

AXIS INSURANCE COMPANY
411 S. STATE ST, SUITE 1A
NEWTOWN, PA 18940

ROLAND ARTHUR T/A
ARTHUR ELECTRIC COMPANY
192 COUNTRY CLUB DRIVE
LUMBERTON, NJ 08048

AXIS INSURANCE COMPANY
411 S. STATE ST, SUITE 1A NEWTOWN, PA 18940

SMALL CONTRACTORS POLICY DECLARATIONS

Policy Number
AXCP2183 2019 0

BASIC

Renewal of Number: AXCP2183

1. Named Insured and Mailing Address

ROLAND ARTHUR T/A
ARTHUR ELECTRIC COMPANY
192 COUNTRY CLUB DRIVE
LUMBERTON, NJ 08048

PRODUCER - 173

JAMES C FRANCHINO AGENCY INC
132 COLUMBIA TPKE
FLORHAM PARK, NJ 07932
(973) 377-6100

2. Policy Term: From 04/01/2019 to 04/01/2020 12:01 A.M. Standard Time at your mailing address shown above

3. You are a: INDIVIDUAL

4. Your Business/Operation: ELECTRICIAN

IN RETURN FOR THE PAYMENT OF PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY. THERE ARE EXCLUSIONS, CONDITIONS AND LIMITATIONS CONTAINED IN THE POLICY FORMS AND ENDORSEMENTS.

5. SCHEDULE OF PREMISES

Location: 1 Building: 1 County: BURLINGTON Construction: 1
192 COUNTRY CLUB DRIVE
LUMBERTON, NJ 08048

PART I - BUSINESS PROPERTY

LIMIT OF LIABILITY	COVERAGES
Location 1	Building 1
\$ 500 < Deductible - Coverages A and B	
\$ N/A	A. Building
\$ 15,000	B. Business Personal Property
\$ N/A	C. Personal Property of Others
INCLUDED	D. Loss of Use

\$ N/A	A. Building	Coinsurance
\$ 15,000	B. Business Personal Property	Factor
\$ N/A	C. Personal Property of Others	NIL
INCLUDED	D. Loss of Use	

THIS POLICY CONTAINS AGGREGATE LIMITS: REFER TO PART II A OF THE COVERAGE FORM FOR DETAILS.

PART II - BUSINESS LIABILITY

LIMIT OF LIABILITY	COVERAGES
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\$ 1,000,000	Each Occurrence Limit - Less \$ 0 Per Claim Property Damage Liability Deductible
\$ 5,000	Medical Payments (Cov. F) - Limit Per Person
\$ 2,000,000	General Aggregate/Total Limits - Other Than Products / Completed Operations
\$ 1,000,000	General Aggregate/Total Limits - Products / Completed Operations
\$ 100,000	Fire Legal Liability Supplemental Coverage
\$ 1,000,000	Personal Injury/Advertising Injury Supplemental Coverages

Rating Classification	Code #	Premium Bases	
Electrician	2980	17000	Payroll

7. FORMS AND ENDORSEMENTS MADE PART OF THIS POLICY

Form Edition	Description
AXIS JACKET (06-15)	AXIS JACKET
MCL 143 (03/2014)	Data Breach Exclusion - Part II
MCL 178 (08/2000)	Exterior Insulation and Finish System Exclusion - Part II
MCL 189*(04/2007)	Lead/Lead Contamination and Asbestos Exclusions - Part II
MCL 193*(06/2005)	Contractors New York State Bodily Injury Limitation - Part II
MCL 821*(06/2005)	Mandatory Endorsement - New Jersey
MCM 418 (01/2015)	Non-Certified Acts of Terrorism Exclusions - Parts I and II
MCM 820 (08/2015)	Mandatory Endorsement - New Jersey
MCP 170 (10/2004)	Crime Common Provisions Form - Part I
MCP 171 (10/2004)	Employee Dishonesty Coverage (Form A) - Part I
MCP 173 (10/2004)	Money and Securities Crime Coverage (Form C) - Part I
MCP 507 (11/2007)	Water Damage Back-up
MCP 515 (11/2007)	Ice Damning Exclusion
SICP-7000(09/11)	Building Code/Law Coverage Modification
SISC-0001 (09/11)	Special Contractors Policy
SIIL-7000 (09/11)	Software Loss Exclusion - Part I
SISC-0004 (09/11)	Identity Recovery Coverage
SISC-0005 (09/11)	Computer Coverage-Contractors
MCM 412 (01/2015)	Certified Acts of Terrorism Exclusions
TPD 12 (01/2015)	Notice of Terrorism Insurance Coverage - Policyholder Disclosure
MCP 525 (11/2007)	Replacement Cost on Tools
SISC DS 01 (09/11)	Supplemental Declarations - Contractors
SISC-0002 (09/11)	Plumbing/HVAC/Electrician Contractors Enhancements - Part II

* NJ Mandatory Forms

\$	584	Annual Premium
\$	4	< Surcharge NJ-PLIGA
\$	588	< Total Premium

04/23/2019

Countersignature Date

By:

Representative



POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

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

If you accept this coverage, any terrorism exclusions for acts of terrorism, as defined in the Act, already contained in your policy or included in an endorsement are nullified.

If you accept this offer of coverage, you should know that coverage that may be provided by this policy for losses caused by certified acts of terrorism is partially reimbursed by the United States under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under this formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided below and does not include any charges for the portion of loss covered by the federal government under the Act.

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

ACCEPTANCE OR REJECTION OF TERRORISM INSURANCE COVERAGE

You may accept or reject this offer of coverage. Your renewal policy does not include this coverage, but includes an exclusion for terrorism losses.

You may accept this coverage by signing and returning this notice to us by the date listed below. If you elect to accept this coverage, the premium is payable according to your billing notice.

The portion of your annual premium that is for the coverage for terrorism, as defined in this Act, if you accept this coverage is:
\$ 32.

	I hereby elect to purchase terrorism coverage. Sign and return this form to us by <u>05/01/2019</u> .
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Policyholder/Applicant's Signature

AXIS INSURANCE COMPANY

Insurance Company

ROLAND ARTHUR T/A
Print Name

AXCP2183
Policy Number

Date



AXIS INSURANCE COMPANY

Commercial Lines Policy

Home Office:

111 South Wacker Dr.
Suite 3500
Chicago, IL 60606

Administrative Office:

11680 Great Oaks Way
Suite 500
Alpharetta, GA 30022

Servicing Office:

G&G Underwriters
411 South State St., Suite 1A
Newtown, PA 18940
(888) 654-3100

This Policy Consists of:

- Declarations
- Common Policy Conditions
- One or more coverage parts

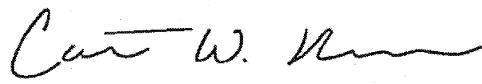
A coverage part consists of
One or more coverage forms
Applicable forms and endorsements

IN WITNESS WHEREOF, the Insurer has caused this policy to be issued by affixing hereto the facsimile signatures of its President and Secretary.



Secretary

Andrew Weissert, Secretary



President

Carlton Maner, President

DATA BREACH EXCLUSION • PART II

This endorsement extends the Part II exclusions to any occurrence or injury arising out of a Data Breach.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

ADDITIONAL EXCLUSION – DATA BREACH

Part II C is extended to include the following:

- A. *We do not insure bodily injury, property damage, advertising injury, or personal injury, resulting from or caused by a data breach.*
- B. *We do not insure any costs, expenses, liability or loss incurred by you or others, arising out of any notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense arising out of a data breach.*

GLOSSARY

Data Breach means loss, theft, or accidental release, disclosure or publication of any person's or organization's confidential or personal information. This includes:

- A. Personally identifiable information such as:
 - 1. Identification and contact information.
 - 2. Government issued identification numbers.
 - 3. Financial information.
- B. Protected health information as defined by the Health Information Portability and Accountability Act (HIPAA) including any amendments or additions to such law.
- C. Customer lists, financial information, formulas, patents, processing methods, trade secrets, or other items of information that are not available to the general public.
- D. Any other type of nonpublic information as defined in Title V of the Gramm-Leach Bliley Act of 1999 including any amendments or additions to such law.



EXTERIOR INSULATION AND FINISH SYSTEM EXCLUSION • PART II

This endorsement extends the exclusions to any occurrence or injury arising out of Exterior Insulation and Finish Systems as described.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

ADDITIONAL EXCLUSIONS — EXTERIOR INSULATION AND FINISH SYSTEM**A. Part II C is extended to include the following:**

We do not insure bodily injury, property damage, personal injury or advertising injury resulting from or caused by:

1. the construction, correction, design, fabrication, installation, maintenance, manufacture, preparation, remodeling, replacement, repair or service of an exterior insulation finish system (EIFS), synthetic stucco, or any similar product or any part; or
2. the application or use of accessories, caulking, coatings, conditioners, paints, primers or sealants in connection with such a product.

B. Supplemental Coverage 2 in Part II B is extended to include the following:

We do not insure bodily injury or property damage for which the insured is liable to pay damages because of the assumption of liability for injury or damage resulting from or caused by:

1. the construction, correction, design, fabrication, installation, maintenance, manufacture, preparation, remodeling, replacement, repair or service of an exterior insulation finish system (EIFS), synthetic stucco, or any similar product or any part; or
2. the application or use of accessories, caulking, coatings, conditioners, paints, primers or sealants in connection with such a product.



LEAD/ LEAD CONTAMINATION AND ASBESTOS EXCLUSIONS • PART II

This endorsement extends the exclusions to any occurrence or injury arising out of lead or asbestos as described.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

ADDITIONAL EXCLUSIONS

Part II C is extended to include the following:

LEAD / LEAD CONTAMINATION EXCLUSIONS

- A. As to *your premises* that were constructed prior to 1978, we do not cover *bodily injury* or medical payments resulting from or caused by lead or lead contamination arising out of any *occurrence* at such premises. This includes such caused by or through:
 - 1. Absorbing lead;
 - 2. Chewing on, eating or otherwise ingesting lead; or
 - 3. Inhaling lead.

If MCL 589 is listed in the Declarations, this exclusion (Paragraph A) does not apply to premises that have been certified, according to the standards established by the New Jersey Department of Community Affairs, as being free of existing lead hazards.

- B. We do not cover *property damage, advertising injury or personal injury* resulting from or caused by lead or lead contamination arising out of any *occurrence* at *your premises*. This includes such caused by or through any sort of lead contamination or existence of lead in:
 - 1. Air, ground, or water; or
 - 2. Any part of the premises including, but not limited to, building materials and paint.
- C. We do not insure any cost, expense, liability or loss arising out of any of the following:
 - 1. Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, or treat, or in any way assess the effects of or respond to lead or lead contamination.
 - 2. Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assessing the effects of or responding to lead or lead contamination.

ASBESTOS EXCLUSIONS

- A. We do not cover *bodily injury, property damage, advertising injury, personal injury, or medical payments* resulting from or caused by the actual, alleged, or threatened exposure to *asbestos*, or the presence of *asbestos* in any place.
- B. We do not insure any cost, expense, liability or loss arising out of any of the following:
 - 1. Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, or treat, or in any way assess the effects of or respond to *asbestos*.
 - 2. Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assessing the effects of or responding to *asbestos*.

Asbestos as used in this exclusion means the mineral in any form, including but not limited to fibers or dust.



CONTRACTORS NEW YORK STATE *BODILY INJURY LIMITATION* •PART II

This endorsement provides limited liability coverage for bodily injury arising out of an accident occurring in the State of New York.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

Policy # **2183**

SCHEDULE

Limit of Liability

\$ 15,000

COVERAGE MODIFICATIONS

Coverage E is extended to include, up to the limit of liability shown in the Schedule of this endorsement, *bodily injury to your employees*, contractors, or employees of *your contractors* arising out of an accident occurring in the State of New York, or arising out of *your* doing business in the State of New York.

ADDITIONAL DEFINITION

Employee means a person employed by *you* and includes a *leased worker*. *Employee* does not include a *temporary worker*.

Leased worker means a person who is leased to *you* by a labor leasing firm under an agreement between *you* and such firm to perform duties related to the conduct of *your* business / operations. *Leased worker* does not include a *temporary worker*.

Temporary worker means a person who is furnished to *you* as a substitute for a permanent *employee* on leave or to meet seasonal or other short-term workload conditions. *Temporary worker* does not include a *leased worker*.

MANDATORY ENDORSEMENT — NEW JERSEY

This endorsement establishes loss information conditions.

Except as provided below, all other provisions in this policy are unchanged.

YOUR RIGHT TO LOSS INFORMATION

The Conditions in this policy are amended to include the following:

- A. *We will provide the first named insured loss information relating to this policy and any preceding General Liability Insurance we have issued to you during the previous three years, as follows:*
 - 1. A report of each occurrence of which we were notified in accordance with the DUTIES OF INSUREDS Condition in Part II D including a brief description of each occurrence and whether any claim arising out of such is open or closed.
 - 2. A summary, by policy year, of payments made and amounts reserved stated separately under any General Coverage Aggregate / Total Limits or Products / Completed Operations Hazard Aggregate / Total Limits, as may be applicable.

The amounts reserved are based on *our* judgment. They are subject to change and *you* should not regard them as ultimate settlement values.

- B. *We will provide this information only if we receive written request from the first named insured during the policy period. We will provide the information no later than 45 days after receiving such request.*
- C. *You must not disclose this information to any claimant's representative without our consent.*
- D. *We compile claim, occurrence and other relevant information for our own business purposes and we exercise reasonable care in doing so. By providing information to the first named insured, we make no representations or warranties to insureds, insurers or others to whom this information is furnished by, or on behalf of, any insured.*



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NON-CERTIFIED ACTS OF TERRORISM EXCLUSIONS • PARTS I AND II

This endorsement extends the policy to exclude certain loss arising out of terrorism.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

1. COVERAGE MODIFICATION – PROPERTY

- A. If Part I is included in this policy, the following exclusion is added to the PART I COMMON EXCLUSIONS:

NON-CERTIFIED ACTS OF TERRORISM EXCLUSION

1. We do not provide insurance for any loss or damage directly or indirectly arising out of or resulting from a *non-certified act of terrorism*, including any action taken in hindering or defending against an actual or expected *non-certified act of terrorism*. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

If loss resulting from fire (to the extent insured by this policy) ensues, we insure such resulting loss. However, this exception for fire applies only to direct physical loss by fire to covered property. Therefore, this exception does not apply to any sort of consequential loss, loss of use, or loss of utility, including losses under Business Income and / or Extra Expense coverages.

2. Regardless of the amount of damage and losses, this *Non-certified Acts of Terrorism* Exclusion applies to any *non-certified act of terrorism*:
 - a. That involves the use, release or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
 - b. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
 - c. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the *non-certified act of terrorism* was to release such materials.

In incidents of *non-certified acts of terrorism* other than those described in the preceding Paragraphs 1.A. 2.a, b, and c, the *Non-certified Acts of Terrorism* Exclusion will not apply unless the *insured damage* to all types of property (in the United States, its territories and possessions, the District of Columbia, Puerto Rico and Canada), sustained by all persons and entities affected by the *non-certified act of terrorism* (and including loss of Business Income and Extra Expense sustained by owners or occupants of such damaged property), exceeds a total of \$25,000,000. Multiple *non-certified acts of terrorism* which occur within a

seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one *non-certified act of terrorism*.

The preceding paragraph describes the threshold used to measure the magnitude of a *non-certified act of terrorism* and the circumstances in which the threshold will apply, for the purpose of determining whether the *Non-certified Acts of Terrorism* Exclusion will apply to that incident. When the *Non-certified Acts of Terrorism* Exclusion applies to a *non-certified act of terrorism*, there is no coverage under this insurance.

In the event of any *non-certified act of terrorism* that is not subject to the *Non-certified Acts of Terrorism* Exclusion, coverage does not apply to any element of loss or damage that is otherwise excluded under this insurance.

3. However, with respect to any activity that also comes within the terms of the Governmental / Legal / War Exclusion, that exclusion supersedes this *Non-certified Acts of Terrorism* Exclusion.

In the event of a *non-certified act of terrorism* that involves nuclear reaction or radiation, or radioactive contamination, this *Non-certified Acts of Terrorism* Exclusion supersedes the Nuclear / Radioactive Loss Exclusion.

- B. If Part I is included in this policy, the PART I – GOVERNMENTAL / LEGAL / WAR COMMON EXCLUSION is replaced by the following:

GOVERNMENTAL / LEGAL / WAR

1. Any act or condition of: war (declared or not), civil war, invasion, insurrection, rebellion, revolution, or seizure of power, including acts done to defend against any such act or condition, whether actual or expected. With respect to any action that comes within the terms of this exclusion and involves nuclear reaction or radiation, or radioactive contamination, this exclusion supersedes the Nuclear / Radioactive Loss Exclusion.
2. Knowing violation of penal law or ordinance committed by, or with the consent of, an *insured*. Statutory fines or liability. Exemplary or punitive damages.
3. Confiscation, loss, or seizure under customs, drug enforcement, or quarantine legislation or regulations. Loss to property that is contraband or in the course of illegal transportation or trade.



4. Damage or destruction of property ordered by civil authority, other than immediate acts of destruction ordered by authorized civil authorities for the purpose of preventing the spread of fire – provided the fire originates from a cause of loss covered by this policy.

2. COVERAGE MODIFICATION – LIABILITY

If Part II is included in this policy, the following exclusion is added to the PART II – COMMON EXCLUSIONS:

NON-CERTIFIED ACTS OF TERRORISM EXCLUSION

We do not insure *bodily injury, property damage, personal injury or advertising injury* arising directly or indirectly out of a *non-certified act of terrorism*, including any action taken in hindering or defending against an actual or expected *non-certified act of terrorism*.

However this exclusion only applies if one or more of the following are attributable to a *non-certified act of terrorism*:

- A. The total of *insured damage* to all types of property sustained by all persons and entities affected by the *non-certified act of terrorism* (and including loss of Business Income and Extra Expense sustained by owners or occupants of such damaged property), exceeds \$25,000,000; or
- B. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 1. Physical injury that involves a substantial risk of death; or
 2. Protracted and obvious physical disfigurement; or
 3. Protracted loss of or impairment of the function of a bodily member or organ; or
- C. The *non-certified act of terrorism* involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
- D. The *non-certified act of terrorism* is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- E. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the *non-certified act of terrorism* was to release such materials.

The preceding Paragraphs 2.A and B describe the thresholds used to measure the magnitude of a *non-certified act of terrorism* and the circumstances in which the threshold will apply for the purpose of determining whether the *Non-certified Acts of Terrorism* Exclusion will apply to that incident. When the *Non-certified Acts of Terrorism* Exclusion applies to a *non-certified act of terrorism*, there is no coverage under this insurance.

In the event of any *non-certified act of terrorism* that is not subject to the *Non-certified Acts of Terrorism* Exclusion,

coverage does not apply to any loss or damage that is otherwise excluded under this insurance.

Multiple *non-certified acts of terrorism* which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one *non-certified act of terrorism*.

3. OTHER EXCLUSIONS

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this policy by the Governmental / Legal / War Exclusion, the Nuclear / Radioactive Loss Exclusion or any other exclusion.

4. ADDITIONAL DEFINITIONS

The following definitions apply:

Certified act of terrorism means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism that is:

- A. A violent act or an act that is dangerous to human life, property or infrastructure and that resulted in damage with an aggregate loss exceeding \$5,000,000:
 1. Within the United States;
 2. At the premises of a United States Mission; or
 3. To an air carrier (as defined in section 40102 of title 49, United States Code) or to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs;
- B. 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.

Insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions.

Non-certified act of terrorism means a violent act or an act that is dangerous to human life, property or infrastructure and that is:

- A. Committed by an individual or individuals and appears to be a part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion; and
- B. Not deemed to be a *certified act of terrorism* under the terms of the Federal Terrorism Risk Insurance Act of 2002 or any subsequent action of Congress pursuant to the Act.

MANDATORY ENDORSEMENT – NEW JERSEY

This endorsement establishes Cancellation / Termination conditions in conformance with New Jersey Laws with regard to our rights as to such as provided under N.J.A.C. 11:1-20 et al., adds a failure to disclose any lead-based paint and any lead-based paint hazard exclusion, and also modifies other policy provisions of this policy.

Except as provided below, all other provisions in this policy are unchanged.

ADDITIONAL CONDITIONS**The COMMON CONDITION – CANCELLATION / TERMINATION is supplemented as follows:****B. Our Right to Cancel / Terminate****1. Cancellation/Termination for Nonpayment of Premium**

- a. If the *first named insured* fails to pay, when due, any premium or installment for this policy, it may be cancelled by *us* by mailing or delivering notice of cancellation to the *first named insured* not less than 10 days prior to the effective date of cancellation.
- b. This policy terminates automatically on the expiration date of the expiring policy term if the *first named insured* does not pay when due any renewal premium, or installment payment, for this policy. Notice of the amount of renewal premium must be mailed or delivered by *us* to the *first named insured* not less than 30 days but not more than 120 days prior to the premium due date.

2. Cancellation / Termination for Causes Other Than Nonpayment of Premium

- a. *We* may cancel or nonrenew for reasons other than nonpayment of premium by mailing notice to the *first named insured* not less than 30 days (except for reasons of moral hazard which require only 10 days' notice) but not more than 120 days prior to the effective date of cancellation or termination.
- b. This policy cannot be cancelled or terminated for any underwriting reason or guideline that is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the *first named insured*. The underwriting reasons or guidelines that *we* can use to cancel or terminate this policy are maintained on file by *us*. *We* will furnish such to *you / your* lawful representative upon written request.
- c. This provision does not apply to any policy that has been in effect for less than 60 days at the time notice of cancellation is mailed or delivered, unless the policy is a renewal policy.
- 3. *We* mail or deliver *our* notice of cancellation or termination to the *first named insured's* last mailing address known to *us*. *We* also agree to mail or deliver the notice of cancellation to the mortgagee named in this policy and to any other person entitled to such notice under this policy.

COVERAGE MODIFICATIONS – LIABILITY AND PROPERTY

Throughout this policy, the term "spouse" also includes a person with whom an *insured* has entered into a civil union as recognized under the New Jersey Civil Union Act.

COVERAGE MODIFICATIONS – PROPERTY

If Part I is included in this policy, the following provisions apply:

The COMMON CONDITION – ACTION OR SUIT AGAINST US is supplemented as follows:

No action may be brought against *us* until all conditions in this policy are complied with, and unless brought within 12 months after *our* denial of the entire claim or that part of the claim in dispute (where *we* pay part of the claim but deny payment on the remaining part).

No right exists under this policy for *you* or others to make *us* party to an action against any *insured*.

COVERAGE MODIFICATIONS – LIABILITY

If Part II is included in this policy and this policy covers a *residential dwelling* under Part II, the following provisions apply:

PART II C – LIABILITY NOT INSURED

1. *We* will not insure *bodily injury* or *property damage* arising out of any consequences of the failure of any *insured* to disclose the presence of any *lead-based paint* or *lead-based paint hazard* at the time of the sale or lease of a *residential dwelling*.

2. *We* will not defend any action which arises out of such failure.

As used in this endorsement, the following definitions apply:

Lead-based Paint

Lead-based paint means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square centimeter or 0.5 percent by weight.

Lead-based Paint Hazard

Lead-based paint hazard means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, or lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as established by the appropriate Federal agency.

Residential Dwelling

Residential dwelling means:

1. A single-family dwelling, including attached structures such as porches and stoops; or
2. A single-family dwelling unit in a structure that contains more than one separate residential dwelling unit, and in which each unit is used or occupied, or intended to be used or occupied, in whole or in part, as the residence of one or more persons.



COMMON EXCLUSIONS

- A. The following exclusion is added to PART I:

Fracking

We do not provide insurance for any loss or damage arising out of or resulting from *fracking*. This includes, but is not limited to: any earthquake, earth movement or sinkhole collapse.

However, if loss resulting from fire or explosion, or theft (to the extent otherwise insured by this policy) ensues, we insure such resulting loss.

- B. The following exclusion is added to PART II:

Fracking

We do not insure *bodily injury, property damage, advertising injury, personal injury* or medical payments caused by, or resulting from *fracking*. This includes any damages, expenses, liability, or loss, aggravated by, consisting of, or resulting from any of the following:

1. Earthquake, earth movement, or sinkhole collapse;
2. The actual, alleged, or threatened discharge, dispersal, emission, escape, flowing, leakage, migration, release, or seepage of *fracking* fluids, *pollutants* or other similar forms of environmental damage into land, any body of water, above ground or underground water, or wells;
3. Contamination resulting in any virus or other pathological agent that causes disease or illness in humans, animals, birds, or other creatures;
4. The leasing or renting of *your* premises for the purpose of *fracking*;
5. The removal, storage or transportation of waste water or other chemicals from the *fracking* drilling site;
6. The extraction of *fracking* fluids or other *pollutants* caused by *fracking* from land or water;
7. The removal, replacement, or restoration of land or water that is polluted with *fracking* fluids or other *pollutants* caused by *fracking*.

- C. We do not insure under this policy any cost, expense, liability, or loss arising out of any of the following:

1. Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, or treat, or in any way assess the harmful effects associated with the process of *fracking*; or
2. Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assess the harmful effects associated with the process of *fracking*.

COMMON GLOSSARY

The following definition is added:

Fracking

Fracking means any process of drilling and injecting chemicals, gas, propane gel, sand, water, or other fluids or substances at high pressure into the ground to break up shale rocks from below the earth's surface in order to release natural gas and oil from below the earth's surface.

CRIME COMMON PROVISIONS FORM • PART I

This common provisions form together with one or more Crime Coverage endorsements establishes the provisions for crime insurance.

Except as provided below, all other provisions in this policy are unchanged.

A. COMMON EXCLUSIONS

The Exclusions and Limitations in Parts I D, E, F and the General Exclusions are replaced by the following exclusions. The Part I B Supplemental Coverages do not apply.

We do not provide insurance for any sort of loss consisting of or resulting from the following:

1. Acts Committed by You / Your Partner

Criminal or dishonest acts committed by *you* or any of *your* partners. This applies whether any such persons act alone or in collusion with other persons.

2. Governmental

- Confiscation, loss, or seizure under customs, drug enforcement, or quarantine legislation or regulations.
- Damage or destruction of property ordered by civil authority.

3. Indirect Loss

Indirectly resulting from any act or *occurrence* covered by this insurance, such as loss resulting from or consisting of:

- Costs, fees or other expenses *you* incur in establishing: the existence of loss, or the amount of loss.
- Damage for which *you* are legally liable. But *we* will pay for compensatory damages arising directly from a *covered loss*.
- *Your* loss of income that *you* otherwise would have earned had the loss of or damage to covered property not occurred.

4. Legal Expenses

Expenses related to any legal action.

5. Nuclear / Radioactive Loss

- Any nuclear event, occurrence, or operation, including nuclear explosion, nuclear reaction, nuclear radiation, or radioactive contamination.
- The explosive, radioactive, toxic, or other injurious properties of nuclear or radioactive materials — whether such materials are natural or manufactured.

6. War

Any act or condition of: war (declared or not), civil war, invasion, insurrection, rebellion, revolution, or seizure of power, including acts done to defend against such.

B. ADDITIONAL CONDITIONS**1. Consolidation / Merger**

If any additional persons become *employees* or *you* acquire the use and control of any additional *premises*

through the consolidation or merger with, or the purchase of the assets of, some other entity, then any insurance provided by this policy for *employees* or *premises* also applies to such additional *employees* or *premises*.

But this applies only if *you* give *us* written notice within 30 days of such acquisition and pay *us* additional premium for such.

2. Discovery Period

We provide insurance under this policy for covered loss discovered no later than one year from the end of the policy term.

3. Duties When Loss Occurs

Paragraph E of the Duties Condition is extended to provide that the signed, sworn proof of loss is to be submitted within 120 days of *our* request.

4. Interests Covered

This insurance covers property that *you* own, hold or are legally liable for. However, this insurance is for *your* benefit only. This insurance does not apply to the benefit of any other person or organization.

5. Limit of Liability / Deductible

The How Losses Are Settled Condition is amended as follows:

a. Limit of Liability

Our maximum liability for loss in any one *occurrence* is the applicable limit of liability shown in the Crime Declarations.

b. Deductible

We are liable for loss in any one *occurrence* only when the loss is in excess of the deductible amount shown in the Crime Declarations and then only on the amount of loss less the deductible amount. If more than one deductible could apply to the loss, *we* will apply only the greatest deductible amount of these.

6. Loss Sustained Under Prior Insurance

- a. If *you* (or any predecessor in interest) sustained loss during the policy term of any prior insurance that *you* (or the predecessor in interest) could have recovered under such insurance had the time period for discovering loss not expired, *we* will provide insurance under this policy for such loss provided:

- This insurance became effective at the time of cancellation, expiration or termination of the prior insurance; and



- Such loss would have been a *covered loss* under this insurance had this insurance been in effect when the acts or events causing the loss occurred or were committed.
- b. The most *we* will pay is the lesser amount recoverable under this insurance or the prior insurance had it remained in effect.

7. Loss Also Covered Under Prior Insurance Issued by Us.

If any loss is covered partly by this insurance, and 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 amount recoverable under this insurance or the prior insurance.

8. Multiple Insureds

- a. If more than one *insured* is named in the Declarations, the *first named insured* will act for itself and for every other *insured* for all purposes of this insurance. If the *first named insured* ceases to be covered, then the next *named insured* will become the *first named insured*.
- b. If any *insured*, partner or officer of the *insured*, or member of a limited liability company insured under this policy has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every *insured*.
- c. An *employee* of any *insured* is considered to be an *employee* of every *insured*.
- d. If this insurance or any of its coverages is cancelled or terminated as to any *insured*, loss sustained by that *insured* is covered only if discovered no later than one year from the date of that cancellation or termination.
- e. Regardless of the number of *insureds*, the most *we* will pay for all loss sustained by more than one *insured* is the amount *we* will pay if all the loss had been sustained by one *insured*.

9. Non-Cumulation of Limits

Regardless of the number of years this insurance remains in force or the number of premiums paid, the Limits of Insurance do not cumulate from year to year or period to period.

10. Policy Term / Coverage Period

Condition 13 of the General Conditions is amended as follows:

Except as covered under the Loss Sustained Under Prior Insurance Condition above, *we* cover loss that *you* sustain because of acts committed or events occurring during the policy term.

11. Recoveries

Paragraph K of the How Losses Are Settled Condition is replaced by the following:

- a. In the event *we* make a payment for loss and a subsequent recovery is made, such recovery (less the cost of making the recovery) will be distributed:
 - To *you*, until *you* are reimbursed for any loss that *you* sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
 - Then to *us*, until *we* are reimbursed for the settlement made;
 - Then to *you*, until *you* are reimbursed for that part of the loss equal to the Deductible Amount, if any.
- b. Recoveries do not include any recovery:
 - From indemnity, insurance, reinsurance, security or suretyship taken for *our* benefit.
 - Of original *securities* after duplicates of them have been issued.

C. ADDITIONAL DEFINITIONS

- 1. *Employee* means any person:

- a. Who performs services for *you* (and for 30 days after termination of such) whom *you* compensate directly by salary, wages or commissions and whom *you* have the right to direct and control while performing the services.
- b. Employed by an employment contractor while that person is performing services for *you* and is subject to *your* direction and control. But, this does not include any such person while having care and custody of property outside the premises.

Employee does not include any:

- Agent, broker, commission merchant, consignee, factor, independent contractor or representative of the same general character; or
- Director or trustee except while acting within the scope of the usual duties of an *employee*.

- 2. *Property other than money and securities* means any tangible property other than *money* and *securities* that has intrinsic value but not including any property listed in any Crime Coverage Endorsement as Property Not Covered.

EMPLOYEE DISHONESTY COVERAGE (FORM A) • PART I

This endorsement together with the Crime Common Provisions Form provides crime insurance for employee dishonesty.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

COVERAGE MODIFICATION

Coverage

We cover loss to *money, securities and property other than money and securities* resulting directly from dishonest or fraudulent acts involving *employees* (whether acting alone or in collusion with others).

ADDITIONAL EXCLUSIONS

In addition to the Crime Common Exclusions, we do not provide insurance for any sort of loss consisting of or resulting from the following:

A. Employee Cancelled Under Prior Insurance

Loss caused by anyone for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.

B. Inventory Shortages

Loss where proof of the existence of, or amount of, such loss is dependent upon an inventory computation or a profit and loss computation. But, such can be used to support a claim which you otherwise prove.

ADDITIONAL CONDITIONS

A. Cancellation

Condition 3 of the General Conditions is amended as follows:

1. This insurance is automatically cancelled on any *employee* immediately upon discovery by *you* or *your* directors, officers, partners or trustees of such dishonesty or fraud by the *employee*, whether before or after becoming employed by *you* and whether or not *you* make claim or report such to *us*.
2. We may cancel this insurance on any *employee* by mailing or delivering to the *first named insured* written notice of such cancellation not less than 30 days prior to the effective date of the cancellation. We will mail or deliver such notice to the *first named insured*'s last mailing address known to *us*. If notice is mailed, proof of mailing is sufficient proof of notice.

B. Duties When Loss Occurs

The Duties Condition is further amended as follows:

If a loss is less than the deductible amount, *you* must still give immediate written notice to *us* of such loss, and, at *our* request, submit to *us* a statement describing the loss.

ADDITIONAL DEFINITIONS

Occurrence means all loss caused by, or involving, one or more *employees*, whether the result of a single act or a series of acts.



MONEY AND SECURITIES CRIME COVERAGE (FORM C) • PART I

This endorsement together with the Crime Common Provisions Form provides crime insurance for money and securities.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

COVERAGE MODIFICATION**A. Coverage Inside the *Premises***

1. We cover loss to *money* and *securities* inside the *premises* or inside any *banking premises* resulting directly from destruction, disappearance or *theft*.

2. Supplemental Coverages

- **Containers**

We cover loss to a locked cash box, cash drawer, cash register, safe or vault located inside the *premises* resulting directly from an actual or attempted *theft* of, or unlawful entry into, such container.

- **Premises Damage**

We cover loss to the *premises* or its exterior resulting directly from an actual or attempted *theft* of *money* or *securities*. This applies only if *you* own the *premises* or are legally liable for such damage.

B. Coverage Outside the *Premises*

We cover loss to *money* and *securities* outside the *premises* while in the care and custody of a *messenger* or an armored motor vehicle company resulting directly from destruction, disappearance or *theft*.

ADDITIONAL EXCLUSIONS

In addition to the Crime Common Exclusions, we do not provide insurance for any sort of loss consisting of or resulting from the following:

A. Accounting / Arithmetical Errors or Omissions

Accounting or arithmetical errors or omissions.

B. Acts of Directors, *Employees*, Representatives or Trustees

Criminal or dishonest acts committed by any of *your* authorized representatives, directors, *employees* or trustees while performing services for *you* or while acting outside the scope of such service. This applies whether any such persons act alone or in collusion with other persons.

C. Exchanges or Purchases

The giving or surrendering of property in any exchange or purchase.

D. Fire

Damage to the *premises* resulting from fire.

E. Money Operated Devices

Loss of property contained in any *money* operated device unless the amount of *money* deposited in such device is recorded by a continuous recording instrument in the device.

F. Surrender or Transfer

Loss of property surrendered or transferred to a person or place outside the *premises* or *banking premises* on the basis of false / unauthorized instructions or as a result of a threat of bodily harm to any person or damage to any property.

This does not apply under Item B (Coverage Outside the *Premises*) to property in the care and custody of a *messenger* if *you*:

- Had no knowledge of any threat at the time such care and custody began; or
- Had knowledge of a threat at the time such care and custody began, but the loss was not related to the threat.

G. Vandalism

Damage to the *premises*, its exterior or to containers of *money* and *securities* resulting from vandalism or malicious mischief.

H. Voluntary Parting of Possession or Title

You or anyone acting on *your* expressed or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

ADDITIONAL CONDITIONS**How Losses are Settled / Other Insurance**

Under Item B (Coverage Outside the *Premises*), we pay only for the amount of loss that *you* cannot recover:

1. Under *your* contract with the armored motor vehicle company; and
2. From any insurance or indemnity carried by, or for the benefit of customers of, such armored motor vehicle company.

ADDITIONAL DEFINITIONS

1. *Banking premises* means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. *Messenger* means *you*, any of *your* partners or any *employee* while having care and custody of the subject property outside the *premises*.
3. *Occurrence* means an:
 - Act or series of related acts involving one or more persons; or
 - Act or event, or a series of related acts or events not involving any person.
4. *Premises* means the interior of that portion of any building *you* occupy in conducting *your* business.
5. *Theft* means any act of stealing.



BUILDING CODE / LAW COVERAGE MODIFICATION

This endorsement revises how the limits of coverage are determined.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

COVERAGE MODIFICATION**Section A of the Building Code / Law Supplemental Coverage is replaced by the following:**

- A. Coverage A is extended to cover the following losses or expenses that ensue as a direct consequence of *covered loss* at the described premises. The losses or expenses covered under Item A.1 are included within the Coverage A limit of liability for the subject property. This Supplemental Coverage does not provide an additional amount of insurance.

We cover the expenses under Items A.2 and 3 for an amount determined by applying the applicable factor shown in the Supplemental Declarations to the Coverage A limit for the subject property: the product is the specific limit for Items A.2 and 3 combined. If this policy is insured on a blanket basis (where more than one building or property is insured under a single limit of liability), the amount of coverage is determined by applying the applicable factor to an amount that is the greater of:

1. The Coverage A replacement cost value for the specific property subject to the *covered loss* as reported to *us* in the Statement of Values on record with *us*; or
2. The actual Coverage A replacement cost at the time of loss for such property.

The losses or expenses covered are:

1. The loss caused by enforcement of any building, land use, or zoning code / law in force the date of the *covered loss*, that:
 - a. Requires the demolition of parts of the same property not damaged by a covered cause of loss.
 - b. Regulates the construction or repair of buildings, or establishes building, land use or zoning requirements at the described premises.
2. The increased expense *you* incur to construct, rebuild, or repair the property caused by enforcement of building, land use, or zoning code / law in force on the date of the *covered loss*: the property must be intended for the same use / occupancy as the current property unless otherwise prohibited by such code / law.
3. The expense *you* incur to demolish undamaged parts of property and clear the site of such parts caused by enforcement of building, land use, or zoning code / law in force on the date of the *covered loss*.

If MCP 504 is listed in the Declarations, then Coverage D is extended, as to the Coverage Period, to the increased period of time required to comply with the conditions described in the preceding Item 1.



SOFTWARE LOSS EXCLUSION – PART I

This endorsement establishes an exclusion for software loss.

Except as provided below, all other provisions in this policy are unchanged.

COVERAGE MODIFICATION

We do not provide insurance for any loss, damage, cost or expense, whether preventative, remedial, replacement, statutorily mandated or otherwise, directly or indirectly arising out of, resulting from, or involving a *software loss*.

This exclusion does not apply to direct physical loss or damage to tangible property that *you* do not manufacture, that results from a *software loss*. For purposes of this endorsement, programs, computer software or operating systems, programming instructions and data are not tangible property.

GLOSSARY

For the purposes of this endorsement, the following definitions apply:

- A.** *Software loss* means loss of or damage to any program(s), computer software or operating system(s), programming instruction(s), or data arising out of or resulting from any failure, malfunction, deficiency, fault, *virus*, deletion or corruption.

Software loss includes but is not limited to loss or damage resulting from any authorized or unauthorized access in or to any:

1. Computer, computer system, computer software or operating systems, computer hardware, communication system,
2. Computer memory, computer chip, microchip,
3. Data processing equipment, file server, networking equipment, integrated circuit or similar device in computer equipment,
4. Program, programming instructions, or data.

- B.** *Virus* means software, data or code that affects the operation or functionality of any:

1. Computer, computer system, computer software or operating systems, computer hardware, communication system,
2. Computer memory, computer chip, microchip,
3. Data processing equipment, file server, networking equipment, integrated circuit or similar device in computer equipment,
4. Program, programming instructions, or data, including but not limited to, any destructive program, computer code, *virus*, worm, logic bomb, denial of service attack, smurf attack, vandalism, trojan horse, or any other data introduced into any electronic system causing deletion, destruction, degradation, corruption, malfunction or compromise to *your* data, software or electronic business systems.



IDENTITY RECOVERY COVERAGE (IDENTITY THEFT CASE MANAGEMENT SERVICE AND EXPENSE REIMBURSEMENT)

This endorsement together with the Special Contractors Policy (SISC-0001) provides an additional Supplemental Coverage for identity recovery.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

ADDITIONAL SUPPLEMENTAL COVERAGES

The following is added to Part I B – Supplemental Coverages.

IDENTITY RECOVERY COVERAGE

- A. We will provide the Case Management Service and Expense Reimbursement described in Paragraph B below if all of the following occur:
1. There has been an *identity theft* involving the personal identity of an *identity theft insured* under this policy; and
 2. Such *identity theft* is first discovered by the *identity theft insured* during the policy period for which this Identity Recovery coverage is applicable; and
 3. Such *identity theft* is reported to us within 60 days after it is first discovered by the *identity theft insured*.

- B. If all three of the requirements listed in Paragraph A above have been met, then we will provide the following to the *identity theft insured*:

1. Case Management Service

Services of an *identity recovery case manager* as needed to respond to the *identity theft*.

2. Expense Reimbursement

Reimbursement of necessary and reasonable *identity theft expenses* incurred as a direct result of the *identity theft*.

This coverage is additional insurance.

ADDITIONAL CONDITIONS

A. LIMITS

Case Management Service is available as needed for any one *identity theft* for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Service do not reduce the amount of limit available for Expense Reimbursement coverage.

Expense Reimbursement is subject to a limit of \$15,000 aggregate per *identity theft insured*. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or expense arising out of all *identity thefts* to any one *identity theft insured* which are first discovered by such *identity theft insured* during the present annual policy period. If an *identity theft* first begins in one policy period and continues into other policy periods, all loss and expense arising from such *identity theft* will be subject to the aggregate limit applicable to the policy period when the *identity theft* was first discovered.

Legal costs as described in Item d. of the definition of *identity theft expenses* are part of, and not in addition to, the Expense Reimbursement coverage limit.

B. DEDUCTIBLE

1. Case Management Service is not subject to a deductible.
2. Expense Reimbursement is subject to the deductible amount shown in the Declarations for Coverages A, B and C. An *identity theft insured* will be responsible for only one deductible under this Identity Recovery Coverage during any one policy period.

C. ASSISTANCE AND CLAIMS

For assistance, please call the **Identity Theft Help Line** at: **1-877-521-1780**.

The **Identity Theft help Line** is available to provide *identity theft insureds* with:

1. Information and advice for how to respond to a possible *identity theft*; and
2. Instructions for how to submit a service request for Case Management Service and / or a claim form for Expense Reimbursement.

The *identity theft insured* must submit the applicable form to request Case Management Service or Expense Reimbursement.

As respects Expense Reimbursement, the *identity theft insured* must send to us, within 60 days after our request, receipts, bills or other records that support the claim for *identity theft expenses*.

D. COMPUTER SECURITY

It is the responsibility of each *identity theft insured* to use and maintain their computer system security, including personal firewalls and anti-virus software, when reasonable.

E. OTHER INSURANCE

Coverage under this endorsement is excess over any other insurance (including, without limitation, homeowner's or renter's insurance), product warranty, extended services agreement or contract. If the *identity theft insured* has other



insurance that applies to a loss under this endorsement the other insurance shall pay first. Coverage under this endorsement applies to the amount of loss that is in excess of:

1. The Limit of Insurance of the *identity theft insured's* other insurance; and
2. The total of all the *identity theft insured's* deductible and self-insured amounts under all such other insurance.

In all events, the amount of coverage provided under this endorsement is subject to the aggregate limit per *identity theft insured* specified in Additional Condition A above.

F. SERVICES

The following conditions apply as respects any services provided by *us* or *our* designees to any *identity theft insured* under this endorsement:

1. *Our* ability to provide helpful services in the event of an *identity theft* depends on the *identity theft insured's* cooperation, permission and assistance.
2. *We* do not warrant or guarantee that *our* services will end or eliminate all problems associated with an *identity theft* or prevent future *identity thefts*.

All other provisions of this policy apply.

ADDITIONAL DEFINITIONS

1. *Identity Recovery Case Manager*

Identity recovery case manager means one or more individuals assigned by *us* to assist an *identity theft insured* with communications we deem necessary for re-establishing the integrity of the personal identity of the *identity theft insured*. This includes, with the permission and cooperation of the *identity theft insured*, written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.

2. *Identity Theft*

Identity theft means the fraudulent use of the social security number or other method of identifying an *identity theft insured*. This includes fraudulently using the personal identity of an *identity theft insured* to establish credit accounts, secure loans, enter into contracts or commit crimes.

Identity theft does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

Identity theft does not include the unauthorized use of a valid credit or bank account. However, *identity theft* does include the fraudulent alteration of account profile information, such as the address to which statements are sent.

3. *Identity Theft Expenses*

Identity theft expenses means the following when they are reasonable and necessary expenses that are incurred in the United States or Canada as a direct result of an *identity theft*:

- a. Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an *identity theft*.
- b. Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of the *identity theft insured's* efforts to

report an *identity theft* or amend or rectify records as to the *identity theft insured's* true name or identity as a result of an *identity theft*.

- c. Costs for up to six credit reports from established credit bureaus (with no more than two reports from any one credit bureau) dated within 12 months after the *identity theft insured's* knowledge or discovery of an *identity theft*.
- d. Fees and expenses for an attorney appointed by *us* for:
 - (1) Defending any civil suit brought against an *identity theft insured* by a creditor or collection agency or entity acting on behalf of a creditor for nonpayment of goods or services or default on a loan as a result of an *identity theft*; and
 - (2) Removing any civil judgment wrongfully entered against an *identity theft insured* as a result of the *identity theft*.

4. *Identity Theft Insured*

Identity theft insured means the following:

- a. When the business which is the *insured* under this policy is a sole proprietorship, the *identity theft insured* is the individual person who is the sole proprietor of the insured business.
- b. When the business which is the *insured* under this policy is a partnership, the *identity theft insureds* are all the partners listed on this policy as *insureds*.
- c. When the business which is the *insured* under this policy is a corporation or other organization, the *identity theft insureds* are all individuals having an ownership position of 20% or more of the insured business.

An *identity theft insured* must always be an individual person. The business which is the *insured* under this policy is not an *identity theft insured*.

ADDITIONAL EXCLUSIONS

The following additional exclusions apply to this coverage:

We do not cover:

- 1.** *Identity theft expenses* incurred to restore a professional or business identity.
- 2.** *Identity theft expenses* incurred due to any fraudulent, dishonest or criminal act by an *identity theft insured* or any person aiding or abetting an *identity theft insured*, or by any authorized representative of an *identity theft insured*, whether acting alone or in collusion with others.
- 3.** Loss other than *identity theft expenses*.
- 4.** *Identity theft expenses* arising from any *identity theft* by or with the knowledge of any relative or former relative of the *identity theft insured*.

- 5.** Loss arising from an *identity theft* that is first discovered by the *identity theft insured* prior to the policy period or after the policy period ended, whether or not such *identity theft* began during or continued into the policy period.
- 6.** Loss arising from an *identity theft* that is not reported to us within 60 days after it is first discovered by the *identity theft insured*.
- 7.** Loss arising from an *identity theft* that is not reported in writing to the police.

COMPUTER COVERAGE – CONTRACTORS

This endorsement establishes an additional specific item of covered property in conjunction with SISC-0001.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

COVERAGE MODIFICATIONS**SECTION 1**

Coverage B is extended to cover, up to the applicable limits shown in the Supplemental Declarations, direct physical loss to covered property used by *you* in *your* business/operations. The Part I deductible does not apply. This coverage applies in lieu of any other coverage provided by this policy.

- A. *We* cover all data processing equipment, including component parts, owned or leased by *you* that are customarily kept by *you* at the described premises.
- B. *We* cover *your* media and data (meaning information stored on the media, including concepts, computer programs, facts, and instructional material used in *your* data processing system) including the cost to reconstruct such data.

SECTION 2

We cover reasonable extra expenses in excess of *your* usual operating expense to the extent such are necessary to continue *your* business/operations, to the extent required because of covered loss under Section 1.

LIMIT OF LIABILITY

The amount shown in the Supplemental Declarations for this coverage is *our* maximum limit of liability in any one occurrence for Section 1 and Section 2 combined of this endorsement.

LOSSES NOT INSURED

Parts I D, I E (other than 1) and I F 3, 8 and 13.A (other than 2, 7 and 12. A) do not apply. We also do not cover loss:

1. To media or data which cannot be replaced with other of like kind and quality.
2. To property held for lease or sale to others.
3. Caused by an original defect or error in programming.
4. To media or data which results as a consequence of the failure to perform routine (at least on a monthly basis) complete backups of such media or data with such backups being kept off of the described premises.



CERTIFIED ACTS OF TERRORISM EXCLUSIONS • PARTS I AND II

This endorsement extends the policy to exclude certain loss arising out of terrorism.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

1. COVERAGE MODIFICATION – PROPERTY

If Part I is included in this policy, the following exclusion is added to the PART I COMMON EXCLUSIONS:

CERTIFIED ACTS OF TERRORISM EXCLUSION

We do not provide insurance for any loss or damage directly or indirectly arising out of or resulting from a *certified act of terrorism*. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

If loss resulting from fire (to the extent insured by this policy) ensues, we insure such resulting loss. However, this exception for fire applies only to direct physical loss by fire to covered property. Therefore, this exception does not apply to any sort of consequential loss, loss of use, or loss of utility, including losses under Business Income and / or Extra Expense coverages.

However, if the Secretary of the Treasury determines that the amount of *certified terrorism loss* has exceeded the maximum annual liability under the terms of the Federal Terrorism Risk Insurance Act of 2002 or any subsequent action of Congress pursuant to the Act, we will not pay for any amount of *certified terrorism loss* that exceeds such maximum annual liability.

2. COVERAGE MODIFICATION – LIABILITY

If Part II is included in this policy, the following exclusion is added to the PART II – COMMON EXCLUSIONS:

CERTIFIED ACTS OF TERRORISM EXCLUSION

We do not insure *bodily injury, property damage, personal injury or advertising injury* arising directly or indirectly out of a *certified act of terrorism*.

3. OTHER EXCLUSIONS

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this policy by the Governmental / Legal / War Exclusion, the Nuclear / Radioactive Loss Exclusion or any other exclusion.

4. ADDITIONAL DEFINITIONS

The following definitions apply:

Certified act of terrorism means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism that is:

1. A violent act or an act that is dangerous to human life, property or infrastructure and that resulted in damage with an aggregate loss exceeding \$5,000,000:
 - a. Within the United States;
 - b. At the premises of a United States Mission; or
 - c. To an air carrier (as defined in section 40102 of title 49, United States Code) or to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs;
2. 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.

Certified terrorism loss means loss that results from a *certified act of terrorism*.



SUPPLEMENTAL DECLARATIONS — SISC DS 01 09 11

The following special limits and rating factors apply to the designated coverages, in accordance with the provisions of the Special Contractors' Coverage Form SISC-0001.

	(A) POLICY LIMIT / FACTOR	(B) REVISED POLICY LIMIT / FACTOR
PART I B		
SUPPLEMENTAL COVERAGES		
1. Accounts Receivable ⁽¹⁾	\$ 10,000	\$
2. Automatic Increase Factor		
Coverage A	—	
Coverage B	—	
3. Building Extension		
A. Glass		
Limit	\$ 2,000	\$
Per Item Limit	\$ 100	\$
B. Outdoor Signs		
1. Not Attached to Buildings	\$ 3,000	\$
2. Attached to Buildings	\$ 3,000	\$
Deductible Per Occurrence	\$ 250	\$
4. Building Code / Law Coverage	0.10	
5. Debris Removal		
B. Factor (Covered Loss Times):	0.25	
C. Additional Limit	\$ 5,000	\$
7. Fire Expense Coverages		
A. Fire Department Service	\$ 10,000	
B. Fire Extinguisher Recharge	\$ 3,000	
8. Lock Replacement	\$ 500	\$
9. Newly Acquired Property		
1. Coverage A		
Coverage A Limit Times:	0.25	
Maximum Limit per Building	\$500,000	
2. Coverage B		
Coverage B Limit Times:	0.10	
Maximum Limit per Location	\$250,000	
3. Coverage D		
Coverage D Limit Times:	0.10	
Maximum Limit per Location	\$100,000	
10. Off Premises Property ⁽¹⁾		
A. Owned Property		
Total Limit Per Occurrence	\$ 15,000	\$
Limit Per Each Item	\$ 250	\$
B. Employee Tools		
Total Limit Per Occurrence	\$ 5,000	\$
Limit Per Each Item	\$ 250	\$

Note: (1) Applies Only With Coverage B

	(A) POLICY LIMIT / FACTOR	(B) REVISED POLICY LIMIT / FACTOR
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PART I B
SUPPLEMENTAL COVERAGES

11. Outdoor Property		
Limit	\$ 2,500	\$
Per Item Limit	\$ 250	\$
12. Personal Property ⁽¹⁾		
A. Personal Effects	\$ 5,000	\$
B. Property of Others	\$ 5,000	\$
C. <i>Valuable Papers / Records</i>	\$ 3,000	\$
13. Pollution CleanUp	\$ 10,000	

PART I F
**WATER DAMAGE - SEWER / DRAIN
BACKUP**

11. When MCP 507 applies	\$ 5,000	\$
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OTHER SPECIAL POLICY CONDITIONS

Computer Coverage		
When SISC-0005 applies	\$ 5,000	\$

Employee Dishonesty Coverage		
When MCP 171 applies	\$ 5,000	\$
Deductible Per Occurrence	\$ 200	\$

Money and Securities Coverage		
When MCP 173 applies		
Limit Inside the Premises	\$ 10,000	\$
Limit Outside the Premises	\$ 2,000	\$

Arson Award	\$ 5,000
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We will reimburse you for any reward you give to anyone who discloses information that leads to the conviction of a person or persons for arson at the described premises. No deductible applies to this special provision.

NOTES:

- With the exception of Supplemental Coverage 13, the limits and factored amounts of insurance are aggregate limits per occurrence. With regard to Item 13 the limits are aggregate limits per policy year for all covered occurrences.
- Column (A) shows Basic Policy Limits / Factors: "—" means coverage not applicable.
- Column (B) shows the Revised Limits / Factors, which replace those shown in Column (A): "—" means no change permitted.

PLUMBING / HVAC CONTRACTORS' AND ELECTRICIANS' ENHANCEMENT ENDORSEMENT • PART II*This endorsement extends liability coverages.***The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.****Except as provided below, all other provisions in this policy are unchanged.**

ADDITIONAL COVERAGES**A. Property Damage Liability Extension**

1. Coverage E is extended to include, up to the limit stated below, *property damage* to:
 - a. Personal property in the care, control, or custody of any *insured*; or
 - b. That part of real property on which work is being performed by either *you*, or any contractor or subcontractor working (directly or indirectly) on *your* behalf, if the *property damage* arises out of such work.
2. Exclusions 3.E.1 and 10.A in PART II C do not apply to the coverage provided by this extension.
3. *Our* maximum limit of liability payable under this extension for all *property damage* in any one *occurrence* is \$2,500. This limit is part of the Coverage E *Occurrence* and Aggregate / Total Limits and is not an additional limit of insurance.

B. Additional Insureds — Automatic Extension to Certain Contractors, Lessees, or Owners.

The definition of *Insured* in the Glossary is amended to include the following as an *insured* under this policy.

Insured includes any person or organization that *you* have agreed in a written contract or agreement to add as an additional *insured* on this policy, but only with respect to liability arising out of *your work* for such person or organization. Such person or organization ceases to be an *insured* under this policy when *your work* for that person or organization has been completed.

However, *we* do not insure *bodily injury*, *property damage*, *advertising injury* or *personal injury* arising out of the rendering of or failure to render any sort of professional service by *you* or on *your* behalf including:

- The approving, preparing or failing to approve or prepare change orders, designs, drawings, maps, opinions, reports, specifications, or surveys; or
- Architectural, engineering, inspection, or supervisory services.

ADDITIONAL CONDITIONS**A. Knowledge / Notice Of An Injury Or Occurrence**

Paragraph A of the SPECIAL LIABILITY CONDITIONS — DUTIES OF INSUREDS is amended by adding the following:

Your agent's or employee's knowledge of an injury or *occurrence* does not in itself constitute knowledge by *you*, unless *you* receive notice of such from *your* agent or employee. Failure of any of *your* agents or employees to notify *us* of any injury or *occurrence* that such agent or employee has knowledge of does not invalidate this insurance for *you*.

B. Aggregate / Limit — Per Project

Paragraph B.1 (Aggregate / Total Limit) of the SPECIAL LIABILITY CONDITIONS — LIMIT OF LIABILITY is amended as described below:

The limits apply to each project, away from *your premises*, where *you* perform *your work*.

