

**PREMIER BUSINESSOWNERS - RETAIL (NICOA)**

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**IMPORTANT INSURANCE INFORMATION**

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Please read this Notice carefully – it does **not** form a part of your insurance contract. The Notice is designed to alert you to coverage restrictions and to other provisions in certain terrorism endorsement(s) in this policy. If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) shall prevail.

**POTENTIAL RESTRICTIONS OF TERRORISM COVERAGE**

This Notice has been prepared in conjunction with the **POTENTIAL** implementation of changes related to coverage of terrorism under your policy.

The Terrorism Risk Insurance Act established a program (Terrorism Risk Insurance Program) within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. That Program is subject to a termination date of December 31, 2014 unless extended by the federal government. If the federal Program terminates, or is extended with certain changes prior to or during the term of your policy, then the treatment of terrorism under your policy will change. This Notice is being provided to you for the purpose of summarizing potential impact on your coverage. The summary is a brief synopsis of significant exclusionary provisions and limitations.

This Notice does **not** form a part of your insurance contract. The Notice is designed to alert you to coverage restrictions and to other provisions in certain terrorism endorsement(s) in this policy. If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) apply.

Carefully read your policy, including the endorsements attached to your policy.

**YOUR POLICY DURING TENURE OF THE TERRORISM RISK INSURANCE PROGRAM AS THAT PROGRAM EXISTS PURSUANT TO THE TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007:**

Except as described below, this policy does not contain a terrorism exclusion. In the absence of a terrorism exclusion, terrorism coverage applies in accordance with the terms of the policy. That is, the absence of a terrorism exclusion does not create coverage for any loss that would otherwise be excluded under the policy, such as losses excluded by the nuclear hazard or war exclusions.

**YOUR POLICY AT START OF NEW POLICY TERM:**

This policy does not contain a terrorism exclusion. However, the policy contains an endorsement under which coverage for "certified acts of terrorism" (which is more fully defined in the endorsement, but involves an act of terrorism certified by the federal government to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act) is subject to a limit on our liability pursuant to the federal Terrorism Risk Insurance Act. Further, the absence of a terrorism exclusion does not create coverage for any loss, injury or damage that would otherwise be excluded under the policy, such as property losses excluded by the nuclear hazard or war exclusions or liability losses excluded by the war liability exclusion.

**POTENTIAL CHANGE DURING THE TERM OF YOUR POLICY:**

*Endorsement PB 05 64 is attached to your policy. Its provisions will become applicable to your policy only if certain events (one or more of them) occur. Those events include the following:*

- If the federal Terrorism Risk Insurance Program (TRIP) terminates with respect to the type of insurance provided under this policy. (TRIP is scheduled to terminate at the end of December 31, 2014 unless extended by the federal government.); or
- If TRIP is extended with changes that redefine terrorism, and we are not required to make such revised coverage available to you; or

- If TRIP is extended with changes that make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other events or occurrences under this policy, and we are not required to make such revised coverage available to you; or
- If TRIP is extended with changes that increase insurers' statutory percentage deductible under TRIP for terrorism losses, or decrease the federal government's statutory percentage share in potential terrorism losses, and we are not required to make terrorism coverage available to you. Our deductible is 20% of the total of our previous year's direct earned premiums. The government's share is 85% of the terrorism losses paid by us above the deductible.

*Endorsement PB 05 64 treats terrorism as follows:*

1. Coverage for loss or damage under *property coverage* or injury or damage under *liability coverage* arising out of a terrorism incident is excluded only if:
  - The total of all insured damage to all types of property (including business interruption losses sustained by owners or occupants of damaged property), from the incident, exceeds \$25 million. The \$25 million property damage threshold is based on losses sustained by all persons and entities who are affected by an incident of terrorism, and who are insured for the damage, or who would be insured but for a terrorism exclusion; or
  - Fifty or more persons sustain death or serious injury; (applies to injury or damage under liability coverage only); or
  - The terrorism event involves nuclear materials or results in nuclear reaction or radiation or radioactive contamination; or
  - The terrorism event involves the release of radioactive material, and it appears that one purpose of the terrorism was to release such material; or
  - The terrorism event is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
  - The terrorism event involves the release of pathogenic or poisonous biological or chemical materials, and it appears that one purpose of the terrorism was to release such materials.

For liability coverage, this would be a further restriction of coverage as we did not previously exclude domestic terrorism.

*(NOTE - To determine whether the threshold for property damage (\$25 million) is exceeded, multiple incidents of terrorism which occur within a seventy-two hour period and appear to be linked together or have a related purpose or common leadership behind them shall be considered to be one incident of terrorism.)*

2. In PB 05 64, the "Exception Covering Certain Fire Losses" provision will now apply only in certain states. In these states, the terrorism exclusion does not restrict fire coverage under the Businessowners Property Coverage Form, due to a statutory requirement in such state. If the Exception applies in any states under your policy, that state is indicated in the Schedule of the terrorism endorsement. When the Exception applies, the exclusion of terrorism does not apply to direct loss or damage by fire to Covered Property in these states. In states not listed, the exclusion of terrorism applies to all causes of loss, including ensuing fire. This is a restriction of coverage as the exception for ensuing fire had been previously granted in states where there was no statutory requirement to do so.

*See the definition of terrorism for purposes of the terrorism exclusion.*

## **PREMIER BUSINESSOWNERS POLICY**

### **PREMIER RETAIL COMMON DECLARATIONS**

Policy Number: **ACP BPRZ 2525437760**

Named Insured: **DABWAN, KAMEL - DBA  
KEMO WIRELESS**

Mailing Address: **3333 INTERNATIONAL BLVD  
OAKLAND, CA 94601-3005**

Agency: **GEORGE ALLY PARK AGENCY** **CSC**

Address: **ALAMEDA CA 94501**

Agency Phone Number: **(925)324-0006**

Policy Period: Effective From **01-09-14** To **01-09-15**  
12:01 AM Standard Time at your principal place of business.

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Form of your business entity: **INDIVIDUAL**

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Description of your business: **CELL PHONES AND ACCESSORIES**

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IN RETURN FOR THE PAYMENT OF THE PREMIUM AND SUBJECT TO ALL THE TERMS OF THIS POLICY,  
WE AGREE TO PROVIDE THE INSURANCE STATED IN THIS POLICY.

**CONTINUATION PROVISION:** If we offer to continue your coverage and you or your representative do not accept, this policy will automatically terminate on the expiration date of the current policy period stated above. Failure to pay the required premium when due shall mean that you have not accepted our offer to continue your coverage. This policy will terminate sooner if any portion of the current policy period premium is not paid when due.

**RENEWAL POLICY NOTICE:** In an effort to keep insurance premiums as low as possible, we have streamlined your renewal policy by not including printed copies of policy forms or endorsements that have not changed from your expiring policies, unless they include variable information that is unique to you. Refer to your prior policies for printed copies of these forms. If you have a need for any form, they are available by request from your agent.

**IMPORTANT INFORMATION FOR CALIFORNIA POLICYHOLDERS:** Companies writing property and casualty insurance in California are required to participate in the California Insurance Guarantee Association. If a company becomes insolvent, the California Insurance Guarantee Association settles unpaid claims and assesses each insurance company for its fair share. California law requires all companies to surcharge policies to recover these assessments. If your policy is surcharged, "CA Surcharge" with an amount will appear on your premium notice.

If you should have any questions or problems with this policy, please first contact your agent or a Company representative. If after doing so, we have failed to produce a satisfactory solution to your problem, you may contact the CALIFORNIA DEPARTMENT OF INSURANCE at 1-800-927-4357 (for TDD, 1-800-482-4833) or write them at: California Department of Insurance, Consumer Communication Bureau, 300 South Spring Street, South Tower, Los Angeles, CA 90013.

**TOTAL POLICY PREMIUM \$ 1,622.00**

Previous Policy Number			
<b>ACP BPRZ 2515437760</b>	<b>ENTRY DATE</b>	<b>10-23-13</b>	
		Countersignature	Date

These Common Policy Declarations, together with the Common Policy Conditions, Coverage Form Declarations, Coverage Forms and any endorsements issued to form a part thereof, complete the Policy numbered above.

# PREMIER BUSINESSOWNERS POLICY

## PREMIER RETAIL

### SCHEDULE OF NAMED INSUREDS

Policy Number: **ACP BPRZ 2525437760**

Policy Period:  
From **01-09-14** To **01-09-15**

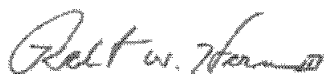
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Named Insured:

**DABWAN, KAMEL - DBA  
KEMO WIRELESS  
CELLULAR ONE**

**NATIONWIDE INSURANCE COMPANY OF AMERICA**

**IN WITNESS WHEREOF**, the Company has caused this policy to be signed by its president and secretary and countersigned as may be required on the declarations page by a duly authorized representative of the company.



SECRETARY



PRESIDENT

# PREMIER BUSINESSOWNERS POLICY

## PREMIER RETAIL PROPERTY DECLARATIONS

Policy Number: **ACP BPRZ2525437760**

Policy Period:  
From **01-09-14** To **01-09-15**

Description of Premises Number: **001** Building Number: **001** Construction: **JOISTED MASONRY**  
Premises Address **3333 INTERNATIONAL BLVD** **OAKLAND** **CA** **94601-3005**  
Occupancy **T** Classification: **ELECTRONICS STORE - TELEVISION, STEREO & PHONOGRAPHIC**  
**(INCLUDING PARTS & SUPPLIES)**  
Described as: **STOREFRONT**

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".

The Property Coverage provided at this premises is subject to a **\$ 1,000** Deductible, unless otherwise stated.

COVERAGES	LIMITS OF INSURANCE
Building -	NOT PROVIDED
Business Personal Property - Replacement cost	<b>\$5,400</b>
<b>ADDITIONAL COVERAGES - the Coverage Form Includes other Additional Coverages not shown.</b>	
Business Income - ALS - 12 Months - NO Hour Waiting Period - 60 Day Ordinary Payroll Limit	<b>INCLUDED</b>
Extra Expense - Actual Loss Sustained (ALS) - 12 Months - NO Hour Waiting Period	<b>INCLUDED</b>
Equipment Breakdown	<b>INCLUDED</b>
Automatic Increase in Insurance - Building	<b>2%</b>
Automatic Increase in Insurance - Business Personal Property	<b>2.9%</b>
Back Up of Sewer and Drain Water (limit shown per Building, subject to \$25,000 policy aggregate)	<b>\$5,000</b>

OPTIONAL INCREASED LIMITS	Included Limit	Additional Limit
Account Receivable	\$25,000	<b>\$25,000</b>
Valuable Papers and Records (At the Described Premises)	\$25,000	<b>\$25,000</b>
Forgery and Alteration	\$10,000	<b>\$10,000</b>
Money and Securities - Inside the Premises	\$10,000	<b>\$10,000</b>
Outside the Premises (Limited)	\$10,000	<b>\$10,000</b>
Outdoor Signs	\$2,500	<b>\$2,500</b>
Outdoor Trees, Shrubs, Plants and Lawns	\$10,000	<b>\$10,000</b>
Business Personal Property Away From Premises	\$15,000	<b>\$15,000</b>
Business Personal Property Away From Premises - Transit	\$15,000	<b>\$15,000</b>
Electronic Data	\$10,000	<b>\$10,000</b>
Interruption of Computer Operations	\$10,000	<b>\$10,000</b>
Building Property of Others	\$10,000	<b>\$10,000</b>

### OPTIONAL COVERAGES - Other frequently purchased coverage options.

Employee Dishonesty	NOT PROVIDED
Ordinance or Law - 1 - Loss to Undamaged Portion	NOT PROVIDED
2 - Demolition Cost and Broadened Increased Cost of Construction	NOT PROVIDED
Ordinance or Law Broadened	NOT PROVIDED

### PROTECTIVE SAFEGUARDS

This premise has Protective Safeguards identified by symbols below. Insurance for Fire or Burglary and Robbery at this premise will be excluded if you do not notify us immediately if any of these safeguards are impaired.

See **PB 04 30** for a description of each symbol. APPLICABLE SYMBOLS: **NOT APPLICABLE**

# PREMIER BUSINESSOWNERS POLICY

## PREMIER RETAIL

### MORTGAGEE ASSIGNMENT INFORMATION

Policy Number: **ACP BPRZ2525437760** Policy Period: From **01-09-14** To **01-09-15**

Additional Interest: Interest Number: Loan Number:  
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# PREMIER BUSINESSOWNERS POLICY

## PREMIER RETAIL PROPERTY DECLARATIONS

Policy Number: **ACP BPRZ2525437760**

Policy Period:  
From **01-09-14** To **01-09-15**

Description of Premises Number: **002** Building Number: **001** Construction: **FRAME**  
Premises Address **13700 DOOLITTLE DR STE 108** **SAN LEANDRO CA 94577-5551**  
Occupancy **T** Classification: **ELECTRONICS STORE - TELEVISION, STEREO & PHONOGRAPHIC**  
**(INCLUDING PARTS & SUPPLIES)**  
Described as: **ELECTRONICS STORE ( CELLULAR ONE )**

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".

The Property Coverage provided at this premises is subject to a **\$ 1,000** Deductible, unless otherwise stated.

COVERAGES	LIMITS OF INSURANCE
Building -	NOT PROVIDED
Business Personal Property - Replacement cost	\$24,700
<b>ADDITIONAL COVERAGES - the Coverage Form Includes other Additional Coverages not shown.</b>	
Business Income - ALS - 12 Months - NO Hour Waiting Period - 60 Day Ordinary Payroll Limit	INCLUDED
Extra Expense - Actual Loss Sustained (ALS) - 12 Months - NO Hour Waiting Period	INCLUDED
Equipment Breakdown	INCLUDED
Automatic Increase in Insurance - Building	2%
Automatic Increase in Insurance - Business Personal Property	2.9%
Back Up of Sewer and Drain Water (limit shown per Building, subject to \$25,000 policy aggregate)	\$5,000

OPTIONAL INCREASED LIMITS	Included Limit	Additional Limit
Account Receivable	\$25,000	\$25,000
Valuable Papers and Records (At the Described Premises)	\$25,000	\$25,000
Forgery and Alteration	\$10,000	\$10,000
Money and Securities - Inside the Premises	\$10,000	\$10,000
Outside the Premises (Limited)	\$10,000	\$10,000
Outdoor Signs	\$2,500	\$2,500
Outdoor Trees, Shrubs, Plants and Lawns	\$10,000	\$10,000
Business Personal Property Away From Premises	\$15,000	\$15,000
Business Personal Property Away From Premises - Transit	\$15,000	\$15,000
Electronic Data	\$10,000	\$10,000
Interruption of Computer Operations	\$10,000	\$10,000
Building Property of Others	\$10,000	\$10,000

### OPTIONAL COVERAGES - Other frequently purchased coverage options.

Employee Dishonesty	NOT PROVIDED
Ordinance or Law - 1 - Loss to Undamaged Portion	NOT PROVIDED
2 - Demolition Cost and Broadened Increased Cost of Construction	NOT PROVIDED
Ordinance or Law Broadened	NOT PROVIDED

### PROTECTIVE SAFEGUARDS

This premise has Protective Safeguards identified by symbols below. Insurance for Fire or Burglary and Robbery at this premise will be excluded if you do not notify us immediately if any of these safeguards are impaired.

See **PB 04 30** for a description of each symbol. APPLICABLE SYMBOLS: **P-7**;

# PREMIER BUSINESSOWNERS POLICY

## PREMIER RETAIL

### MORTGAGEE ASSIGNMENT INFORMATION

Policy Number: **ACP BPRZ2525437760** Policy Period: From **01-09-14** To **01-09-15**

Additional Interest: Interest Number: Loan Number:  
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# PREMIER BUSINESSOWNERS POLICY

PREMIER RETAIL

## LIABILITY DECLARATIONS

Policy Period:

Policy Number: **ACP BPRZ 2525437760**

From **01-09-14** To **01-09-15**

### LIMITS OF INSURANCE

Each Occurrence Limit of Insurance	Per Occurrence	<b>\$1,000,000</b>
Medical Payments Coverage Sub Limit	Per Person	<b>\$5,000</b>
Tenants Property Damage Legal Liability Sub Limit	Per Covered Loss	<b>\$300,000</b>
Personal and Advertising Injury	Per Person Or Organization	<b>\$1,000,000</b>
Products – Completed Operations Aggregate	All Occurrences	<b>\$2,000,000</b>
General Aggregate	All Occurrences	<b>\$2,000,000</b>
(Other than Products – Completed Operations)		

### AUTOMATIC ADDITIONAL INSURED STATUS

The following persons or organizations are automatically insureds when you and they have agreed in a written contract or agreement that such person or organization be added as an additional insured on your policy.

Co-Owners of Insured Premises  
Controlling Interest  
Grantor of Franchise or License  
Lessors of Leased Equipment  
Managers or Lessors of Leased Premises  
Mortgagee, Assignee or Receiver  
Owners or Other Interest from Whom Land has been Leased  
State or Political Subdivisions - Permits Relating to Premises

### PROPERTY DAMAGE DEDUCTIBLE

NONE

### OPTIONAL COVERAGES

NONE PROVIDED

# PREMIER BUSINESSOWNERS POLICY

PREMIER RETAIL

## FORMS AND ENDORSEMENTS SUMMARY

Policy Period:

Policy Number: **ACP BPRZ 2525437760**

From **01-09-14** to **01-09-15**

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FORM NUMBER	TITLE
LI0021 0101	NUCLEAR ENERGY LIABILITY EXCLUSION
PB0002 0411	PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM
PB0006 0411	PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM
PB0009 0411	PREMIER BUSINESSOWNERS COMMON POLICY CONDITIONS
PB0534 0108	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM; EXCLUSION -
PB2998 0908	EXCLUSION - VIOLATION OF CONSUMER PROTECTION STATUTES
PB2999 0411	EXCLUSION - FUNGI OR BACTERIA
PB9004 0411	CALIFORNIA AMENDATORY ENDORSEMENT
PB0430 0411	PROTECTIVE SAFEGUARDS
PB0564 0108	CONDITIONAL EXCLUSION OF TERRORISM - EXCLUSION OF WAR

EFFECTIVE DATE: 12:01 AM Standard Time,  
(at your principal place of business)

**BUSINESSOWNERS**  
**PB AI 02 (01-01)**

## **ACKNOWLEDGEMENT OF ADDITIONAL INSURED STATUS MANAGERS OR LESSORS OF LEASED PREMISES**

**Person or Organization Designated as an Additional Insured:**

**MARINA FAIRE, LP**

**3271 S HIGHLAND DRIVE #704  
LAS VEGAS NV 89109**

**Designated Premises (Part Leased to the Named Insured):**

**13700 DOOLITTLE DR STE 108  
SAN LEANDRO CA 945775551**

This form has been sent to you to acknowledge your status as an additional insured under our, meaning the issuing Company stated below, insurance policy issued to the Named Insured shown below.

Under our Premier Businessowners Liability Coverage Form, Section II. WHO IS AN INSURED provides as follows:

Any of the following persons or organizations are automatically insureds when you [i.e. the Named Insured stated below] and such person or organization have agreed in a written contract or agreement that such person or organization be added as an additional insured on your policy providing general liability coverage.

**Managers or Lessors of Leased Premises**

Any person or organization from whom you lease premises is an additional insured, but only with respect to their liability arising out of your use of that part of the premises leased to you, subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to structural alterations, new construction or demolition operations performed by or for such person or organization.

HOWEVER, their status as additional insured under this policy ends when you cease to be a tenant of such premises.

The policy language set forth above is subject to all of the terms and conditions of the policy issued to the Named Insured shown below. For your information, our Named Insured, the Policy Number, Policy Term and Limits of Insurance are stated below.

Named Insured           **DABWAN, KAMEL - DBA**

Issuing Company:       **NICOA INSURANCE COMPANY**  
Policy Number:         **ACP BPRZ2525437760**  
Policy Term:           **01-09-14 To 01-09-15**  
Limits of Insurance:    **Per Occurrence         \$1,000,000**  
                              **All Occurrences        \$2,000,000**

EFFECTIVE DATE: 12:01 AM Standard Time,  
(at your principal place of business)

**BUSINESSOWNERS**  
**PB AI 99 (01-01)**

## **ACKNOWLEDGEMENT OF ADDITIONAL INSURED STATUS GRANTOR OF FRANCHISE OR LICENSE**

**Person or Organization Designated as an Additional Insured:**

**METRO PCS**

**1080 MARINA VILLAGE PKWY  
ALAMEDA CA 945016427**

This form has been sent to you to acknowledge your status as an additional insured under our, meaning the issuing Company stated below, insurance policy issued to the Named Insured shown below.

Under our Premier Businessowners Liability Coverage Form, Section II. WHO IS AN INSURED provides as follows:

Any of the following persons or organizations are automatically insureds when you [i.e. the Named Insured stated below] and such person or organization have agreed in a written contract or agreement that such person or organization be added as an additional insured on your policy providing general liability coverage.

### Grantor of Franchise or License

Any person or organization that has granted you a franchise or license by written contract or agreement is an additional insured, but only with respect to their liability as the grantor of a franchise or license to you.

HOWEVER, their status as additional insured under this Policy ends when their contract or agreement with you granting the franchise or license ends.

The policy language set forth above is subject to all of the terms and conditions of the policy issued to the Named Insured shown below. For your information, our Named Insured, the Policy Number, Policy Term and Limits of Insurance are stated below.

Named Insured           **DABWAN, KAMEL - DBA**

Issuing Company:       **NICOA INSURANCE COMPANY**

Policy Number:         **ACP BPRZ2525437760**

Policy Term:           **01-09-14 To 01-09-15**

Limits of Insurance:	<b>Per Occurrence</b>	<b>\$1,000,000</b>
	<b>All Occurrences</b>	<b>\$2,000,000</b>

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PROTECTIVE SAFEGUARDS**

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

### **NOTICE**

**YOU RISK THE LOSS OF CERTAIN INSURANCE COVERAGE AT PREMISES DESIGNATED IN THE DECLARATIONS IF YOU FAIL TO MAINTAIN ANY OF THE APPLICABLE PROTECTIVE SAFEGUARDS, LISTED BY SYMBOL IN THE DECLARATIONS FOR EACH PREMISES.**

Our requirement that you maintain the protective safeguard is in consideration of a premium reduction. If you do not wish to commit to the requirements expressed in this endorsement, at our option, your insurance may be continued. However, the credit for such protection would not be applied.

Your acceptance of this policy in the payment of premium when due constitutes your understanding and acknowledgement that you risk the loss of certain insurance at the premises designated if you fail to maintain the protective safeguard and your acceptance and agreement with the terms of this endorsement.

### **SCHEDULE**

**Prem. / Bldg. No. Description of P-9 Protective Safeguard:**

- A. **CONDITION.** As a condition of this insurance, you are required to maintain the applicable protective devices or services for fire, denoted by symbols P-1, P-2, P-3, P-4, P-5, P-8, or P-9; or for burglary and robbery, denoted by symbols P-6 or P-7), as designated at each premises by symbol in the Declarations.
- B. **EXCLUSIONS.** Under Section B. EXCLUSIONS, the following exclusions are added:
1. **FIRE PROTECTIVE SAFEGUARDS**  
We will not pay for loss or damages caused by or resulting from fire if, prior to the fire, you:
    - a. Knew or should have known of any suspension or impairment in any protective safeguard as designated at each premises by symbol in the Declarations and failed to notify us of that fact; or
    - b. Failed to maintain any protective safeguard as designated at each premises by symbol in the Declarations and over which you have control, in complete working order; or
    - c. Add or modify any cooking equipment and operate it prior to adding or extending any Fire Suppression System that is required by code to protect it.If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.
  2. **BURGLARY AND ROBBERY PROTECTIVE SAFEGUARDS**  
We will not pay for loss or damage caused by or resulting from theft if, prior to the theft, you:
    - a. Knew or should have known of any suspension or impairment in any protective safeguard designated at each premises by symbol in the Declarations and failed to notify us of that fact; or
    - b. Failed to maintain any protective safeguard designated at each premises by symbol in the Declarations and over which you had control, in complete working order.

C. **PROTECTIVE SAFEGUARD SYMBOLS.** The protective safeguards to which this endorsement applies are identified in the Declarations by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services. Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - 1) Sprinklers and discharge nozzles;
  - 2) Ducts, pipes, valves and fittings;
  - 3) Tanks, their component parts and supports; and
  - 4) Pumps and private fire protection mains.
- b. When supplied from an automatic fire protective system:
  - 1) Nonautomatic fire protective systems; and
  - 2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the described premises.

**"P-5" Watchman Service** based on contract with a privately owned security company providing premises protection services to the described premises.

**"P-6" Local Burglar Alarm** protecting the entire building which in the event of an unauthorized or attempted entry at the described premises, triggers a loud sounding gong or siren, or a visual device, on the outside of the building.

**"P-7" Central Station Burglar Alarm** protecting the entire building which, in the event of an unauthorized or attempted entry at the described premises, will automatically transmit an alarm signal to an outside Central Station or police station.

**"P-8" Fire Suppression System**, including related supervisory services. Fire Suppression System means any automatic fire protective or extinguishing system designed to protect cooking equipment (i.e. cooking surfaces, deep fat fryers, grease ducts and hoods) including connected:

- a. Sprinklers and discharge nozzles;
- b. Ducts, pipes, valves and fittings; and
- c. Tanks, their component parts and supports.

**"P-9"** The protective system described in the Schedule of this endorsement.

**All terms and conditions of this policy apply unless modified by this endorsement.**



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CONDITIONAL EXCLUSION OF TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT) – EXCLUSION OF WAR**

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM  
PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

### **SCHEDULE**

The **Exception Covering Certain Fire Losses** (paragraph **B.1.b.** of this endorsement) applies to property located in the following states:

California	Illinois	North Carolina	Virginia
Connecticut	Iowa	New York	Washington
Georgia	Maine	Oregon	Wisconsin
Idaho	Missouri	Rhode Island	West Virginia

A. The **PROPERTY COVERAGE FORM** and the **LIABILITY COVERAGE FORM** are amended as follows:

**1. Applicability Of The Provisions Of This Endorsement**

a. The provisions of this endorsement will become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.

(1) The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Form; or

(2) A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:

(a) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all

certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

(b) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or  
(c) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.

b. If the provisions of this endorsement become applicable, such provisions:

(1) Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to loss or injury or damage from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and

- (2) Remain applicable unless we notify you of changes in these provisions, in response to federal law.
- c. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.
- 2. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.  
"Terrorism" means activities against persons, organizations or property of any nature:
  - a. That involve the following or preparation for the following:
    - (1) Use or threat of force or violence; or
    - (2) Commission or threat of a dangerous act; or
    - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
  - b. When one or both of the following applies:
    - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
    - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

## B. AMENDMENTS TO THE PROPERTY COVERAGE FORM

- 1. Under Section B. EXCLUSIONS, the following exclusion is added:
  - a. **EXCLUSION OF TERRORISM**  
We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident 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. But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

- (1) The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
- (2) Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
- (3) The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- (4) Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
- (5) The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, 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. Multiple incidents of "terrorism" which occur within a 72-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 incident, for the purpose of determining whether the threshold is exceeded.

With respect to this item 1.a.(5), the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of "terrorism" and the

circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form.

**b. Exception Covering Certain Fire Losses**

The following exception to the EXCLUSION OF TERRORISM applies only if indicated and as indicated in the Schedule of this endorsement.

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense Additional Coverages or endorsements that apply to those coverages.

**c. Application Of Other Exclusions**

- (1) When the EXCLUSION OF TERRORISM applies in accordance with the terms of paragraph 1.a.(1) or 1.a.(2), such exclusion applies without regard to exclusion d. Nuclear Hazard in this Coverage Form.
  - (2) 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 or damage which would otherwise be excluded under this Coverage Form as losses excluded by exclusion d. Nuclear Hazard or exclusion f. War And Military Action.
2. In Section B. EXCLUSIONS, under paragraph 1., exclusion f. War And Military Action is replaced by the following:
- f. War And Military Action**
- (1) War, including undeclared or civil war; or
  - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other

authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

With respect to any action that comes within the terms of this exclusion and involves nuclear reaction or radiation, or radioactive contamination, this War And Military Action Exclusion supersedes the Nuclear Hazard Exclusion.

**C. AMENDMENTS TO THE LIABILITY COVERAGE FORM**

1. The following definition is added and applies under this endorsement wherever the phrase any injury or damage, is enclosed in quotation marks:

"Any injury or damage" means any injury or damage covered under this Coverage Form or any applicable endorsement, and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury", as may be defined under this Coverage Form or any applicable endorsement.

2. The following exclusion is added:

**EXCLUSION OF TERRORISM**

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

- a. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
- b. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
- c. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

- d. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
- e. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, 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; or
- f. 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.

Multiple incidents of "terrorism" which occur within a 72-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 incident, for the purpose of determining whether the thresholds in paragraphs 2.e. or 2.f. are exceeded.

With respect to this Exclusion, paragraphs 2.e. and 2.f. describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Form.

- 3. Under Section I. COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2.

EXCLUSIONS, exclusion i. War is replaced in its entirety by the following:

This insurance, including any duty we have to defend "suits", does not apply to:

i. **War**

"Bodily injury" or "property damage" arising, directly or indirectly, out of:

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

**D. CAP ON CERTIFIED TERRORISM LOSSES**

The following provisions are added to the Premier Businessowners Policy and apply to Property and Liability Coverages:

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

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

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and

in such case insured losses up to that  
amount are subject to pro rata allocation in

accordance with procedures established by  
the Secretary of the Treasury.

**All terms and conditions of this policy apply unless modified by this endorsement.**