For the purpose of this provision, tenants improvements and betterments are not considered contents of a residence.

(f) "Stock", unless otherwise shown in the Declarations. But, for "stock" you have sold but not delivered, the valuation will be at the selling price less discounts and expenses you otherwise would have had.

(4) Glass at the cost of replacement with safety glazing material if required by law.

(5) Tenants' improvements and betterments at:

(a) Replacement cost if you make repairs promptly.

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

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

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

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

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

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

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

- f. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, provided you have complied with all of the terms of this Coverage Part, and:
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.
- g. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable Coverage Part provisions including Limits of Insurance and all other provisions of this Loss Payment Condition. Our payment under the provisions of item **5. Loss Payment And Valuation** does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer of Rights of Recovery Against Others to Us Condition in this Coverage Part.

6. OTHER INSURANCE

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

7. RECOVERED PROPERTY

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may retain the property. But then you must return to us the amount we paid to you for the property.

- a. We will pay:
 - (1) Recovery expenses; and
 - (2) Expenses to repair the recovered property.
- b. But the amount we pay will not exceed the least of the following:
 - (1) The total of a.(1) and a.(2) above;
 - (2) The value of the recovered property; or
 - (3) The applicable Limit of Insurance.

8. VACANCY

a. DESCRIPTION OF TERMS

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in item (a) and (b) below:
 - (a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
 - (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:
 - (i) Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its customary operations; and/or
 - (ii) Used by the building owner to conduct customary operations.
- (2) Buildings under "construction or renovation" are not considered vacant.

b. VACANCY PROVISIONS

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

- (1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
 - (a) Vandalism;
 - (b) Sprinkler leakage, unless you have used reasonable care to:
 - (i) Maintain heat in the building or structure; or
 - (ii) Shut off the water supply and drain all the systems and appliances of water if the heat is not maintained.
 - (c) Building glass breakage;
 - (d) Water damage;
 - (e) Theft; or
 - (f) Attempted theft.
- (2) With respect to Covered Causes of Loss other than those listed in (1)(a) through (1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

PROPERTY GENERAL CONDITIONS

1. CONTROL OF PROPERTY

- a. Except as outlined under **1.b.(6) Dishonesty** of **Section II – Exclusions and Limitations** or any concealment, misrepresentation, fraud, or similar provision applicable to this Coverage Part, any act or neglect of any person other than you beyond your direction or control will not affect this insurance.
- b. The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

2. NO BENEFIT TO BAILEE

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

3. POLICY PERIOD, COVERAGE TERRITORY

Under this policy:

- a. We cover loss or damage commencing:
 - (1) During the policy period shown in the Declarations; and
 - (2) Within the coverage territory.
- b. The coverage territory is:
 - (1) The United States of America (including its territories and possessions);
 - (2) Puerto Rico; and
 - (3) Canada.

4. PROPERTY VALUE UPS

If we renew your policy, we may adjust property limits for certain coverages (that include but are not limited to building, business personal property, and business income) to reflect inflationary and market trends at renewal. These amended limits are used to calculate your premium for future renewals. This may impact the premium we charge for your future renewal and other associated charges.

SECTION VI – DEFINITIONS

1. "Actual cash value" (also shown as ACV) means the amount it would cost to repair or replace, on the date of loss, with material of like kind and quality, with reasonable deduction for physical depreciation and obsolescence, but in no event more than the fair market value. Unless otherwise provided by this Coverage Part, we may deduct expense depreciation subject to state, local, or other jurisdictional law. Expense depreciation is defined as depreciation, including but not limited to the cost of goods, materials, overhead and profit, labor and services necessary to replace, repair, or rebuild damaged property. If expense depreciation is applied to loss for damaged property, we shall provide a written explanation as to how the expense depreciation was calculated.

2. "Construction or renovation" means alterations to an existing building or structure with evidence of continuous, substantial construction, or major renovation activity.

However, "construction or renovation" does not include:

a. Routine maintenance or repair; or

b. Updates to the existing building that are cosmetic in nature, including but not limited to: interior/exterior paint, new furniture, window ware, rugs, and plumbing/electrical fixtures.

3. "Digital art or media" means any unique digital identifier secured on a cryptographically secured distributed ledger, which may be used to certify ownership or authenticity of any digital, computerized, or otherwise tangible objects. This includes "digital art or media" which may be known as non-fungible tokens (NFTs) or by any other names known. "Digital art or media" does not mean "electronic data and media data".

4. "Electronic data and media data" means:

a. Data stored on, created or used on, or transmitted to or from software (including systems and applications software), on any electronic media or other storage media including, but not limited to hard or floppy disks, CD-ROMs, flash memory, tapes, drives, cells, data processing devices, or any other repositories used with electronically controlled equipment;

b. The electronic media on which the data is stored; and

c. Programming records and instructions used with "electronic data processing equipment".

d. "Electronic data and media data" does not mean:

(1) Prepackaged software;

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

(3) Electronic data that is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning, or security system; or

(4) "Virtual currency", or "digital art or media", or accounts receivable.

5. "Electronic data processing equipment" means:

a. Electronic equipment that processes data and is used in your business operations including, but not limited to computers, servers, facsimile machines, word processors, multi-functional telephone equipment, laptops and other portable digital devices, digital assistants; and

b. Any component parts or peripherals of such equipment, including related surge protection devices.

c. "Electronic data processing equipment" does not include:

(1) Property that you manufacture, hold for sale, distribute, or repair; or

(2) Equipment used to operate production-type machinery or equipment.

6. "Fine arts" means paintings, etchings, pictures, tapestries, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, bric-a-brac, sports memorabilia, and any other similar property of rarity, historic value, or artistic merit. "Fine arts" does not include "specialty glass" or "digital art or media".

7. "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".
8. "Manager" means a person serving in a directorial capacity for a limited liability company.
9. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
10. "Money" means:
 - a. Currency, coins, and bank notes in current use and having a face value;
 - b. Traveler's checks, register checks, and money orders held for sale to the public;"Money" does not include "securities", "virtual currency", or "virtual currency related equipment".
11. "Occurrence" means one event or a series of related events that contribute concurrently to or contribute in any sequence to direct physical loss of or direct physical damage to Covered Property.
12. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.
13. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue, and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money", "virtual currency", or "virtual currency related equipment", or lottery tickets held for sale.
14. "Specialty glass" means rare building glass, ballistic glass, art or stained glass windows, or any building glass serving a functional or protective purpose beyond that of traditional door or window glass.
15. "Specified causes of loss" means the following:

Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice, or sleet; water damage.

 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss of or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and
 - (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the premises of a location shown in the Declarations and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

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

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

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

17. "Unmanned aircraft" means an aircraft that is not:

- a. Designed;
- b. Manufactured; or
- c. Modified after manufacture;

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

"Unmanned aircraft" includes equipment designed for and used with the "unmanned aircraft".

18. "Valuable papers and records" means inscribed, printed or written:

- a. Documents;
- b. Manuscripts; and
- c. Records;

including abstracts, books, deeds, drawings, films, maps, or mortgages.

But "valuable papers and records" does not mean "money" or "securities", "electronic data and media data" or the materials on which the "electronic data and media data" is recorded, "digital art", "virtual currency", or "virtual currency related equipment".

19. "Virtual currency" means any digital assets or representations of monetary value that exists purely in electronic or digital form, whether actual or fictitious, including crypto currencies secured on a cryptographically secured distributed ledger, which are designed to hold value, pay for goods or services, are held for investment, or are otherwise used in any financial manner. This includes any software or media used exclusively for the purpose of storing, purchasing, selling, transferring, or otherwise handling such "virtual currency".

"Virtual currency" does not include "money", "securities" or any other fiat currencies, or "electronic data and media data".

20. "Virtual currency related equipment" means any device, equipment, software, or media used exclusively in connection with "virtual currency", including but not limited to:

- a. Mining, staking, or similar equipment that creates, processes, or verifies virtual currencies whether such equipment is offline or connected to the internet or a central computer system.
- b. Wallets or other devices or software used to store, exchange, and access "virtual currency" or "digital art or media" which include but are not limited to offline hardware devices or software that is connected to the internet or a central computer system.
- c. Any other software or media used exclusively for the purpose of storing, purchasing, selling, converting, transferring, or otherwise handling such "virtual currency" or "digital art or media".

"Virtual currency related equipment" does not include "electronic data processing equipment".



BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM

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

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

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

SECTION I – COVERAGES

1. We will pay for:

- a. The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
- b. The necessary Extra Expense you incur during the "period of restoration";

caused by direct physical loss of or direct physical damage to property at the location shown in the Declarations and for which a Business Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to direct physical loss of or direct physical damage to personal property in the open, personal property in a vehicle, or personal property in a portable storage unit, the described premises include the area within 1,000 feet of the location shown in the Declarations.

2. With respect to the requirements set forth above, if you rent, lease, or occupy only part of the site at which the described premises are located, the described premises means:

- a. The portion of the building or structure shown in the Declarations which you rent, lease, or occupy;
- b. The area within 1,000 feet of the building or structure shown in the Declarations or within 1,000 feet of the location shown in the Declarations, whichever distance is greater (with respect to direct physical loss of or direct physical damage to personal property in the open, personal property in a vehicle, or personal property in a portable storage unit); and
- c. Any area within the building or on the site at which the described premises are located, but only if that area services, or is used to gain access to, the portion of the described premises which you rent, lease, or occupy.

3. BUSINESS INCOME

a. Business Income means the sum of:

- (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred if no direct physical loss of or direct physical damage had occurred, but not including any Net Income that would likely have been earned or incurred as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses; and
- (2) Continuing normal operating expenses incurred, including ordinary payroll expenses. Ordinary payroll expenses are subject to a 90-day limitation unless another limitation is shown in the Declarations.

b. Ordinary Payroll expenses include:

- (1) Payroll (Payroll does not include Officers, Executives, Department "Managers", and Employees Under Contract);
- (2) Employee benefits, if directly related to payroll;

- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Workers' compensation premiums.

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

4. EXTRA EXPENSE

- a. Extra Expense Coverage is provided at the location shown in the Declarations only if the Declarations show that Business Income Coverage applies at that location.
- b. Extra Expense means reasonable and necessary expenses you incur to:
 - (1) Avoid or minimize the "suspension" of business and to continue "operations" at:
 - (a) The location shown in the Declarations; or
 - (b) Replacement locations or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location, other than those costs necessary to repair or to replace damaged "stock" and equipment.
 - (2) Minimize the "suspension" of business if you cannot continue "operations".
 - (3) Repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under **3. BUSINESS INCOME**.

5. COVERED CAUSES OF LOSS

- a. Covered Causes of Loss means direct physical loss of or direct physical damage to property unless the loss is:
 - (1) Excluded or limited under this Coverage Form; or
 - (2) Excluded or limited by any other provisions of this policy.

b. COLLAPSE

Unless excluded or limited under this Coverage Form or any other provisions of this policy, the following applies to the peril of collapse:

The coverage provided under this provision applies only to an actual and abrupt collapse as described and limited in (1) through (7) below.

- (1) For the purpose of this provision, abrupt collapse means the actual and abrupt falling down or caving in of a building or any part of a building with the result that the building or any part of the building cannot be occupied for its intended purpose.
- (2) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by the actual and abrupt collapse of a building or any part of a building, if such collapse is caused by one or more of the following:
 - (a) The "specified causes of loss";
 - (b) Breakage of building glass;
 - (c) Weight of rain that collects on a roof;
 - (d) Weight of people or personal property;
 - (e) Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - (f) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;

- (g) Use of defective material or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling, or renovation; or
 - (h) Use of defective material or methods in construction, remodeling, or renovation if the collapse occurs after the construction, remodeling, or renovation is complete, but only if the collapse is caused in whole or in part by a cause of loss listed in (a) through (f) above.
- (3) Collapse does not include and we will not pay for loss or damage caused by, resulting from, or consisting of the following:
- (a) A building or any part of a building that is in danger of falling down or caving in;
 - (b) Any part of a building that is standing, even if it has separated from another part of the building;
 - (c) A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion.

But if a non-covered collapse results in a Covered Cause of Loss at a location shown in the Declarations, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that Covered Cause of Loss.

(4) With respect to the following property:

- (a) Outdoor antennas (including dish-shaped antennas) and their lead-in wiring, masts, or towers;
- (b) Awnings;
- (c) Gutters and downspouts;
- (d) Yard fixtures;
- (e) Outdoor swimming pools;
- (f) Piers, wharves, and docks;
- (g) Beach or diving platforms or appurtenances;
- (h) Retaining walls; and
- (i) Walks, roadways, and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in (2)(a) through (2)(h) above, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur from the above property only if such loss or damage is a direct result of the abrupt collapse.

- (5) If personal property abruptly falls down or caves in and such collapse is not the result of actual and abrupt collapse of a building, we will pay the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by such collapse of personal property only if:
- (a) The collapse of personal property was caused by a cause of loss listed in (2)(a) through (2)(h) above;
 - (b) The personal property which collapses is inside a building; and
 - (c) The property which collapses is not of a kind listed in (4) above, regardless of whether that kind of property is considered to be personal property or real property.

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

- (6) This provision does not apply to and coverage is not afforded to personal property, other than building, that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion.
- (7) This provision will not increase the Limits of Insurance provided in this Coverage Part.

6. ADDITIONAL COVERAGES

Additional Coverages may be attached to this Coverage Form by endorsement. These coverages and their limits, if applicable will be shown in the Declarations or the Schedule of the Additional Coverage Form. Unless otherwise stated, the Limits of Insurance available under these Additional Coverages are in addition to, and not part of, any other Limits of Insurance in this Coverage Form.

SECTION II – EXCLUSIONS AND LIMITATIONS

1. EXCLUSIONS

- a. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

(1) ORDINANCE OR LAW

- (a) The enforcement of or compliance with any ordinance or law:
- (i) Regulating the construction, use, or repair of any property; or
 - (ii) Requiring the tearing down of any property, including the cost of removing its debris.
- (b) Item (1) above applies whether the loss results from:
- (i) An ordinance or law that is enforced even if the property has not been damaged; or
 - (ii) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling, or demolition of property or removal of its debris, following a physical loss to that property.

(2) EARTH MOVEMENT

- (a) Earthquake, including tremors and aftershocks and any earth sinking, rising, or shifting related to such event;
- (b) Landslide, including any earth sinking, rising, or shifting related to such event;
- (c) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (d) Earth sinking (other than sinkhole collapse), rising, or shifting including soil conditions which cause settling, cracking, or other disarrangement of foundations, or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil, and the action of water under the ground surface.

But if Earth Movement, as described in (a) through (d) above, results in fire or explosion damage to property, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that fire or explosion (if fire or explosion would otherwise be covered under this Coverage Part).

- (e) Volcanic eruption, explosion, or effusion. But if volcanic eruption, explosion, or effusion results in fire, building glass breakage (other than "specialty glass"), or Volcanic Action damage to property, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that fire, building glass breakage, or Volcanic Action (if fire, building glass breakage (other than "specialty glass"), or Volcanic Action would otherwise be covered under this Coverage Part).

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

- (i) Airborne volcanic blast or airborne shock waves;
- (ii) Ash, dust, or particulate matter; or

(iii) Lava flow.

With respect to coverage for Volcanic Action as set forth in **(e)(i)**, **(e)(ii)**, and **(e)(iii)** above, all volcanic eruptions that occur within any 168-hour period will constitute a single "occurrence".

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

This exclusion applies regardless of whether any of the above, in **(a)** through **(e)**, is caused by an act of nature or is otherwise caused by an artificial, man-made, or other cause.

(3) GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority.

But we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

(4) NUCLEAR HAZARD

Nuclear reaction, radiation, or radioactive contamination, however caused, whether intentional or unintentional. This includes but is not limited to the release, dispersal, or application of radioactive material, or the use of a nuclear weapon or device that involves or produces a nuclear reaction, or nuclear radiation, or radioactive contamination, or radioactive force.

When a law in effect in the jurisdiction where the loss or damage occurs requires that we cover any resulting fire damage from nuclear hazard as described above, we will pay only for the resulting damage to property caused by that resulting fire, if the fire would be covered under this Coverage Part. Therefore, we will not pay for any indirect or related loss(es), such as Business Income, Extra Expense, legal liability, or leasehold interest loss(es).

(5) UTILITY SERVICES

The failure of power, communication, water, or other utility service supplied to a location shown in the Declarations, however caused, if the failure:

- (a)** Originates away from the location shown in the Declarations; or
- (b)** Originates at the location shown in the Declarations, but only if such failure involves equipment used to supply the utility service to the described location from a source away from the described location.

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

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

But if the failure, or surge of power, or the failure of communication, water, or other utility service, results in a Covered Cause of Loss, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that Covered Cause of Loss.

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

(6) WAR AND MILITARY ACTION

- (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.

(7) WATER

- (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of streams, or other natural or man-made bodies of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (b) Mudslide or mudflow;
- (c) Water or sewage that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump, or related equipment;
- (d) Water under the ground surface pressing on, or flowing, or seeping through:
 - (i) Foundations, walls, floors, or paved surfaces;
 - (ii) Basements, whether paved or not; or
 - (iii) Doors, windows, or other openings; or
- (e) Waterborne material carried or otherwise moved by any of the water referred to in (a), (c), or (d) above, or material carried or otherwise moved by mudslide or mudflow.

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

But if any of the above, in (a) through (e), results in fire, explosion, or sprinkler leakage damage, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that fire, explosion, or sprinkler leakage (if fire, explosion, or sprinkler leakage would otherwise be covered under this Coverage Part).

(8) CERTAIN ELECTRONIC DATA PROCESSING RELATED LOSSES

This insurance does not apply to loss or damage caused by any of the following:

- (a) Interruption in normal "electronic data processing equipment" function on network service or function due to insufficient capacity to process transactions or to an overload of activity on the system or network;
- (b) Unexplained or indeterminable failure, malfunction, or slowdown of "electronic data processing equipment" or "electronic data and media data", including the inability to access or properly manipulate "electronic data and media data";
- (c) The inability of "electronic data processing equipment" to correctly recognize, process, distinguish, interpret, or accept one or more dates or times.
- (d) Errors, omissions, or deficiency in design in:
 - (i) Programming, processing, or storing "electronic data and media data"; or
 - (ii) Installation, testing, maintenance, modification, or repair of your:
 - i. "Electronic data processing equipment";
 - ii. "Electronic data or media data";
 - iii. Network to which your "electronic data processing equipment" or "electronic data or media data" is connected to or depends on.
- (e) Loss or damage caused by or resulting from manipulation of "electronic data and media data" by employees (including temporary or leased employees), or by an entity retained by you, or for you, to inspect, design, install, modify, maintain, repair, or replace that system.
- (f) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement, or supervision provided, or done by you, or for you to determine, rectify, or test for any potential or actual problems described in (a) through (e) above.

However, if excluded loss or damage, as described in **(a)** through **(f)** above, results in a "specified cause of loss", we will pay only for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by such "specified cause of loss".

We will not pay to correct any deficiencies or change any features due to loss or damage described in **(a)** through **(f)** above.

Mere loss of use or loss of functionality of any property is not considered direct physical loss or direct physical damage.

(9) FUNGI, WET ROT, OR DRY ROT

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

But if "fungi", wet rot, or dry rot results in a "specified cause of loss" to property, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that "specified cause of loss".

This exclusion does not apply when "fungi", wet rot, or dry rot results from fire or lightning (if fire or lightning would otherwise be covered under this Coverage Part).

(10) VIRUS OR BACTERIA

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

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

With respect to any loss or damage subject to this exclusion, such exclusion supersedes any exclusion relating to "pollutants".

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

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

(1) ELECTRICAL APPARATUS

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

- (i)** Electrical or electronic wire, device, appliance, system, or network; or
- (ii)** Device, appliance, system, or network utilizing cellular or satellite technology.

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

- (i)** Electrical current, including arcing;
- (ii)** Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (iii)** Pulse of electromagnetic energy; or
- (iv)** Electromagnetic waves or microwaves.

But if fire results, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by fire (if fire would otherwise be covered under this Coverage Part).

This exclusion does not apply to direct physical loss of or direct physical damage to "electronic data processing equipment".

(2) CONSEQUENTIAL LOSSES

Delay, loss of use, or loss of market.

(3) SMOKE, VAPOR, GAS

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

(4) STEAM APPARATUS

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

(5) FROZEN PLUMBING

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

This provision does not apply if you have used reasonable care to:

- (a) Maintain heat in the building or structure; or
- (b) Shut off the water supply and drain all systems and appliances of water if the heat is not maintained.

(6) DISHONESTY

Dishonest, intentional, or criminal acts (including theft) by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees (including temporary or leased employees), directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party. In the event of such loss involving dishonest, intentional, or criminal acts, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

This exclusion:

- (a) Applies whether or not an act occurs during your normal hours of operation;
- (b) Does not apply to acts of destruction by your employees (including temporary or leased employees) or authorized representatives; but theft by your employees (including temporary or leased employees) or authorized representatives is not covered.

(7) FALSE PRETENSE

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

(8) EXPOSED PROPERTY

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

(9) PATHOGENIC OR POISONOUS BIOLOGICAL OR CHEMICAL MATERIALS

Deliberate or intentional dispersal or application of any pathogenic or poisonous biological or chemical materials.

But if direct physical loss of or direct physical damage to property by fire results, we will pay for the resulting actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that fire (if fire would otherwise be covered under this Coverage Part).

(10) POLLUTION

Discharge, dispersal, seepage, migration, release or escape, absorption, contact with, exposure to, existence of, or presence of "pollutants" unless such loss or damage is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape, absorption, contact with, exposure to, existence of, or presence of "pollutants" results in damage to property caused by a "specified cause of loss", we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that "specified cause of loss". This exclusion does not apply to damage to glass caused by chemicals applied to the glass.

(11) NEGLECT

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

(12) OTHER TYPES OF LOSS

- (a) Wear and tear;
- (b) Rust or other corrosion, decay, deterioration, pressure from or presence of plant or tree roots, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (c) Smog;
- (d) Settling, cracking, shrinking, or expansion;
- (e) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- (f) Mechanical breakdown, including rupture or bursting caused by centrifugal force. This exclusion does not apply to direct physical loss of or direct physical damage to:
 - (i) Property from an elevator collision as a result of a mechanical breakdown; or
 - (ii) "Electronic data processing equipment".
- (g) The following causes of loss to personal property:
 - (i) Dampness or dryness of atmosphere;
 - (ii) Changes in or extremes of temperature;
 - (iii) Marring or scratching;
 - (iv) Changes in flavor, color, texture, or finish; or
 - (v) Evaporation or leakage.

But if an excluded cause of loss that is listed in (a) through (g) above results in a "specified cause of loss" or building glass breakage (other than "specialty glass"), we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that "specified cause of loss" or building glass breakage (if such "specified cause of loss" or building glass breakage is otherwise covered under this Coverage Part).

(13) CONTINUOUS OR REPEATED SEEPAGE OR LEAKAGE OF WATER

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

(14) FINISHED STOCK

- (a) Damage or destruction of "finished stock"; or
- (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

(15) BUSINESS INCOME AND EXTRA EXPENSE EXCLUSIONS

- (a)** Any Extra Expense, or increase of Business Income loss, caused by or resulting from:
 - (i)** Delay in rebuilding, repairing, or replacing the property, or resuming "operations", due to interference at the location of the rebuilding, repair, or replacement by strikers or other persons; or
 - (ii)** "Suspension", lapse, or cancellation of any license, lease, or contract. But if the "suspension", lapse, or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration".
- (b)** Any other consequential loss including fines and penalties.
- c.** We will not pay for loss or damage caused by or resulting from **(1)** through **(3)** below. But if an excluded cause of loss that is listed in **(1)** through **(3)** below results in a Covered Cause of Loss, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that Covered Cause of Loss.

(1) WEATHER CONDITIONS

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

(2) ACTS OR DECISIONS

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

(3) NEGLIGENT WORK

Faulty, inadequate, or defective:

- (a)** Planning, zoning, development, surveying, siting;
 - (b)** Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (c)** Materials used in repair, construction, renovation, or remodeling; or
 - (d)** Maintenance;
- of part or all of any property on or off the premises of a location shown in the Declarations.

d. ADDITIONAL EXCLUSION(S)

The following applies only to the property specified in this Additional Exclusion(s):

LOSS OR DAMAGE TO PRODUCTS

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

2. LIMITATIONS

- a.** We will not pay for any loss that is a consequence of loss or damage to property as described and limited in this section:

- (1) Steam boilers, steam pipes, steam engines, or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass (if such losses would otherwise be covered under this Coverage Part).
 - (2) Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - (3) Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
 - (4) Property that has been transferred to a person or to a place outside the premises of a location shown in the Declarations on the basis of unauthorized instructions.
 - (5) The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand, or dust, whether driven by wind or not, unless:
 - (a) The building or structure first sustains direct physical loss or direct physical damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand, or dust enters; or
 - (b) The loss or damage is caused by or results from thawing of snow, sleet, or ice on the building or structure.
 - (6) Lawns, trees, shrubs, or plants which are part of a vegetated roof, caused by or resulting from:
 - (a) Dampness or dryness of atmosphere or of soil supporting the vegetation;
 - (b) Changes in or extremes of temperature;
 - (c) Disease;
 - (d) Frost or hail; or
 - (e) Rain, snow, sand, dust, ice, sleet, smoke, soot, or ash.
- b. We will not pay for any loss that is a consequence of loss or damage to property below, unless caused by the "specified causes of loss" or building glass breakage:
- (1) Animals, and then only if they are killed or their destruction is made necessary.
 - (2) Articles such as glassware, statuary, marble, chinaware, and porcelain, if broken. This restriction does not apply to:
 - (a) Building glass, meaning glass that is part of a building or structure. Building glass does not include "specialty glass";
 - (b) Containers of property held for sale; or
 - (c) Photographic or scientific instrument lenses.

c. **ADDITIONAL LIMITATION(S)**

BUSINESS INCOME – ELECTRONIC DATA

Coverage for Business Income and Extra Expense does not apply when a "suspension" of "operations" is caused by destruction or corruption of "electronic data and media data" due to direct physical loss of or direct physical damage to property, or any loss or damage to "electronic data and media data".

SECTION III – LIMITS OF INSURANCE

Unless otherwise stated, the most we will pay for loss in any one "occurrence" is the:

- a. Applicable Limit of Insurance shown in the Declarations; or
- b. Actual loss sustained for the number of consecutive months shown in the Declarations.

SECTION IV – CONDITIONS

1. APPRAISAL

- a. If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either party may make a written demand for an appraisal of the loss. In this event, each party will select a competent, impartial, and disinterested appraiser.
- b. The two appraisers will select a competent, impartial, and disinterested umpire.
- c. If the appraisers selected cannot agree on an umpire, either appraiser may request that the umpire be selected by a judge of a court having jurisdiction. The appraisers shall then appraise the loss stating separately, the amount of Net Income and operating expense or amount of loss. If the appraisers fail to agree, they will submit their differences to the selected umpire.
- d. A decision agreed to by the umpire and either of the appraisers will be binding.
- e. Each party will:
 - (1) Pay its chosen appraiser; and
 - (2) Bear the other expenses of the appraisal and umpire equally.
- f. If there is an appraisal, we will still retain our right to deny the claim.
- g. In no event will an appraisal be used for the purpose of interpreting any Coverage Part provision, determining causation, or determining whether any loss is covered under this Coverage Part.

2. DUTIES IN THE EVENT OF LOSS

- a. You must see that the following are done in the event of loss:
 - (1) Notify us or one of our authorized representatives and any applicable regulatory authority as to what occurred and include the names and addresses of available witnesses where applicable.
 - (2) Notify the police if a law may have been broken.
 - (3) Give us prompt notice of the loss or damage. Include a description of the property involved.
 - (4) As soon as possible, give us a description of how, when, and where the loss or damage occurred.
 - (5) Take all reasonable steps to protect the property from further damage, and keep a record of your expenses necessary to protect the 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.
 - (6) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
 - (7) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
Also permit us to take samples of damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from your books and records.
 - (8) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - (9) Cooperate with us in the investigation or settlement of the claim.
 - (10) Resume all or part of your "operations" as quickly as possible.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

3. LOSS DETERMINATION

- a. The amount of Business Income loss will be determined based on:
 - (1) The Net Income of the business before the direct physical loss of or direct physical damage occurred;
 - (2) The likely Net Income of the business if no direct physical loss of or direct physical damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss of or direct physical damage; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices, and other vouchers; and
 - (c) Deeds, liens, or contracts.
- b. The amount of Extra Expense will be determined based on:
 - (1) All reasonable and necessary expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss of or direct physical damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions, and provisions as this insurance.
 - (2) All reasonable and necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. RESUMPTION OF OPERATIONS

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at the described premises or elsewhere and by using any other available source of materials or outlet for your products.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

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

4. LEGAL ACTION AGAINST US

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

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within two years after the date on which the direct physical loss or direct physical damage occurred.

5. LOSS PAYMENT

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

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

- b. An appraisal award has been made.

6. OTHER INSURANCE

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

SECTION V – DEFINITIONS

1. "Digital art or media" means any unique digital identifier secured on a cryptographically secured distributed ledger, which may be used to certify ownership or authenticity of any digital, computerized, or otherwise tangible objects. This includes "digital art or media" which may be known as non-fungible tokens (NFTs) or by any other names known. "Digital art or media" does not mean "electronic data and media data".
2. "Electronic data and media data" means:
 - a. Data stored on, created or used on, or transmitted to or from software (including systems and applications software), on any electronic media or other storage media including, but not limited to hard or floppy disks, CD-ROMs, flash memory, tapes, drives, cells, data processing devices, or any other repositories used with electronically controlled equipment;
 - b. The electronic media on which the data is stored; and
 - c. Programming records and instructions used with "electronic data processing equipment".
 - d. "Electronic data and media data" does not mean:
 - (1) Prepackaged software;
 - (2) Property that you manufacture, hold for sale, distribute, or repair;
 - (3) Electronic data that is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning, or security system; or
 - (4) "Virtual currency", "digital art or media", or accounts receivable.
3. "Electronic data processing equipment" means:
 - a. Electronic equipment that processes data and is used in your business "operations" including, but not limited to computers, servers, facsimile machines, word processors, multi-functional telephone equipment, laptops and other portable digital devices, digital assistants; and
 - b. Any component parts or peripherals of such equipment, including related surge protection devices.
 - c. "Electronic data processing equipment" does not include:
 - (1) Property that you manufacture, hold for sale, distribute, or repair; or
 - (2) Equipment used to operate production-type machinery or equipment.
4. "Finished stock" means "stock" you have manufactured. "Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations. "Finished stock" does not include "stock" you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.
5. "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".
6. "Manager" means a person serving in a directorial capacity for a limited liability company.
7. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
8. "Money" means:
 - a. Currency, coins, and bank notes in current use and having a face value;

- b. Traveler's checks, register checks, and money orders held for sale to the public.

"Money" does not include "securities", "virtual currency", or "virtual currency related equipment".

9. "Occurrence" means one event or a series of related events that contribute concurrently to or contribute in any sequence to direct physical loss of or direct physical damage to property.
10. "Operations" means your business activities occurring at the described premises and the tenantability of the described location(s).
11. "Period of restoration" means the period of time that:

- a. Begins:

- (1) Unless a different time period is shown in the Declarations, 72 hours after the time of direct physical loss of or direct physical damage for Business Income Coverage; or
- (2) Immediately after the time of direct physical loss of or direct physical damage for Extra Expense Coverage;

caused by or resulting from a Covered Cause of Loss at the location shown in the Declarations; and

- b. Ends on the earlier of:

- (1) The date when the property at the location shown in the Declarations should be repaired, rebuilt, or replaced with reasonable speed and similar quality; or
- (2) The date when business is resumed at a new permanent location.

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

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

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

12. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.
13. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or other property and includes:
- a. Tokens, tickets, revenue, and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money", "virtual currency", or "virtual currency related equipment", or lottery tickets held for sale.
14. "Specialty glass" means rare building glass, ballistic glass, art or stained glass windows, or any building glass serving a functional or protective purpose beyond that of traditional door or window glass.
15. "Specified causes of loss" means the following:

Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice, or sleet; water damage.

- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
- (1) The cost of filling sinkholes; or

- (2)** Sinking or collapse of land into man-made underground cavities.
- b.** Falling objects does not include loss of or damage to:
- (1) Personal property in the open; or
- (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c.** Water damage means:
- (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and
- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the premises of a location shown in the Declarations and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

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

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

- 16.** "Stock" means merchandise held in storage or for sale, raw materials, and in-process or finished goods, including supplies used in their packing or shipping.
- 17.** "Suspension" means:
- a. The partial or complete cessation of your business activities; or
- b. That a part or all of the location shown in the Declarations is rendered untenantable.
- 18.** "Virtual currency" means any digital assets or representations of monetary value that exists purely in electronic or digital form, whether actual or fictitious, including crypto currencies secured on a cryptographically secured distributed ledger, which are designed to hold value, pay for goods or services, are held for investment, or are otherwise used in any financial manner. This includes any software or media used exclusively for the purpose of storing, purchasing, selling, transferring, or otherwise handling such "virtual currency".
- "Virtual currency" does not include "money", "securities" or any other fiat currencies, or "electronic data and media data".
- 19.** "Virtual currency related equipment" means any device, equipment, software, or media used exclusively in connection with "virtual currency", including but not limited to:
- a. Mining, staking, or similar equipment that creates, processes, or verifies virtual currencies whether such equipment is offline or connected to the internet or a central computer system.
- b. Wallets or other devices or software used to store, exchange, and access "virtual currency" or "digital art or media" which include but are not limited to offline hardware devices or software that is connected to the internet or a central computer system.
- c. Any other software or media used exclusively for the purpose of storing, purchasing, selling, converting, transferring, or otherwise handling such "virtual currency" or "digital art or media".

"Virtual currency related equipment" does not include "electronic data processing equipment".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINNESOTA CHANGES – PROPERTY

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SECTION I – COVERAGES

The following is added under **3. Covered Causes of Loss** of the **Commercial Property Coverage Form** and under **5. Covered Causes of Loss** of the **Business Income and Extra Expense Coverage Form**:

We insure for all direct physical loss or direct physical damage caused by fire or any damage caused by lightning.

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added under **1. Exclusions**, item **a.(1) Ordinance or Law** of the **Commercial Property Coverage Form** and **Business Income and Extra Expense Coverage Form**:

- (a) But if loss or damage is solely a result of one or more Covered Causes of Loss, we will pay for your compliance with such ordinance or law, subject to all other provisions of this policy, including those listed below, as follows:
 - (i) In the event of a partial loss, if the building is insured on a replacement cost basis, we will pay for your compliance but only with respect to the damaged portion of the building.
 - (ii) In the event of a total loss or constructive total loss, we will pay for your compliance with respect to the entire building.
 - (iii) We will not pay under this provision for:
 - i. Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling, or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread, or any activity of "fungi", wet or dry rot or bacteria; or
 - ii. The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.
- (b) Any valuation provision (including Replacement Cost) or loss payment condition which excludes the increased cost attributable to enforcement of or compliance with an ordinance or law is hereby revised to include such cost to the extent that coverage is provided in (1). But in no event will we pay more than the applicable Limit of Insurance.

SECTION IV – DEDUCTIBLES of the Commercial Property Coverage Form

The following is added:

With respect to any Deductible in this Coverage Part, including a Deductible provided by endorsement for a particular cause of loss or coverage, the Deductible will not apply to the total loss of a building.

SECTION IV – CONDITIONS of the Business Income and Extra Expense Coverage Form

SECTION V – CONDITIONS of the Commercial Property Coverage Form

PROPERTY LOSS CONDITIONS of the Commercial Property Coverage Form

The following is added under **1. Appraisal of the Business Income and Extra Expense Coverage Form** and **2. Appraisal of the Commercial Property Coverage Form**:

Reference to a court having jurisdiction means a court of record in the state where the described premises at which the loss occurred are located.

The following is added under **2. Duties in the Event of Loss** of the **Business Income and Extra Expense Coverage Form** and **3. Duties in the Event of Loss or Damage** of the **Commercial Property Coverage Form**, item **a.**:

Send to us, within a reasonable time after our request, the following:

- (a) Changes in title or occupancy of the property during the term of the policy; and
- (b) Specifications of damaged buildings and detailed repair estimates.

Under **2. Duties in the Event of Loss** of the **Business Income and Extra Expense Coverage Form** and **3. Duties in the Event of Loss or Damage** of the **Commercial Property Coverage Form**, item **a.(4)** does not apply.

Under **2. Duties in the Event of Loss** of the **Business Income and Extra Expense Coverage Form** and **3. Duties in the Event of Loss or Damage** of the **Commercial Property Coverage Form**, items **a.(7)**, **a.(8)**, and **b.** are deleted and replaced by the following:

(7) As often as we reasonably require:

- (a) Permit us to inspect the property. Also, permit us to take samples of damaged and undamaged property for inspection, testing, and analysis; and
- (b) Provide us with records and documents reasonably related to the loss, or certified copies if the originals are lost, and permit us to make copies.

(8) Send us, within 60 days after our request, a signed, sworn proof of loss containing the following information we require to investigate the claim:

- (a) A description of how and when the loss or damage occurred;
- (b) The value of the property, except in the case of a total loss of an insured building;
- (c) The interest of the insured and all others in the property; and
- (d) Other insurance which may cover the loss or damage.

We will supply you with the necessary forms.

b. After we inform an insured:

- (1)** Of the right to counsel; and
- (2)** That an insured's answers may be used against the insured in later civil or criminal proceedings;

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. In the event of an examination, an insured's answers must be signed.

The following is added under **2. Duties in the Event of Loss** of the **Business Income and Extra Expense Coverage Form** and **3. Duties in the Event of Loss or Damage** of the **Commercial Property Coverage Form**:

The requirement to notify us can be satisfied by notifying our agent, the requirement to provide us with prompt notice of the claim or suit can be satisfied by written or oral notification.

The following is added under **5. Loss Payment And Valuation** of the **Commercial Property Coverage Form**:

We agree that in the event of a total loss, the Limit of Insurance for a building which is Covered Property represents its value.

Under **5. Loss Payment And Valuation**, item **f.** of the **Commercial Property Coverage Form** is deleted and replaced by the following:

- f. Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within five business days after we have received the proof of loss; and
 - (1) We have reached an agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

However, we will not pay you any interest, other than the interest that accrues between the time that it is determined that a loss shall be payable in accordance with (1) or (2) above, and before we pay, tender, or deposit in court payment for the loss.

Under **5. Loss Payment** of the **Business Income and Extra Expense Coverage Form** the following is deleted and replaced by:

Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within five business days after we have received the proof of loss; and

- a. We have reached an agreement with you on the amount of loss; or
- b. An appraisal award has been made.

However, we will not pay you any interest, other than the interest that accrues between the time that it is determined that a loss shall be payable in accordance with a. or b. above, and before we pay, tender, or deposit in court payment for the loss.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS PERSONAL PROPERTY LIMIT – SEASONAL INCREASE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION III – LIMITS OF INSURANCE

The following is added:

BUSINESS PERSONAL PROPERTY LIMIT – SEASONAL INCREASE

- a. The Limit of Insurance for Business Personal Property will automatically increase by the percentage shown in the Declarations to provide for seasonal variations.
- b. The increase described in a. above will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 90% of your average monthly values during the lesser of:
 - (1) The 12 months immediately preceding the date the loss or damage occurs; or
 - (2) The period of time you have been in business as of the date the loss occurs.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INVENTORY AND APPRAISAL EXPENSE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

INVENTORY AND APPRAISAL EXPENSE

In the event of direct physical loss or direct physical damage to Covered Property as a result of a Covered Cause of Loss, we will pay reasonable expenses incurred by you for preparation of loss data, including inventories and appraisals necessary to establish the amount of the loss.

We will not pay for expenses incurred in using the services of a public adjuster or an attorney.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Inventory and Appraisal Expense Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

No Deductible applies to Inventory and Appraisal Expense Coverage.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BRANDS AND LABELS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

BRANDS AND LABELS COVERAGE

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may extend the insurance that applies to Business Personal Property to pay expenses you incur to:

- (1) Stamp salvage on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- (2) Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Brands and Labels Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage. This limit is part of, and not in addition to the Business Personal Property limit shown in the Declarations for the building at which the loss occurred.

SECTION IV – DEDUCTIBLES

The following is added:

For Brand and Labels Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the Business Personal Property Deductible for the building at which the loss occurs, as shown in the Declarations. We will then pay the amount of the loss in excess of the Deductible, up to the applicable Limit of Insurance.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NON-OWNED DETACHED TRAILERS OR PORTABLE STORAGE UNITS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

NON-OWNED DETACHED TRAILERS OR PORTABLE STORAGE UNITS COVERAGE

We will pay for direct physical loss of or direct physical damage to a trailer or portable storage unit that you do not own, provided that:

- (1) The trailer or portable storage unit is used in your business;
- (2) The trailer or portable storage unit is in your care, custody, or control;
- (3) The trailer or portable storage unit is within 1,000 feet of a location shown in the Declarations; and
- (4) You have a contractual responsibility to pay for loss or damage to the trailer or portable storage unit.

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added to **1. Exclusions**:

We will not pay for any loss or damage as a result of or that occurs:

- (1) While a trailer or portable storage unit 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 when a trailer or portable storage unit becomes accidentally unhitched from a motor vehicle or motorized conveyance.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay under Non-owned Detached Trailers or Portable Storage Units Coverage in any one "occurrence" is the Limit of Insurance shown in the Declarations for this Additional Coverage, regardless of the number of trailers or portable storage units sustaining loss or damage.

Coverage provided under this endorsement is excess over any other insurance covering a non-owned detached trailer or portable storage unit.

SECTION IV – DEDUCTIBLES

The following is added:

For Non-owned Detached Trailers or Portable Storage Units Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the highest Building or Business Personal Property Deductible shown in the Declarations for the location where the loss occurs.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FIRE EXTINGUISHER SYSTEMS RECHARGE EXPENSE COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to 4. Additional Coverages:

FIRE EXTINGUISHER SYSTEMS RECHARGE EXPENSE COVERAGE

We will pay:

- (1) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged while fighting a covered fire on or within 1,000 feet of a location shown in the Declarations; and
- (2) For direct physical loss of or direct physical damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added to 1. Exclusions:

We will not pay for any fire extinguisher systems recharge expense due to a fire extinguishing system being discharged during installation or testing.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Fire Extinguisher Systems Recharge Expense Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

No Deductible applies to Fire Extinguisher Systems Recharge Expense Coverage.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FIRE DEPARTMENT SERVICE CHARGE COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

FIRE DEPARTMENT SERVICE CHARGE COVERAGE

- (1) When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay for fire department service charges at a location shown in the Declarations.
- (2) This Additional Coverage applies to your liability for fire department service charges:
 - (a) Assumed by contract or agreement prior to loss; or
 - (b) Required by local ordinance.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Fire Department Service Charge Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage, regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

SECTION IV – DEDUCTIBLES

The following is added:

No Deductible applies to Fire Department Service Charge Coverage.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS TO PAIR OR SET COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

LOSS TO PAIR OR SET COVERAGE

If Covered Property that is a pair or set sustains a direct physical loss of or direct physical damage caused by a Covered Cause of Loss, we may:

- (1) Repair or replace any part to restore the pair or set to its value immediately before the loss or damage; or
- (2) Pay the difference between the value of the pair or set immediately before and after the loss or damage.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one “occurrence” under Loss To Pair Or Set Coverage is the Business Personal Property Limit of Insurance shown in the Declarations for the location at which the loss occurs. This coverage is part of, and not in addition to, the Business Personal Property Limit.

SECTION IV – DEDUCTIBLES

The following is added:

No Deductible applies to Loss To Pair Or Set Coverage.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLLUTANT CLEAN-UP AND REMOVAL COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

POLLUTANT CLEAN-UP AND REMOVAL COVERAGE

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

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

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Pollutant Clean-Up and Removal Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

For Pollutant Clean-up and Removal Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the highest Building or Business Personal Property Deductible shown in the Declarations for the location where the loss occurs.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEBRIS REMOVAL COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

DEBRIS REMOVAL COVERAGE

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on a location shown in the Declarations, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss of or direct physical damage to Covered Property.
- (2) Debris removal does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
 - (b) Remove debris of property owned by or leased to the landlord of the building where your location shown in the Declarations is located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
 - (c) Remove any property that is listed under **2. Property Not Covered**, except as otherwise provided for under this policy;
 - (d) Remove property of others of a type that would not be Covered Property under this policy;
 - (e) Remove deposits of mud or earth from the grounds of the location shown in the Declarations;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore, or replace polluted land or water.

SECTION III – LIMITS OF INSURANCE

The following is added:

DEBRIS REMOVAL COVERAGE

- a. Subject to the exceptions in b. below, the following provisions apply:

- (1) The most we will pay in any one "occurrence" for the total of direct physical loss of or direct physical damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
- (2) Subject to a.(1) above, the amount we will pay for debris removal expense is limited to 25% of the amount that we pay for loss or damage to the Covered Property that has sustained loss or damage.

However, if no Covered Property has sustained loss or damage, the most we will pay in any one "occurrence" at the location shown in the Declarations for removal of debris of other property when such debris is caused by or results from a Covered Cause of Loss (if such removal is covered under this Additional Coverage) is the Limit of Insurance shown in the Declarations for Debris Removal Of Other Property.

b. We will pay up to the Limit of Insurance listed under Debris Removal – Additional Limit shown in the Declarations for debris removal expense, in any one "occurrence" of loss or damage to Covered Property, if one or both of the following circumstances apply:

- (1) The total of the actual debris removal expense plus the amount we pay for loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (2) The actual debris removal expense exceeds 25% of the amount that we pay for loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if **b.(1)** and/or **b.(2)** above apply, our total payment for loss or damage and debris removal expense in any one "occurrence" may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus the amount shown in the Declarations under Debris Removal – Additional Limit.

c. EXAMPLES

The examples and figures used below are for illustrative purposes only and do not modify the terms and conditions of the policy. In addition, the examples cited below should not be construed as any guarantee of coverage.

(1) EXAMPLE 1

Limit of Insurance:	\$90,000
Amount of Deductible:	\$500
Amount of Loss:	\$50,000
Amount of Loss Payable:	\$49,500 (\$50,000 - \$500)
Debris Removal Expense:	\$10,000
Debris Removal Expense Payable:	\$10,000 (\$10,000 is 20.2% of \$49,500)

The debris removal expense is less than 25% of the loss payable.

The sum of the loss payable and the debris removal expense ($\$49,500 + \$10,000 = \$59,500$) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of **a.** above.

(2) EXAMPLE 2

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

The basic amount payable for debris removal expense under the terms of **b.** above is calculated as follows:

$\$79,500 \times .25 = \$19,875$; capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The Debris Removal – Additional Limit is provided in accordance with the terms of b. above, because the debris removal expense (\$40,000) exceeds 25% of the loss payable (\$40,000 is 50.3% of \$79,500), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000).

In this example, the Debris Removal – Additional Limit shown on the Declarations is \$25,000. Thus, the total payable for debris removal expense in this example is \$35,500 (\$10,500 + \$25,000); \$4,500 of the debris removal expense is not covered.

SECTION IV – DEDUCTIBLES

The following is added:

No Deductible applies to Debris Removal Coverage.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED FUNGI, WET ROT, OR DRY ROT COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to 4. Additional Coverages:

LIMITED FUNGI, WET ROT, OR DRY ROT COVERAGE

- (1) The coverage described herein only applies when the "fungi", wet rot, or dry rot is the result of a "specified cause of loss" other than fire or lightning that occurs during the policy period and only if all reasonable means were used to save and preserve the Covered Property from further damage at the time of and after that "occurrence". This coverage does not apply to lawns, trees, shrubs, or plants which are part of a vegetated roof.
- (2) We will pay direct physical loss of or direct physical damage to Covered Property caused by "fungi", wet rot, or dry rot, including:
 - (a) The cost of removal of the "fungi", wet rot, or dry rot;
 - (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", wet rot, or dry rot; and
 - (c) The cost of testing performed after removal, repair, replacement, or restoration of the damaged property is completed, provided there is a reason to believe that "fungi", wet rot, or dry rot is present.

SECTION II – EXCLUSIONS AND LIMITATIONS

For purposes of this endorsement, 1.a.(9) Fungi, Wet Rot, or Dry Rot does not apply.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay under Limited Fungi, Wet Rot, or Dry Rot Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss or damage arising out of all "occurrences" of "specified causes of loss" (other than fire or lightning) which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular "occurrence" of loss which results in "fungi", wet rot, or dry rot, we will not pay more than the total applicable Limit of Insurance shown in the Declarations even if the "fungi", wet rot, or dry rot continues to be present or active, or recurs, in a later policy period.

Limited Fungi, Wet Rot, or Dry Rot Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular "occurrence" results in loss or damage by "fungi", wet rot or dry rot, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

SECTION IV – DEDUCTIBLES

The following is added:

For Limited Fungi, Wet Rot, or Dry Rot Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the highest applicable Building or Business Personal Property Deductible for the building at which the loss occurs, as shown in the Declarations. We will then pay the amount of the loss in excess of the Deductible, up to the applicable Limit of Insurance.

SECTION V – CONDITIONS

PROPERTY LOSS CONDITIONS

The following is added:

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

The terms of this Limited Coverage do not increase or reduce coverage which may otherwise be provided in this policy.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER DAMAGE, OTHER LIQUIDS, POWDER, OR MOLTEN MATERIAL DAMAGE COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

WATER DAMAGE, OTHER LIQUIDS, POWDER, OR MOLTEN MATERIAL DAMAGE COVERAGE

- (1) If we pay for a covered loss caused by or resulting from water damage, other liquids, powder, or molten material damage, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.
- (2) We will not pay the cost to repair any defect that caused the loss or damage, but we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:
 - (a) Results in discharge of any substance from an automatic fire protection system; or
 - (b) Is directly caused by freezing.

SECTION IV – DEDUCTIBLES

The following is added:

No Deductible applies to Water Damage, Other Liquids, Powder, or Molten Material Damage Coverage.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK-UP, DISCHARGE, AND SUMP OVERFLOW COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

THIS IS NOT FLOOD INSURANCE

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

WATER BACK-UP, DISCHARGE, AND SUMP OVERFLOW COVERAGE

- (1) We will pay for direct physical loss of or direct physical damage to your Covered Property solely caused by or resulting from:
- (a) Water or waterborne material which backs up, overflows, or is otherwise discharged into a building or structure through sewers or drains contained within a building. A sewer or drain does not include a roof drain, gutter, downspout, or similar fixture or equipment; or
 - (b) Water or waterborne material which enters into or overflows from a sump, sump pump, or related equipment, provided that it is located in a building and designed to remove subsurface water which is drained from the foundation area, even if the overflow or discharge results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to (b) above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

The coverage described in (b) above does not apply to loss or damage resulting from an insured's failure to:

- (i) Keep a sump pump or its related equipment in proper working condition; or
- (ii) Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

- (2) We will not, however, pay for any loss or damage that results from water or other materials that back up, overflow, or are otherwise discharged from a sewer, drain, sump, sump pump or related equipment when it is caused directly or indirectly by any flood, whether the flood is caused by an act of nature or is otherwise caused. Flood includes surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of streams or other natural or man-made bodies of water, or spray from any of these, all whether or not driven by wind (including storm surge). Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

SECTION II – EXCLUSIONS AND LIMITATIONS

For purposes of this endorsement, (c) of **1.a.(7) Water** is deleted and replaced by the following:

- (c) Except as provided under the Water Back-Up, Discharge, and Sump Overflow Coverage, water that backs up, overflows, or is otherwise discharged from a sewer, drain, sump, sump pump, or related equipment.

Regardless of the coverage provided in this endorsement, all other provisions of **1.a.(7) Water** apply.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Water Back-Up, Discharge, and Sump Overflow Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

We will not pay for loss or damage resulting directly from an "occurrence" of Water Back-Up, Discharge, and Sump Overflow Coverage until the amount of loss or damage exceeds the Water Back-Up, Discharge, and Sump Overflow Deductible shown in the Declarations. We will then pay the amount of loss in excess of the applicable Deductible amount, up to the Water Back-Up, Discharge, and Sump Overflow Coverage Limit of Insurance shown in the Declarations.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE DISHONESTY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following are added to **4. Additional Coverages**:

a. EMPLOYEE DISHONESTY COVERAGE

We will pay for direct physical loss of or direct physical damage to Business Personal Property, "money", or "securities" resulting from dishonest acts committed by any of your "employees" acting alone or in collusion with other persons with the manifest intent to:

- (1) Cause you to sustain loss or damage; and
- (2) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions, or other "employee" benefits earned in the normal course of employment) for:
 - (a) Any "employee"; or
 - (b) Any other person or organization.

b. THEFT OF CLIENTS' OR TENANTS' PROPERTY COVERAGE

If shown in the Declarations, we will also pay for direct physical loss of or direct physical damage to Business Personal Property, "money", or "securities" which was located at your clients' or tenants' premises, and your client or tenant owned, leased, or held for others at the time of loss or damage, resulting directly from theft committed by any of your "employees", acting alone or in collusion with other persons.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization, including your client or tenant. Any claim for loss that is covered under this coverage must be presented by you. No third party has a direct right against this insurance and no third party may make a direct claim against us as the writer of your insurance.

To the extent of coverage provided for **a.** and **b.** above, **n.** and **t.** of **2. Property Not Covered** do not apply.

SECTION II – EXCLUSIONS AND LIMITATIONS

For purposes of this endorsement, **1.b.(6) Dishonesty** does not apply.

The following are added to **1. Exclusions**:

a. We will not pay for loss or damage:

- (1) Resulting from any dishonest or criminal act that you or any of your partners, "members", officers, "managers", directors, trustees, or authorized representatives commit whether acting alone or in collusion with other persons.
- (2) Where the only proof of which as to its existence or amount is:
 - (a) An inventory computation; or
 - (b) 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.

- (3) Resulting directly or indirectly from trading, whether in your name or in a genuine or fictitious account.
 - (4) Resulting from the fraudulent or dishonest signing, issuing, cancelling, or failing to cancel, a warehouse receipt or any papers connected with it.
 - (5) Caused by an "employee" if the "employee" had also committed theft or any other dishonest act prior to the effective date of this policy and you or any of your partners, "members", "managers", officers, directors, trustees, or authorized representatives not in collusion with the "employee", learned of that theft or dishonest act prior to the policy period shown in the Declarations.
- b. We will not pay for loss of funds and other property of any Employee Welfare Benefit Plan or an Employee Benefit Pension Plan that is subject to the bond requirements of Section 412 of ERISA.

SECTION III – LIMITS OF INSURANCE

The following are added:

1. The most we will pay in any one "occurrence" under Employee Dishonesty Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.
2. The most we will pay in any one "occurrence" under Theft of Clients' Property Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

We will not pay for loss or damage resulting directly from an "occurrence" of Employee Dishonesty Coverage or Theft of Clients or Tenants Property Coverage until the amount of loss or damage exceeds the Employee Dishonesty Coverage Deductible shown in the Declarations. We will then pay the amount of loss in excess of the applicable Deductible amount, up to the Limit of Insurance.

SECTION V – CONDITIONS

PROPERTY LOSS CONDITIONS

The following are added:

1. If any loss is covered:
 - a. Partly by this insurance; and
 - b. Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest; the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.
2. We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period and discovered no later than one year from the end of the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
3. This Additional Coverage no longer applies to any "employee" immediately upon discovery by:
 - a. You; or
 - b. Any of your partners, "members", "managers", officers, directors, trustees, or authorized representatives not in collusion with the "employee";
 of any dishonest act committed by that "employee" before or after being hired by you.
4. If you (or any predecessor in interest) sustained loss or damage during the policy period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
 - a. This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and

- b. The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

The insurance under 4. above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:

- c. This Additional Coverage as of its effective date; or
d. The prior insurance had it remained in effect.

SECTION VI – DEFINITIONS

For purposes of this endorsement, 11. is deleted and replaced by the following:

11. "Occurrence" means:

- a. All loss or damage caused by one or more persons; or
b. The combined total of all separate acts whether or not related; or
c. A series of acts whether or not related;

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

The following is added:

"Employee" means:

- a. Any natural person:
(1) While in your service or for 30 days after termination of service;
(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 excluding, however, any such person while having care and custody of property outside the described 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 a former "employee", partner, "member", "manager", officer, director, trustee, or authorized representative while retained as a consultant while performing services for you; or
e. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business.
f. Any natural person who is your partner, "member", "manager", officer, director, trustee, or authorized representative while:
(1) Performing acts within the scope of the usual duties of an "employee"; or
(2) Acting as a "member" of any committee duly elected or appointed by resolution of your board of directors, board of trustees, or functional equivalent thereof, to perform specific, as distinguished from general, directorial acts on your behalf.

But "employee" does not mean:

- g. Any agent, broker, factor, commission merchant, consignee, independent contractor, or representative of the same general character; or

- h. Any partner, "member", "manager", officer, director, trustee, or authorized representative, except while performing acts coming within the usual duties of an "employee" as described in (f)(1) above.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL EFFECTS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

PERSONAL EFFECTS COVERAGE

We will pay for direct physical loss of or direct physical damage to personal effects owned by:

- (1) You;
 - (2) Your officers;
 - (3) Your partners or "members";
 - (4) Your "managers"; or
 - (5) Your employees including temporary or leased employees;
- caused by or resulting from a Covered Cause of Loss.

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added to **1. Exclusions**:

- a. This coverage does not apply to loss or damage by theft.
- b. This coverage does not apply to:
 - (1) Tools or equipment used in your business;
 - (2) Tools and small equipment owned by any "employee(s)"; or
 - (3) "Money", "securities", or jewelry.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Personal Effects Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

SECTION IV – DEDUCTIBLES

The following is added:

For Personal Effects Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the Business Personal Property Deductible for the building at which the loss occurs, as shown in the Declarations. We will then pay the amount of the loss in excess of the Deductible, up to the applicable Limit of Insurance.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACCOUNTS RECEIVABLE COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

For purposes of this endorsement, **2.a.** is amended to remove accounts receivable.

The following is added to **4. Additional Coverages**:

ACCOUNTS RECEIVABLE COVERAGE

(1) We will pay:

- (a)** All amounts due from your customers that you are unable to collect;
- (b)** Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (c)** Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- (d)** Other reasonable expenses that you incur to reestablish your records of accounts receivable; that result from direct physical loss of or direct physical damage by any Covered Causes of Loss to your records of accounts receivable (including those stored on electronic media).

(2) This Additional Coverage applies to accounts receivable on or away from the location shown in the Declarations, including while in transit.

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added to **1. Exclusions**:

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

(1) Alteration, falsification, concealment, or destruction of records of accounts receivable done to conceal the wrongful giving, taking, or withholding of "money", "securities", or other property.

This exclusion applies only to the extent of the wrongful giving, taking, or withholding.

(2) Bookkeeping, accounting, or billing errors or omissions.

(3) Any audit of records or any inventory computation to prove its factual existence.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Accounts Receivable Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

For Accounts Receivable Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the Business Personal Property Deductible for the building at which the loss occurs, as shown in the Declarations. We will then pay the amount of the loss in excess of the deductible, up to the applicable Limit of Insurance.

If the loss occurs away from a described premises, we will apply the largest Business Personal Property Deductible shown in the Declarations. If a more specific deductible is shown in the Declarations, we will apply that more specific deductible.

SECTION V – CONDITIONS

PROPERTY LOSS CONDITIONS

The following is added to **5. Loss Payment and Valuation**:

For Accounts Receivable Coverage, we will determine the value of accounts receivable subject to the following:

- (1) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of direct physical loss or direct physical damage, the following method will be used:
 - (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 occurs; and
 - (b) Adjust the total determined in (a) above for any normal fluctuations in the amount of accounts receivable for the month in which the direct physical loss or direct physical damage occurred or for any demonstrated variance from the average for that month.
- (2) The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - (a) The amount of the accounts for which there is no loss or damage;
 - (b) The amount of the accounts that you are able to reestablish 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 following is added to **7. Recovered Property**:

You will pay us the amount of all recoveries you receive for loss or damage paid by us. But any recoveries in excess of the amount we have paid belong to you.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEWLY ACQUIRED OR CONSTRUCTED PROPERTY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to 4. Additional Coverages:

NEWLY ACQUIRED OR CONSTRUCTED PROPERTY COVERAGE

(1) BUILDING

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

- (a) Your new Buildings while being built at a location shown in the Declarations;
- (b) Buildings you acquire at a location other than a location shown in the Declarations, if intended for:
 - (i) Similar use as a Building shown in the Declarations; or
 - (ii) Use as a warehouse.

(2) BUSINESS PERSONAL PROPERTY

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

- (a) Business Personal Property, including such property that you newly acquire, at any location you acquire; or
- (b) Business Personal Property, that you newly acquire, located within your newly acquired or constructed buildings at the location shown in the Declarations.
- (c) This additional coverage does not apply to:
 - (i) Personal property that you temporarily acquire in the course of installing or performing work on such property; or
 - (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling.

(3) PERIOD OF COVERAGE

For purposes of this endorsement, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) Unless a higher number of days is shown in the Declarations, 30 days after you acquire the property or begin construction of that part of the building that would qualify as Covered Property; or
- (c) You report values of the Covered Property to us.

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

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Newly Acquired or Constructed Building Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

The most we will pay in any one "occurrence" under Newly Acquired Business Personal Property at each Newly Acquired or Constructed Building or Location is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

For a covered loss to:

1. A Newly Acquired Building, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the highest building Deductible shown in the Declarations for all locations.
2. Newly Acquired Business Personal Property, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the highest Business Personal Property Deductible shown in the Declarations for all locations.

We will then pay the amount of the loss in excess of the applicable Deductible, up to the applicable Limit of Insurance.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REWARD COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

REWARD COVERAGE

- (1) In the event that a covered fire loss was the result of an act of arson, we will reimburse you for amounts you pay for information leading to the conviction of any person(s) responsible for such loss.
- (2) In the event of a covered theft or vandalism loss, we will reimburse you for amounts you pay for information leading to the convictions for the theft or vandalism loss or the return of stolen Covered Property.

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added to **1. Exclusions**:

We will not pay:

- (1) Any reward payment unless and until the person(s) committing the crime is (are) convicted or the Covered Property is returned;
- (2) Any ransom payments; or
- (3) For any payment that is not documented.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay under Reward Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

However, any payment made under this Additional Coverage shall not exceed the "actual cash value" of the Covered Property damaged by fire, theft, or vandalism and for which any reward is paid.

Our payment under Reward Coverage will not be increased by:

- a. The number of individuals reporting the individual or individuals responsible for the covered loss;
- b. The number of individual or individuals involved in the covered loss; or
- c. The number of covered losses.

SECTION IV – DEDUCTIBLES

The following is added:

No Deductible applies to Reward Coverage.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OUTDOOR PROPERTY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

For purposes of this endorsement, **2.s.** does not apply.

For purposes of this endorsement **2.z.(2)** does not apply.

For purposes of this endorsement, **3. Covered Causes of Loss** is deleted and replaced by the following:

Covered Causes of Loss means direct physical loss of or direct physical damage to Outdoor Property, as described below in this endorsement, by the following:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or civil commotion;
- (5) Aircraft;
- (6) Falling objects, as defined under "specified causes of loss" **15.b. of Section VI – Definitions**;
- (7) Sinkhole collapse, as defined under "specified causes of loss" **15.a. of Section VI – Definitions**;
- (8) Vehicles;
- (9) Vandalism;
- (10) Smoke;
- (11) Malicious mischief;
- (12) Theft; or
- (13) Windstorm or hail, except for damage to trees, shrubs, and plants.

If any of the listed Covered Causes of Loss are otherwise excluded under this policy, such causes of loss will also be excluded under this Additional Coverage.

The following is added to **4. Additional Coverages**:

OUTDOOR PROPERTY COVERAGE

We will pay for direct physical loss or direct physical damage caused by a Covered Cause of Loss to your:

- (1) Fences;
- (2) Retaining walls that are not part of a covered building or structure shown in the Declarations;
- (3) Lighting and lighting standards;
- (4) Antennas (including dish-shaped antennas) and their lead-in wiring, masts, or towers not attached to the building; or
- (5) Trees, shrubs, or plants (other than trees, shrubs, or plants which are "stock" or are part of a vegetated roof).

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Outdoor Property Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

For Outdoor Property Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the highest Building or Business Personal Property Deductible shown in the Declarations for the location where the loss occurs.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VALUABLE PAPERS AND RECORDS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

For purposes of this endorsement, **2.v.** does not apply.

The following is added to **4. Additional Coverages**:

VALUABLE PAPERS AND RECORDS COVERAGE

- (1) We will pay for direct physical loss of or direct physical damage to "valuable papers and records" that are owned by you or owned by others in your care, custody, or control when caused by a Covered Cause of Loss. This includes the cost to research, replace, or restore the lost or damaged "valuable papers and records".

We will also pay for the cost:

- (a) Of blank materials for reproducing the records; and
- (b) Labor to transcribe or copy existing records.

- (2) This Additional Coverage applies to "valuable papers and records" on or temporarily away from the location shown in the Declarations, including while in transit.

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added to **1. Exclusions**:

ADDITIONAL EXCLUSIONS

We will not pay for loss or damage of:

- (1) "Valuable papers and records" which cannot be replaced with other property of like kind and quality.
- (2) "Valuable papers and records" held as samples or for delivery after sale.
- (3) Theft from any unattended vehicle unless at the time of theft its windows, doors, and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

But this exclusion does not apply to property in the custody of a carrier for hire.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Valuable Papers And Records Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

For Valuable Papers and Records Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the Business Personal Property deductible for the building at which the loss occurs, as shown in the Declarations. We will then pay the amount of the loss in excess of the Deductible, up to the applicable Limit of Insurance.

If the loss occurs away from a described premises, we will apply the largest Business Personal Property deductible shown on the Declarations. If a more specific deductible is shown on the Declarations, we will apply that more specific deductible.

SECTION V – CONDITIONS

PROPERTY LOSS CONDITIONS

The following is added to **5. Loss Payment And Valuation:**

For Valuable Papers and Records Coverage, to the extent that "valuable papers and records" are not replaced or restored, the loss will be valued at the cost of replacement of the media on which the "valuable papers and records" were stored, with blank media of substantially identical type.

The following is added:

PAIR, SETS, OR PARTS

a. PAIR OR SET

In case of loss or damage to any part of a pair or set, we may at our discretion:

- (1) Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- (2) Pay the difference between the value of the pair or set before and after the loss or damage.

The loss is not considered a total loss of the pair or set.

b. PARTS

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we may at our discretion:

- (1) Pay for the value of the lost or damaged part;
- (2) Or the cost to repair or replace it.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FINE ARTS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

For purposes of this endorsement, **2.I.** does not apply.

The following is added to **4. Additional Coverages**:

FINE ARTS COVERAGE

We will pay for direct physical loss of or direct physical damage caused by a Covered Cause of Loss to "fine arts" owned by you or owned by others in your care, custody, or control.

This additional coverage applies to "fine arts" on or temporarily away from the location shown in the Declarations, including while in transit.

SECTION II – EXCLUSIONS AND LIMITATIONS

For purposes of this endorsement, **1.a.(5) Utility Services** does not apply.

For purposes of this endorsement, **1.b.(1) Electrical Apparatus** does not apply.

For purposes of this endorsement, **1.b.(12) Other Types of Loss**, **(d)** settling, cracking, shrinking, or expansion, **(f)** Mechanical breakdown, and **(g)(ii)** marring or scratching do not apply.

The following are added to **1. Exclusions**:

ADDITIONAL EXCLUSIONS

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

- (1)** Loss or damage caused by processing of or work upon Covered Property including but not limited to, repair, restoration, retouching, framing, or packing.
- (2)** Theft from any unattended vehicle unless at the time of theft its windows, doors, and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

But this exclusion does not apply to property in the custody of a carrier for hire.

For purposes of this endorsement, **2.b.(2) Breakage** does not apply.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Fine Arts Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage. However, if an item is specifically described and listed on the Fine Arts Schedule, the most we will pay is the Limit of Insurance shown for that item.

If shown in the Declarations, the most we will pay in any one "occurrence" for loss or damage occurring away from the premises, including while in transit is the Fine Arts Off-Premises Limit of Insurance.

SECTION IV – DEDUCTIBLES

The following is added:

For Fine Arts Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the Business Personal Property deductible for the building at which the loss occurs, as shown in the Declarations. We will then pay the amount of the loss in excess of the Deductible, up to the applicable Limit of Insurance.

If the loss occurs away from a described premises, we will apply the largest Business Personal Property deductible shown on the Declarations. If a more specific deductible is shown on the Declarations, we will apply that more specific deductible.

SECTION V – CONDITIONS

PROPERTY LOSS CONDITIONS

The following is added to **5. Loss Payment and Valuation**:

For Fine Arts Coverage, we will determine the value of "fine arts" subject to the following:

- (1) If specific pieces are described on the Schedule, "fine arts" will be valued at the amount shown on the Schedule, which is the agreed value of the item.
- (2) If specific pieces are not described on the Schedule, "fine arts" will be valued at the market value at the time of loss or damage.

The following is added:

PAIR OR SET

In case of loss or damage to any part of a pair or set, we may at our discretion:

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

The loss is not considered a total loss of the pair or set.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FORGERY, ALTERATION, MONEY ORDERS, AND COUNTERFEIT MONEY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

FORGERY, ALTERATION, MONEY ORDERS, AND COUNTERFEIT MONEY COVERAGE

(1) FORGERY OF NEGOTIABLE INSTRUMENTS

- (a) We will pay for loss resulting directly from forgery or alteration of any check, draft, promissory note, bill of exchange, or similar written promise of payment in "money" that you or your agent has issued, or that was issued by someone who impersonates you or your agent. This includes written instruments required in conjunction with any credit, debit, or charge card issued to you or any "employee" for business purposes.

For purposes of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act and will be treated the same as the original it replaced.

- (b) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange, or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (c) With respect to coverage provided under (a) and (b) above, we will treat signatures that are produced or reproduced electronically, mechanically, or by other means the same as handwritten signatures.

(2) MONEY ORDERS, INCLUDING COUNTERFEIT MONEY

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

- (a) Money orders, including counterfeit money orders, issued by any post office, express company, or bank that are not paid upon presentation; and
- (b) Counterfeit money that is acquired during the regular course of business.

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added to **1. Exclusions**:

Coverage as provided in this endorsement, does not cover 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.

SECTION III – LIMITS OF INSURANCE

The following are added:

1. The most we will pay in any one "occurrence" under Forgery, Alteration, Money Orders, and Counterfeit Money Coverage, including legal expenses, is the Limit of Insurance shown in the Declarations for this Additional Coverage, regardless of the number of premises involved.

2. We will pay for loss that you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

SECTION IV – DEDUCTIBLES

For purposes of this endorsement, **Section IV – Deductibles** is deleted and replaced by the following:

We will not pay for loss in any one "occurrence" of Forgery, Alteration, Money Orders, and Counterfeit Money Coverage unless the amount of loss exceeds the deductible amount shown in the Declarations for this coverage. We will then pay the amount of loss in excess of this deductible up to the Limit of Insurance.

SECTION V – CONDITIONS

PROPERTY LOSS CONDITIONS

For purposes of this endorsement, the following are added:

1. 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.
2. We will pay only for covered loss discovered no later than one year from the end of the policy period.

SECTION VI – DEFINITIONS

For purposes of this endorsement, **11.** is deleted and replaced by the following:

11. "Occurrence" means:

- a. An individual act;
- b. The combined total of all separate acts, whether or not related; or
- c. A series of acts, whether or not related;

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

The following is added:

"Employee" means:

- a. Any natural person:
 - (1) While in your service or for 30 days after termination of service;
 - (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 excluding, however, any such person while having care and custody of property outside the described 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 a former "employee", partner, "member", "manager", officer, director, trustee, or authorized representative while retained as a consultant while performing services for you; or

- e. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business.
- f. Any natural person who is your partner, "member", "manager", officer, director, trustee, or authorized representative while:
 - (1) Performing acts within the scope of the usual duties of an "employee"; or
 - (2) Acting as a "member" of any committee duly elected or appointed by resolution of your board of directors, board of trustees, or functional equivalent thereof, to perform specific, as distinguished from general, directorial acts on your behalf.

"Employee" does not mean:

- g. Any agent, broker, factor, commission merchant, consignee, independent contractor, or representative of the same general character; or
- h. Any partner, "member", "manager", officer, director, trustee, or authorized representative, except while performing acts coming within the usual duties of an "employee" as described in f.(1) above.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MONEY AND SECURITIES COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

MONEY AND SECURITIES COVERAGE

We will pay for direct physical loss of or direct physical damage to "money" and "securities" used in your business while:

- (1) In or on the premises of a location shown in the Declarations;
- (2) Within a bank or savings institution;
- (3) The living quarters of your partners or any employee (including a temporary or leased employee) having use and custody of the "money" and "securities"; or
- (4) While anywhere else outside the premises or in transit between any of the places in (1), (2), or (3) above.

However, we will only pay for such direct physical loss or direct physical damage to "money" and "securities" resulting directly from:

- (5) Theft;
- (6) Disappearance; or
- (7) Destruction.

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added to **1. Exclusions**:

We will not pay for loss or damage to "money" and "securities":

- (1) Resulting from accounting or arithmetical errors or omissions;
- (2) Due to the giving or surrendering of property in any exchange or purchase;
- (3) Related to the use of any "electronic data processing equipment" to fraudulently cause a transfer of that "money" and "securities"; or
- (4) Of property contained in any "money" operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay under Money and Securities Coverage in any one "occurrence" is the Limit of Insurance shown in the Declarations for this Additional Coverage.

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

SECTION IV – DEDUCTIBLES

The following is added:

For Money and Securities Coverage, we will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the Business Personal Property deductible for the building at which the loss occurs, as shown in the Declarations. We will then pay the amount of the loss in excess of the Deductible, up to the applicable Limit of Insurance.

If the loss occurs away from a described premises, we will apply the largest Business Personal Property deductible shown on the Declarations for all locations.

SECTION V – CONDITIONS

PROPERTY LOSS CONDITIONS

The following are added to **5. Loss Payment and Valuation**.

- a. You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- b. We will pay only for covered loss discovered no later than one year from the end of the policy period. Discovery of loss occurs when:
 - (1) You first become aware of facts which would cause a reasonable person to assume that a loss covered by this Coverage Part has been, or may be incurred even though the exact amount or the details of the loss may not then be known.
 - (2) Discovery also occurs when you receive notice of an actual or potential claim against you alleging facts, which if true, would be a covered loss under this Coverage Part.

PROPERTY GENERAL CONDITIONS

The following is added:

The value of any loss for purposes of coverage under this Coverage Part will be determined as follows:

a. MONEY

Loss of "money" but only up to and including its face value. We will, at your option, where allowed by law or otherwise, pay for loss of "money" issued by any country other than the United States of America:

- (1) At face value in the "money" issued by that country; or
- (2) In the United States of America dollar equivalent, determined by the rate of exchange on the day the loss was discovered.

b. SECURITIES

Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:

- (1) 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
- (2) 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:
 - (a) Market value of the "securities" at the close of business on the day the loss was discovered; or
 - (b) Limit of Insurance applicable to the "securities".

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOCK AND KEY REPLACEMENT COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION I – COVERAGES

The following is added to **4. Additional Coverages**:

LOCK AND KEY REPLACEMENT COVERAGE

When a covered loss resulting from theft, vandalism, or malicious mischief has occurred, even if no keys are identified as missing or appearing to have been duplicated, we will pay the reasonable expenses you incur to re-key, repair, or replace, the locks on all entrances to the Covered Property provided:

- (1) You inform us of the covered theft or loss of keys to the Covered Property;
- (2) A police report noting the theft or loss is provided to us; and
- (3) The locks, cylinders, or tumblers, associated with the Covered Property incurring the loss have been re-keyed, repaired, or replaced within 72 hours of the time and date of the theft and loss of keys indicated on the associated police report.

This coverage only applies to missing keys if other property is missing or stolen and meets the parameters outlined above.

This coverage does not apply to a building under construction, renovation, or remodeling.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay in any one "occurrence" under Lock and Key Replacement Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage.

SECTION IV – DEDUCTIBLES

The following is added:

No Deductible applies to Lock and Key Replacement Coverage.

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS INCOME – LIMITED FUNGI, WET OR DRY ROT COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM

SECTION I – COVERAGES

The following is added to **6. Additional Coverages**:

BUSINESS INCOME – LIMITED FUNGI, WET OR DRY ROT COVERAGE

- (1) The coverage described herein only applies when the "fungi", wet rot, or dry rot is the result of a "specified cause of loss" other than fire or lightning that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that "occurrence". This coverage does not apply to lawns, trees, shrubs, or plants which are part of a vegetated roof.
 - (a) If the loss which resulted in "fungi", wet rot, or dry rot does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungi", wet rot, or dry rot, then our payment under the Business Income and Extra Expense Coverage is limited to the amount of loss and/or expense sustained in a period of not more than 30 days, unless a different number of days is shown in the Declarations. The days need not be consecutive.
 - (b) If a covered "suspension" of "operations" was caused by loss or damage other than "fungi", wet rot, or dry rot, but remediation of "fungi", wet rot, or dry rot prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days, unless a different number of days is shown in the Declarations. The days need not be consecutive.
- (2) For this Additional Coverage to apply, the building shown in the Declarations where the "suspension" of your "operations" occurs must show a Limit of Insurance for Business Income and Extra Expense Coverage.
- (3) The waiting period for the building at which the loss occurs shall apply, as shown in the Declarations.

SECTION II – EXCLUSIONS AND LIMITATIONS

For purposes of this endorsement, **1.a.(9) Fungi, Wet Rot, Or Dry Rot** does not apply.

SECTION III – LIMITS OF INSURANCE

The following is added:

The most we will pay under Business Income – Limited Fungi, Wet Or Dry Rot Coverage is the Limit of Insurance shown in the Declarations for this Additional Coverage. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss sustained and expense incurred arising out of all "occurrences" of "specified causes of loss" (other than fire or lightning) which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular "occurrence" of loss which results in "fungi", wet rot, or dry rot, we will not pay more than the total applicable Limit of Insurance shown in the Declarations even if the "fungi", wet rot, or dry rot continues to be present or active, or recurs, in a later policy period.

SECTION IV – CONDITIONS

The following is added:

If applicable, the Business Income – Coinsurance condition does not apply to this endorsement.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT PROPERTY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM

SECTION II – EXCLUSIONS AND LIMITATIONS

The following is added to 1. of the **Commercial Property Coverage Form**:

CYBER INCIDENT

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

But if a cyber incident results in fire or explosion damage to Covered Property, we will pay for the direct physical loss of or direct physical damage to Covered Property caused by that fire or explosion (if fire or explosion would otherwise be covered under this Coverage Part).

Cyber incidents include but are not limited to:

- (a) Unauthorized access to or use of any computer system or computer software (including electronic data);
- (b) Malicious code, virus, or any other harmful code that is directed at, enacted upon, or introduced into any computer system or computer software (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent, or restrict access to, or the use of, any part of any computer system or computer software (including electronic data), or otherwise disrupt their normal functioning or operation;
- (c) Denial of service attack which disrupts, prevents, or restricts access to or use of any computer system or computer software (including electronic data), or otherwise disrupts their normal functioning or operation.

Cyber incidents are not considered acts of vandalism and, accordingly, no coverage applies under any existing vandalism coverage provided as part of this policy.

The following is added to 1. of the **Business Income and Extra Expense Coverage Form**:

CYBER INCIDENT

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

But if a cyber incident results in fire or explosion damage to property, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by that fire or explosion (if fire or explosion would otherwise be covered under this Coverage Part).

Cyber incidents include but are not limited to:

- (a) Unauthorized access to or use of any computer system or computer software (including electronic data);

- (b)** Malicious code, virus, or any other harmful code that is directed at, enacted upon, or introduced into any computer system or computer software (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent, or restrict access to, or the use of, any part of any computer system or computer software (including electronic data), or otherwise disrupt their normal functioning or operation;
- (c)** Denial of service attack which disrupts, prevents, or restricts access to or use of any computer system or computer software (including electronic data), or otherwise disrupts their normal functioning or operation.

Cyber incidents are not considered acts of vandalism and, accordingly, no coverage applies under any existing vandalism coverage provided as part of this policy.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL LOSS NOTIFICATION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

SECTION V – CONDITIONS

PROPERTY LOSS CONDITIONS

Under **3. Duties In The Event Of Loss Or Damage**, item **a.(3)** is deleted and replaced by the following:

- (3)** Give us prompt notice of the loss or damage. Include a description of the property involved. With respect to loss caused by the peril of Windstorm or Hail, the notice must be within 365 days after the date of loss.

All other provisions of this policy apply.

IMPORTANT INFORMATION

Policy Issue Date: 09/03/2025
Businessowner Name: TINA RUSCHE

Thank you for choosing Liberty Mutual Insurance as your commercial insurance provider. We take pride in offering you excellent products with personal service at a competitive price. We consider many factors when determining your premium. This includes an evaluation of a combination of information, such as loss history, your credit-based insurance score, and prior coverages. Some of the information we considered was obtained from a consumer report, and the premium charged is higher than it would have been had we not considered this information.

The following consumer reporting agency provided the credit-based insurance score we used:

Name: TransUnion Consumer Solutions
Address: P.O. Box 2000
Chester, PA 19022
Telephone: (800)645-1938

The following information related to your credit-based insurance score was also provided:

Code: 309
Description: Number of inquiries reported

Code: 322
Description: Average amount of time accounts have been established

Code: 310
Description: Number of accounts ever past due

Code: 324
Description: Number of open accounts reported as 'paid as agreed'

While the above consumer reporting agency(ies) provided the information, they did not make the decision as to what premium to offer you and are unable to provide specific reasons regarding decisions about your price and policy.

You can request a free copy of your credit report within 60 days of receiving this notice by contacting the consumer reporting agency noted above

If, after reviewing your credit report, you believe the report is incomplete or incorrect, you may contact the consumer reporting agency to dispute the accuracy or completeness of the information. At your request, the consumer reporting agency will review your credit information and issue an updated report within 30 days, free of charge. If you would then like us to reevaluate your policy using your updated score, or if you have any questions, please contact your independent agent.

INFORMATION ABOUT YOUR POLICY

Policy Number: JKF (26) 69 63 34 15
Insured Name: GRAY DUCK PLUMBING LLC

Like many insurance companies, Liberty Mutual Insurance considers many factors, including information based on your credit history, claims history, and risk characteristics to determine your premium. You have the option to request that we re-evaluate your insurance rate with up-to-date information for determining the premium for the next renewal period. You may request this kind of policy re-evaluation once every twelve months. Please note that a re-evaluation may result in a quoted premium either higher or lower than your current premium.

To submit a request, please contact your independent agent.

IMPORTANT NOTICE – PLEASE READ CAREFULLY

Audit Information Policyholder Notice

Thank you for insuring your business with Liberty Mutual. We appreciate the trust and confidence you have placed in us. We take our responsibility to our customers seriously, and part of that responsibility is keeping you informed at all times.

This explanation is not a part of your insurance policy, and it does not alter any of its provisions or conditions. Please refer any questions you may have to your insurance agent.

We would like to thank you for being a policyholder. We appreciate your business.

If your policy contains a condition stating it is subject to a premium audit, we would like to take this opportunity to explain how the audit process works and answer the most common questions we receive from our policyholders. The information in this notice will make it easier for you to prepare for your audit.

INSURANCE PREMIUM AUDIT FACTS

Audits can benefit our policyholders by allowing us to collect the appropriate amount of premium for each policy.

Most commercial policies are written based on estimated or fluctuating exposure bases. At the end of the policy term an audit will determine the actual exposure bases and the premium will be adjusted accordingly. A company representative will conduct the audit.

The premium auditor will examine and audit records that relate to your policy. The records necessary to complete the audit will vary, based on the coverages you have. Types of records that may be requested for your audit include, but are not limited to:

- Payroll Records, including Federal 941 forms
- Sales Journals or income statements
- General Ledger
- Cash Disbursements Journal
- Subcontractor Certificates

Keeping accurate and complete records will allow the auditor to properly classify and allocate your exposures correctly. Often there are allowable credits available according to insurance manual classification and rating rules. The premium auditor will be able to give you the credits, to which you are entitled, if your records provide the necessary details. Providing the records your auditor needs can save you time and money as well as expedite the audit process.

HOW AUDITS ARE CONDUCTED

Audits are handled in different ways, depending on the types of coverages you may have. We conduct audits in the following ways:

Physical Audit – An auditor will contact you and set up a convenient time to personally come to your business and review your records.

Phone Audit – Forms will be mailed to you, explaining what is necessary to complete a phone audit. The phone auditor will contact you or your bookkeeper for this information.

Voluntary Audit – Forms will be mailed to you for completion. We will provide you with contact information if you need assistance in completing the forms.

COMPLETING THE AUDIT

Many states have enacted legislation that governs the time in which an audit must be completed, billed, and paid. This applies to audits for cancelled policies as well as regular audits. In order to comply with state regulations, it is important to make your records available for audit when our representative contacts you. We will make every effort to complete the audit within a reasonable time after the close of the policy period stated in your policy.

FREQUENTLY ASKED QUESTIONS

Q: What if I use subcontractors?

A: Subcontractors are factored in to the audit process. Subcontractors who do not have insurance are treated as though they are your employees at the time of the audit. If your subcontractor furnishes you with a certificate of liability or workers' compensation insurance, your insurance cost for that subcontractor could be less. See your policy for details on limits of insurance required for certificates.

Q: I have no employees and work alone. Does the insurance company still need to complete an audit?

A: Yes. The auditor will need to verify you worked alone by examining business records that may include tax filings, disbursements, and check stubs.

Q: Do I need an audit if I have cancelled my policy or am no longer insured with you?

A: An audit may still be necessary even if you no longer have an active policy with us. The audit would cover the time period for which you were insured by us. Other factors that may determine if an audit is necessary include the time the policy was in effect and the amount of premium involved.

Q: If I use leased employees but the leasing company carries the liability, are the leased employees excluded from my General Liability policy?

A: No. Per GL base contract, the definition is "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

Q: Is it necessary to keep records on any casual labor I use?

A: Yes. Casual labor payroll is examined during the audit.

Q: What happens if I do not comply with the audit and fail to provide all necessary records and verification?

A: It is important to provide the necessary information in order to complete the audit. If you fail to do so, your policy may be cancelled or nonrenewed. You may also receive an estimated audit statement based on increased policy exposure estimates due to non-compliance of audit.

Q: Am I able to request an audit on my policy?

A: Yes. Inquiries may be started by contacting your independent agent or our Premium Audit Department.

If you would like additional information about the policy audit process, your independent agent can assist you. The Premium Audit Department is also available to answer any questions you may have regarding this process.

Please contact us at 1-888-224-9246 or via E-mail at PremiumAuditServices@libertymutual.com.

This notice is for information purposes only and does not provide coverage. Your Declarations Page, in conjunction with your policy and other applicable endorsements, provides complete details of your coverages. If this notice conflicts with the applicable policy language, the policy language prevails. Carefully read your policy, including all endorsements.

IMPORTANT NOTICE – PLEASE READ CAREFULLY

Adequately Insured Subcontractor Policyholder Notice

Thank you for insuring your business with Liberty Mutual. We appreciate the trust and confidence you have placed in us. We take our responsibility to our customers seriously, and part of that responsibility is keeping you informed at all times.

This explanation is not a part of your insurance policy, and it does not alter any of its provisions or conditions.

Please refer any questions you may have to your insurance agent.

As a construction related insured, a portion of your construction operations may be performed by subcontractors. In order to minimize your loss exposure and reduce your premium charge for subcontracted work, your subcontractors must carry adequate insurance.

Please read the following carefully to understand:

1. What is an Adequately Insured Subcontractor?

A subcontractor that has a valid Certificate of Insurance showing proof of Commercial General Liability coverage, or its equivalency, with the Named Insured shown as a Certificate Holder and at least \$300,000 (Occurrence) limits for the period of time work was performed.

2. How do we determine your premium for an Adequately Insured Subcontractor?

We will use the total cost of the subcontracted work to determine your premium regarding your Commercial General Liability coverage. The resulting premium charge to you will normally be much less than if the subcontractor is uninsured or carries an inadequate limit of insurance.

In order to meet the requirement of having an Adequately Insured Subcontractor, you must present satisfactory evidence of subcontractor's insurance by providing us with a valid Certificate of Insurance from your subcontractor, at the time of audit. The certificate must show proof of Commercial General Liability coverage with you as the Certificate Holder and at least \$300,000 (Occurrence) limit for the period of time that the subcontractor performed work for you.

If you do not have satisfactory evidence of subcontractors insurance at the time of audit, your subcontractors will be deemed inadequately insured.

3. How do we determine your premium for an inadequately insured subcontractor?

If you cannot provide satisfactory evidence of the subcontractor's insurance at the time of audit, such as not being able to provide a Certificate of Insurance or the Certificate of Insurance has limits less than \$300,000 (Occurrence), we will determine the premium for the inadequately insured subcontractor as follows:

The subcontractor will be classed according to type of construction operation performed and charged the same as an employee. At the time of audit, we will request that you provide us with the subcontractor's payroll amount and a description of work performed for you.

If we cannot determine the subcontractor's payroll, your premium charge for the inadequately insured subcontractor will be based on the following:

If the insured's records do not disclose a breakdown between material and labor costs, but the total subcontract costs did include materials, use a minimum of 50% of the total cost as the premium basis.

If the subcontractor work was for labor only, use 90% of the total subcontract cost as the rating basis.

4. What records and documentation are you required to maintain?

Please be sure that you keep clear and accurate records with a breakdown of payrolls and subcontractor costs by type of work performed. In addition, be sure to obtain and save satisfactory evidence of subcontractor's insurance, such as Certificates of Insurance regarding all of your subcontractors.

We have included a helpful Example Subcontractor Worksheet, WS 70 03 06 00, that may assist you to establishing an organized method of monitoring your subcontractor's work and their Certificates of Insurance.

EXAMPLE

Subcontractor Worksheet

Agency:

Policy Number:

Name of Subcontractor	Description of Operation	Total Cost Paid to Subcontractor	Cost Paid to Subcontractor for Materials Only	Certificate of Insurance for Workers Comp Coverage	Certificate of Insurance for General Liability with at least \$300,000 limit per Occurrence
				(Y) or (N)	(Y) or (N)
Jones Excavating	Foundations excavated	\$15,000	\$5,000	Y	Y
Hart Electrical	Residential Work	\$7,000	\$0	Y	Y

WS 70 03 06 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

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

B. Application Of Exclusions

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

NOTICE CONCERNING POLICYHOLDER RIGHTS IN AN INSOLVENCY UNDER THE MINNESOTA INSURANCE GUARANTY ASSOCIATION LAW

The financial strength of your insurer is one of the most important things for you to consider when determining from whom to purchase a property or liability insurance policy. It is your best assurance that you will receive the protection for which you purchased the policy. If your insurer becomes insolvent, you may have protection from the Minnesota Insurance Guaranty Association as described below but to the extent that your policy is not protected by the Minnesota Insurance Guaranty Association or if it exceeds the Guaranty Association's limits, you will only have the assets, if any, of the insolvent insurer to satisfy your claim.

Residents of Minnesota who purchase property and casualty or liability insurance from insurance companies licensed to do business in Minnesota are protected, SUBJECT TO LIMITS AND EXCLUSIONS, in the event the insurer becomes insolvent. This protection is provided by the Minnesota Insurance Guaranty Association.

Minnesota Insurance Guaranty Association
7600 Parklawn Ave. # 329
Edina, Minnesota 55435

The maximum amount that the Minnesota Insurance Guaranty Association will pay in regard to a claim under all policies issued by the same insurer is limited to \$300,000. This limit does not apply to workers' compensation insurance. Protection by the Guaranty Association is subject to other substantial limitations and exclusions. If your claim exceeds the Guaranty Association's limits, you may still recover a part or all of that amount from the proceeds from the liquidation of the insolvent insurer, if any exist. Funds to pay claims may not be immediately available. The Guaranty Association assesses insurers licensed to sell property and casualty or liability insurance in Minnesota after the insolvency occurs. Claims are paid from the assessment.

THE PROTECTION PROVIDED BY THE GUARANTY ASSOCIATION IS NOT A SUBSTITUTE FOR USING CARE IN SELECTING INSURANCE COMPANIES THAT ARE WELL MANAGED AND FINANCIALLY STABLE. IN SELECTING AN INSURANCE COMPANY OR POLICY, YOU SHOULD NOT RELY ON PROTECTION BY THE GUARANTY ASSOCIATION.

THIS NOTICE IS REQUIRED BY MINNESOTA STATE LAW TO ADVISE POLICYHOLDERS OF PROPERTY AND CASUALTY INSURANCE POLICIES OF THEIR RIGHTS IN THE EVENT THEIR INSURANCE CARRIER BECOMES INSOLVENT. THIS NOTICE IN NO WAY IMPLIES THAT THE COMPANY CURRENTLY HAS ANY TYPE OF FINANCIAL PROBLEMS. ALL PROPERTY AND CASUALTY INSURANCE POLICIES ARE REQUIRED TO PROVIDE THIS NOTICE.

IMPORTANT NOTICE – PLEASE READ CAREFULLY

Terrorism Insurance Premium Disclosure And Opportunity To Reject

Thank you for insuring your business with Liberty Mutual. We appreciate the trust and confidence you have placed in us. We take our responsibility to our customers seriously, and part of that responsibility is keeping you informed at all times.

This notice contains important information about the Terrorism Risk Insurance Act and its effect on your policy. Please read it carefully.

THE TERRORISM RISK INSURANCE ACT

The Terrorism Risk Insurance Act, including all amendments ("TRIA" or the "Act"), establishes a program to spread the risk of catastrophic losses from certain acts of terrorism between insurers and the federal government. If an individual insurer's losses from "certified acts of terrorism" exceed a specified deductible amount, the government will generally reimburse the insurer for a percentage of losses (the "Federal Share") paid in excess of the deductible, but only if aggregate industry losses from such acts exceed the "Program Trigger". An insurer that has met its insurer deductible is not liable for any portion of losses in excess of \$100 billion per year. Similarly, the federal government is not liable for any losses covered by the Act that exceed this amount. If aggregate insured losses exceed \$100 billion, losses up to that amount may be pro-rated, as determined by the Secretary of the Treasury.

Beginning in calendar year 2020, the Federal Share is 80% and the Program Trigger is \$200,000,000.

MANDATORY OFFER OF COVERAGE FOR "CERTIFIED ACTS OF TERRORISM" AND DISCLOSURE OF PREMIUM

TRIA requires insurers to make coverage available for any loss that occurs within the United States (or outside of the U.S. in the case of U.S. missions and certain air carriers and vessels), results from a "certified act of terrorism" AND that is otherwise covered under your policy.

A "certified act of terrorism" means:

[A]ny act that is certified by the Secretary [of the Treasury], in consultation with the Secretary of Homeland Security, and the Attorney General of the United States

- (i) to be an act of terrorism;
- (ii) to be a violent act or an act that is dangerous to
 - (I) human life;
 - (II) property; or
 - (III) infrastructure;
- (iii) to have resulted in damage within the United States, or outside of the United States in the case of
 - (I) an air carrier (as defined in section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or
 - (II) the premises of a United States mission; and
- (iv) 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.



REJECTING TERRORISM INSURANCE COVERAGE – WHAT YOU MUST DO

We have included in your policy coverage for losses resulting from "certified acts of terrorism" as defined above.

THE PREMIUM CHARGE FOR THIS COVERAGE APPEARS ON THE DECLARATIONS PAGE OF THE POLICY AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT. If we are providing you with a quote, the premium charge will also appear on your quote as a separate line-item charge.

IF YOU CHOOSE TO REJECT THIS COVERAGE, PLEASE CHECK THE BOX BELOW, SIGN THE ACKNOWLEDGMENT, AND RETURN THIS FORM TO YOUR AGENT: **Please ensure any rejection is received within (30) days of the effective date of your policy.**

Before making a decision to reject terrorism insurance, refer to the Disclaimer for Standard Fire Policy States located at the end of this Notice.

I hereby reject this offer of coverage. I understand that by rejecting this offer, I will have no coverage for losses arising from "certified acts of terrorism" and my policy will be endorsed accordingly.

Policyholder/Applicant's Signature

Print Name

Date Signed

Named Insured: GRAY DUCK PLUMBING LLC

Policy Number: JKF (26) 69 63 34 15

Policy Effective/Expiration Date: From 08/25/2025 to 08/25/2026

IF YOU REJECTED THIS COVERAGE, PLEASE RETURN THIS FORM TO YOUR AGENT.

Note: Certain states (currently CA, GA, IA, IL, ME, MO, NY, NC, NJ, OR, RI, WA, WI, and WV) mandate coverage for loss caused by fire following a "certified act of terrorism" in certain types of insurance policies. If you reject TRIA coverage in these states on those policies, you will not be charged any additional premium for that state mandated coverage.

The summary of the Act and the coverage under your policy contained in this notice is necessarily general in nature. Your policy contains specific terms, definitions, exclusions, and conditions. In case of any conflict, your policy language will control the resolution of all coverage questions. Please read your policy carefully.

If you have any questions regarding this notice, please contact your agent.



This policy is signed on our behalf by:



Hamid Mirza
President



Damon P. Hart
Secretary