

# Report Claims Immediately by Calling\* 1-800-238-6225

Speak directly with a claim professional 24 hours a day, 365 days a year

\*Unless Your Policy Requires Written Notice or Reporting

# **COMMERCIAL INSURANCE**

### A Custom Insurance Policy Prepared for:

CLARKSON CONSTRUCTION COMPANY 11030 HICKMAN MILLS DRIVE C/O TOTAL RISK MANAGEMENT KANSAS CITY MO 64134

Presented by: SRA INSURANCE AGENCY LLC



TRAVELERS CORP. TEL: 1-800-328-2189 COMMERCIAL INLAND MARINE COMMON POLICY DECLARATIONS ISSUE DATE: 12/02/16 POLICY NUMBER: QT-630-1315N403-TIL-16

INSURING COMPANY:
TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

1. NAMED INSURED AND MAILING ADDRESS: CLARKSON CONSTRUCTION COMPANY (AS PER IL T8 00) 11030 HICKMAN MILLS DRIVE C/O TOTAL RISK MANAGEMENT KANSAS CITY, MO 64134

- 2. POLICY PERIOD: From 12/01/16 to 12/01/17 12:01 A.M. Standard Time at your mailing address.
- 3. LOCATIONS

Premises Bldg.

Loc. No. Occupancy Address

SEE IL TO 03

- 4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:
  DELUXE PROPERTY COVERAGE PART DECLARATIONS

  DX T0 00 11 12 TIL
  COMMERCIAL INLAND MARINE COV PART DECLARATIONS

  CM T0 01 07 86 TIL
- 5. NUMBERS OF FORMS AND ENDORSEMENTS FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93
- 6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy containing its complete provisions:

  Policy Policy No. Insuring Company
- 7. PREMIUM SUMMARY:

Provisional Premium \$ 330,177

Due at Inception \$ 33,024

Due at Each 1 MONTH \$ 33,017

NAME AND ADDRESS OF AGENT OR BROKER: SRA INSURANCE AGENCY LLC (HE349) 5201 JOHNSON DR STE 500 MISSION, KS 662052920

Authorized Representative					
DATE:					

IL TO 02 11 89(REV. 09-07) PAGE 1 OF 1

OFFICE: ST LOUIS



POLICY NUMBER: QT-630-1315N403-TIL-16

**EFFECTIVE DATE:** 12-01-16

**ISSUE DATE**: 12-02-16

### LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

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

IL TO 02 11 89	COMMON POLICY DECLARATIONS
IL T8 01 10 93	FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS
IL T3 18 05 11	COMMON POLICY CONDITIONS-DELUXE
IL TO 03 04 96	LOCATION SCHEDULE
IL T8 00	GENERAL PURPOSE ENDORSEMENT

### DELUXE PROPERTY

DX T0 00 11 12	DELUXE PROP COV PART DECLARATIONS
DX 00 03 07 94	DELUXE PROP COV PART SCHED-SPECIF LIMITS
DX 00 04 11 12	TABLE OF CONTENTS - DELUXE PROP COV PART
DX T1 00 11 12	DELUXE PROPERTY COVERAGE FORM
DX T1 01 11 12	DELUXE BI (AND EE) COVERAGE FORM
DX T4 22 11 12	EXT COV ON PP AT UNDESCRIBED PREM
DX T4 61 11 12	BUSINESS INCOME-COINSURANCE
DX T3 01 11 12	CAUSES OF LOSS-EARTHQUAKE
DX T3 02 11 12	CAUSES OF LOSS - BROAD FORM FLOOD
DX T4 02 01 15	FEDERAL TERRORISM RISK INSURANCE ACT DIS
DX 01 01 11 13	MISSOURI CHANGES
DX 01 02 01 12	KANSAS CHANGES
DX 01 92 11 12	ALABAMA CHANGES
DX T3 98 04 02	ELECTRONIC VANDALISM LIMITATION ENDT

### INLAND MARINE

CM	<b>A</b> 0	07	04	93	BROADCASTERS EQUIP & MEDIA DEC	
CM	<b>A</b> 0	28	80	96	IMPAK COVERAGE PART DECLARATIONS	
CM	B0	15	01	11	CARRIERS CARGO PAK COVERAGE FORM DEC	
CM	B0	63	09	15	TRANSPORTATION EQUIP LOT COVG FORM DEC	
CM	B0	66	09	14	TRANSP EQUIP LOT FLOOD & EARTH MVMNT SCH	
CM	T0	66	04	07	MILLWRIGHT LEGAL LIABILITY COV FORM DEC	
CM	Т9	95	08	10	PERSONAL PROPERTY OF OTHERS COV FORM DEC	
CM	Т3	71	08	96	IM PAK COVERAGE SUMMARY	
CM	Т3	68	08	96	IM PAK COV CONTRACT EQUIP PREM ADJ STATE	
CM	T0	27	08	07	CONTRACTORS EQUIPMENT DEDUCTIBLE SCHED	
CM	T0	29	08	96	IM PAK COV SCHEDULED PROPERTY SCHEDULE	
CM	T0	68	08	07	SCHEDULED PROPERTY DEDUCTIBLE SCHED	
CM	T0	11	08	05	TABLE OF CONTENTS	
CM	00	01	09	04	COMMERCIAL INLAND MARINE CONDITIONS	
CM	T1	88	08	11	MILLWRIGHT LEGAL LIABILITY COVERAGE FORM	
	T2				CARRIERS CARGO PAK COVERAGE FORM	
	T2				TRANSPORTATION EQUIPMENT LOT COVG FORM	
	T1	• .			PERSONAL PROPERTY OF OTHERS-SPECIAL FORM	
CM	T1	26	04	93	BROADCASTERS EQUIP & MEDIA FORM	

IL T8 01 10 93 PAGE: 1 OF 2



POLICY NUMBER: QT-630-1315N403-TIL-16

**EFFECTIVE DATE**: 12-01-16

**ISSUE DATE**: 12-02-16

### INLAND MARINE (CONTINUED)

CM	T1	43	80	96	IMPAK COVERAGE FORM
CM	Т8	00			GENERAL PURPOSE ENDORSEMENT
CM	Т8	01			GENERAL PURPOSE ENDORSEMENT
CM	Т8	02			GENERAL PURPOSE ENDORSEMENT
CM	Т8	04			GENERAL PURPOSE ENDORSEMENT
CM	Т9	35	02	12	MO CHANGES - ADDTL COVGS RPTG EXPENSES
CM	Т3	80	02	89	EARTHQUAKE
CM	Т3	09	02	89	FLOOD
CM	Т3	98	01	15	FEDERAL TERRORISM RISK INSURANCE ACT DIS
CM	Т5	79	02	14	CARGO THEFT & DISHONEST ACTS EXCLUSIONS
CM	Т5	82	02	14	TEMP, SPOILAGE AND BRKDWN COVG CHANGES
CM	Т6	01	02	14	PROCESSING DAMAGE EXCLUSION
CM	Т5	39	02	09	BUSINESS INCOME
CM	Т5	60	01	10	BLANKET LOSS PAYEES
CM	01	18	11	13	MISSOURI CHANGES

### INTERLINE ENDORSEMENTS

IL T4 12 03 15	AMNDT COMMON POLICY COND-PROHIBITED COVG
IL T4 14 01 15	CAP ON LOSSES CERTIFIED ACT OF TERRORISM
IL T3 82 05 13	EXCL OF LOSS DUE TO VIRUS OR BACTERIA
IL F0 61 09 07	MO CHANGES - DEFINTION OF POLLUTANTS
IL F0 09 04 15	ALABAMA CHANGES - ACTUAL CASH VALUE
IL F0 36 09 00	MISSOURI CHANGES-POLLUTION
IL T9 59 01 16	KS CHANGES-CONCEALMENT, MISREP OR FRAUD
IL T9 81 02 13	MO CHANGES-CANCELLATION AND NONRENEWAL

IL T8 01 10 93 PAGE: 2 OF 2

## **COMMON POLICY CONDITIONS – DELUXE**

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

### A. CANCELLATION

- The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- 2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - **b.** 60 days before the effective date of cancellation if we cancel for any other reason.
- We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- 4. Notice of cancellation will state the effective date of cancellation. If the policy is cancelled, that date will become the end of the policy period. If a Coverage Part is cancelled, that date will become the end of the policy period as respects that Coverage Part only.
  - Cancellation will not affect coverage on any shipment in transit on the date of the cancellation. Coverage will continue in full force until such property is delivered and accepted.
- 5. If this policy or any Coverage Part is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- **6.** If notice is mailed, proof of mailing will be sufficient proof of notice.

### **B. CHANGES**

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

# C. EXAMINATION OF YOUR BOOKS AND RECORDS

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

#### D. INSPECTIONS AND SURVEYS

- **1.** We have the right but not obligated to:
  - **a.** Make inspections and surveys at any time;
  - **b.** Give you reports on the conditions we find; and
  - c. Recommend changes.
- 2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake related only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - **b.** Comply with laws, regulations, codes or standards.
- Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
- 4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. PREMIUMS

- The first Named Insured shown in the Declarations:
  - **a.** Is responsible for the payment of all premiums; and
  - **b.** Will be the payee for any return premiums we pay.
- 2. We compute all premiums for this policy in accordance with our rules, rates, rating plans,

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

# F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

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

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

#### G. WHEN WE DO NOT RENEW

If we decide not to renew this policy we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 60 days before the expiration date.

### H. DELUXE PROPERTY COVERAGE PART-REFERENCE TO FORMS AND ENDORSE-MENTS

In some instances, the Deluxe Property Declarations may list endorsements included in the Deluxe Property Coverage Part that reference:

- 1. The Commercial Property Coverage Part;
- 2. The Commercial Inland Marine Coverage Part:
- **3.** Commercial Property forms including, but not limited to, the following:
  - **a.** Building and Personal Property Coverage Form:
  - **b.** Business Income Coverage Form;
  - c. Commercial Property Conditions;
  - **d.** Causes of Loss Special Form;
  - e. Causes of Loss Earthquake Form.
- Commercial Inland Marine Forms including but not limited to the Transportation Coverage – Special Form

Endorsements referencing the Commercial Property Coverage Part, Commercial Inland Marine Coverage Part, Commercial Property Forms, or Commercial Inland Marine Forms apply to the Deluxe Property Coverage Forms in the same manner as they apply to the Forms they reference.

# I. INSURANCE UNDER TWO OR MORE COVERAGE PARTS

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

This policy consists of the Common Policy Declarations and the Coverage Parts and endorsements listed in that declarations form.

In return for payment of the premium, we agree with the Named Insured to provide the insurance afforded by a Coverage Part forming part of this policy. That insurance will be provided by the company indicated as insuring company in the Common Policy Declarations by the abbreviation of its name opposite that Coverage Part.

One of the companies listed below (each a stock company) has executed this policy, and this policy is countersigned by the officers listed below:

The Travelers Indemnity Company (IND)

The Phoenix Insurance Company (PHX)

The Charter Oak Fire Insurance Company (COF)

Travelers Property Casualty Company of America (TIL)

The Travelers Indemnity Company of Connecticut (TCT)

The Travelers Indemnity Company of America (TIA)

Travelers Casualty Insurance Company of America (ACJ)

Wendy C. Shy

President

### POLICY NUMBER: QT-630-1315N403-TIL-16

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 12-01-16 to 12-01-17.

Loc. No.	_	Address	Occupancy
1	1	4133 GARDNER KANSAS CITY, MO 64120	OFFICE - BLDG 1
1	2	4133 GARDNER KANSAS CITY, MO 64120	GENERATOR
1	3	4133 GARDNER KANSAS CITY, MO 64120	SHOP - BLDG 2
1	4	4133 GARDNER KANSAS CITY, MO 64120	WAREHOUSE - BLDG 3
1	5	4133 GARDNER KANSAS CITY, MO 64120	PAINT SHOP - BLDG 4
1	6	4133 GARDNER KANSAS CITY, MO 64120	AUTO STORAGE - BLDG 8
1	7	4133 GARDNER KANSAS CITY, MO 64120	TANK FARM - BLDG 9A
1	8	4133 GARDNER KANSAS CITY, MO 64120	TANK FARM - BLDG 9B
1	9	4133 GARDNER KANSAS CITY, MO 64120	TANK FARM - BLDG 9C
1	10	4133 GARDNER KANSAS CITY, MO 64120	TANK FARM - BLDG 9D
1	11	4133 GARDNER KANSAS CITY, MO 64120	TANK FARM - BLDG 9E
1	12	4133 GARDNER KANSAS CITY, MO 64120	TANK FARM - BLDG 9F
1	13	4133 GARDNER KANSAS CITY, MO 64120	TANK FARM - BLDG 9G

### POLICY NUMBER: QT-630-1315N403-TIL-16

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 12-01-16 to 12-01-17.

Loc. No.	Bldg. No.	Address	Occupancy
1	14	4133 GARDNER KANSAS CITY, MO 64120	BRIDGE/MATERIAL - BLDG 10
1	15	4133 GARDNER KANSAS CITY, MO 64120	FENCE
2	16	MICRO LITE LLC BUFFALO, KS 66717	BULK STORAGE
2	17	MICRO LITE LLC BUFFALO, KS 66717	MATERIAL HANDLING - STORAGE
2	18	MICRO LITE LLC BUFFALO, KS 66717	MATERIAL HANDLING - TRUCK LDG
2	19	MICRO LITE LLC BUFFALO, KS 66717	PRODUCT TANK
2	20	MICRO LITE LLC BUFFALO, KS 66717	15X24 BIN
2	21	MICRO LITE LLC BUFFALO, KS 66717	15X24 BIN
2	22	MICRO LITE LLC BUFFALO, KS 66717	BAG PLANT, WAREHOUSE, SHOP, OFFICE
2	23	MICRO LITE LLC BUFFALO, KS 66717	TRUCK DUMP/SCALE BLDG
2	24	MICRO LITE LLC BUFFALO, KS 66717	CONCRETE TANK - BULK STORAGE
2	25	MICRO LITE LLC BUFFALO, KS 66717	BULK STORAGE - 15X48
2	26	MICRO LITE LLC BUFFALO, KS 66717	BULK STORAGE - 8X24

### POLICY NUMBER: QT-630-1315N403-TIL-16

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 12-01-16 to 12-01-17.

Loc. No.	Bldg. No.	Address	Occupancy
2	27	MICRO LITE LLC BUFFALO, KS 66717	BULK STORAGE - 15X48
2	28	MICRO LITE LLC BUFFALO, KS 66717	INDUSTRIAL PLANT
2	29	MICRO LITE LLC BUFFALO, KS 66717	TANK
2	30	MICRO LITE LLC BUFFALO, KS 66717	TANK
2	31	MICRO LITE LLC BUFFALO, KS 66717	STORAGE SHED
2	32	MICRO LITE LLC STRIP MINE BUFFALO, KS 66717	MATERIAL HANDLING - QUONSET HUT
2	33	MICRO LITE LLC STRIP MINE BUFFALO, KS 66717	MATERIAL HANDLING - QUONSET HUT
2	34	MICRO LITE LLC STRIP MINE BUFFALO, KS 66717	MATERIAL HNLING - OVERHEAD PROD BIN
2	35	MICRO LITE LLC STRIP MINE BUFFALO, KS 66717	MATERIAL HNLING - SHED TANK
2	36	MICRO LITE LLC STRIP MINE BUFFALO, KS 66717	TANK
2	37	MICRO LITE LLC STRIP MINE BUFFALO, KS 66717	OFFICE
2	38	MICRO LITE LLC STRIP MINE BUFFALO, KS 66717	MATERIAL HANDLING - CEMENT TANK

### POLICY NUMBER: QT-630-1315N403-TIL-16

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 12-01-16 to 12-01-17.

	Bldg. No.	Address	Occupancy
2	39	MICRO LITE LLC STRIP MINE BUFFALO, KS 66717	TANK
2	40	MICRO LITE LLC STRIP MINE BUFFALO, KS 66717	TANK
3	41	11030 HICKMAN MILLS DRIVE TOTAL RISK MANAGEMENT KANSAS CITY, MO 64137	OFFICE
3	42	11030 HICKMAN MILLS DRIVE TOAL RISK MANAGEMENT KANSAS CITY, MO 64137	GENERATOR
3	43	11030 HICKMAN MILLS DRIVE TOTAL RISK MANAGEMENT KANSAS CITY, MO 64137	FENCES
4	44	S ON PRYOR RD AT 95TH ST SUPERIOR ASPHALT COM LEES SUMMIT, MO 64002	TRAILER
4	45	S ON PRYOR RD AT 95TH ST SUPERIOR ASPHALT COM LEES SUMMIT, MO 64002	SHOP
4	46	S ON PRYOR RD AT 95TH ST SUPERIOR ASPHALT COM LEES SUMMIT, MO 64002	RESTROOMS
4	47	S ON PRYOR RD AT 95TH ST SUPERIOR ASPHALT COM LEES SUMMIT, MO 64002	DIESEL FUEL TANK 1,500 GAL
5	48	11030 HICKMAN MILLS DR KANSAS CITY, MO 64127	MAIN OFFICE
6	49	8561 NE 38TH ST KANSAS CITY, MO 64127	PARTS SHED STORAGE

### POLICY NUMBER: QT-630-1315N403-TIL-16

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 12-01-16 to 12-01-17.

Loc	Bldg.		
	No.	Address	Occupancy
6	50	8561 NE 38TH ST KANSAS CITY, MO 64127	DIESEL FUEL TANK 1,000 GAL
7	51	2501 MANCHESTER TRAFFICWAY KANSAS CITY, MO 64127	OFFICE
7	52	2501 MANCHESTER TRAFFICWAY KANSAS CITY, MO 64127	SHOP
7	53	2501 MANCHESTER TRAFFICWAY KANSAS CITY, MO 64127	STORAGE
7	54	2501 MANCHESTER TRAFFICWAY KANSAS CITY, MO 64127	REPAIR SHOP
7	55	2501 MANCHESTER TRAFFICWAY KANSAS CITY, MO 64127	LAB BUILDING 05
7	56	2501 MANCHESTER TRAFFICWAY KANSAS CITY, MO 64127	ELECTRONIC GATE CONTROL
7	57	2501 MANCHESTER TRAFFICWAY KANSAS CITY, MO 64127	DIESEL FUEL TANK 15,000 GAL
7	58	2501 MANCHESTER TRAFFICWAY KANSAS CITY, MO 64127	DIESEL FUEL TANK 10,000 GAL
8	59	EAST OF 7 HWY PINKHILL PROPERTIES BLUE SPRINGS, MO 64013	OFFICE
8	60	EAST OF 7 HWY PINKHILL PROPERTIES BLUE SPRINGS, MO 64013	SCALE HOUSE
8	61	EAST OF 7 HWY PINKHILL PROPERTIES BLUE SPRINGS, MO 64013	LINER

### POLICY NUMBER: QT-630-1315N403-TIL-16

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 12-01-16 to 12-01-17.

	Bldg. No.	Address	Occupancy
8	62	EAST OF 7 HWY PINKHILL PROPERTIES BLUE SPRINGS, MO 64013	DIESEL FUEL TANK 500 GAL
9	63	145TH & INTER URBAN RD BOWN ASPHALT PLANT KANSAS CITY, MO 64101	TRAILER
9	64	145TH & INTER URBAN RD BOWN ASPHALT PLANT KANSAS CITY, MO 64101	DIESEL FUEL TANK 1,000 GAL
10	65	7219 E. 17TH STREET KANSAS CITY, MO 64108	OFFICE
11	66	11324 LAFAYETTE AVE. KANSAS CITY, KS 66109	CLUBHOUSE
12	67	6309 E. 56TH ST. KANSAS CITY, MO 64129	TOWER BLDG
13	68	4721 COLORADO AVE. KANSAS CITY, MO 64134	OFFICE
13	69	4721 COLORADO AVE. KANSAS CITY, MO 64134	GATE
14	70	2110-2112 N. 114TH ST. KANSAS CITY, KS 66109	DWELLING
15	71	2100-2104 N. 114TH ST. KANSAS CITY, KS 66109	DWELLING
16	72	9645 LEGLER, #7D LENEXA, KS 66219	OFFICE
17	73	202 STEVENS PARKWAY BAY MINETTE, AL 36507	TANKS/STORAGE
18	74	2414 N. 114TH TERR. KANSAS CITY, KS 66109	DWELLING

POLICY NUMBER: QT-630-1315N403-TIL-16

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 12-01-16 to 12-01-17.

Loc. No.	Bldg. No.	Address	Occupancy
19	75	HWY 7 & 50 HWY LEES SUMMIT, MO 64086	DIESEL FUEL TANK 2,000 GAL
19	76	HWY 7 & 50 HWY LEES SUMMIT, MO 64086	DIESEL FUEL TANK 1,000 GAL
20	77	23102 W. 159TH STREET CEDAR CREEK PLANT OLATHE, KS 66061	DIESEL FUEL TANK 8,000 GAL
21	78	87TH & 71 HWY KANSAS CITY, MO 64147	DIESEL FUEL TANK 1,500 GAL

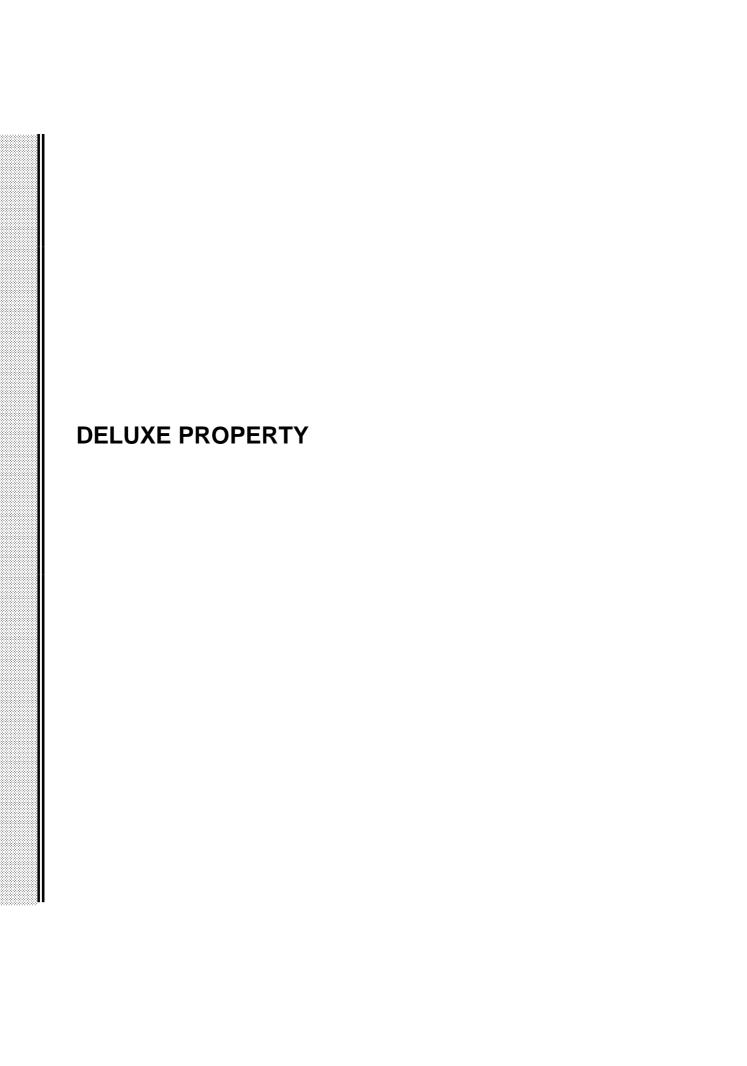
IL T0 03 04 96 Page 7 (END)

#### ITEM 1 NAMED INSURED TO READ:

CLARKSON CONSTRUCTION COMPANY JACOMO TRUCKING COMPANY, INC LIBERTY BEND SAND COMPANY, INC 3RD & BUNKER INVESTMENT CO, INC TOTAL RISK MANAGEMENT, INC CLARKSON LEASECO LLC SUPERIOR ASPHALT COMPANY INC. CLARKSON EQUIPMENT LLC GATEWAY INTERCHANGE CONSTRUCTORS, LLC EVERETT HOLDING COMPANY, INC EQC, INC. CLARKSON INVESTMENT COMPANY LLC MICRO-LITE LLC CLARKSON NORTH INVESTMENT CO CLARKSON HOLDING COMPANY LLC CLARKSON FAMILY IRREVOCABLE TRUST BOWEN CONSTRUCTION COMPANY, INC. SUPERIOR BOWEN ASPHALT CO., LLC SHINGLE SORTING, LLC R2R RECYCLING LLC DBA RESEARCH TO ROADS GREEN PAVING SOLUTIONS LLC CONSTRUCTION MATERIALS TESTING GROUP, LLC ASSISTED LIVING ASSOCIATES, LLC ALA DEVELOPMENT LLC ALA OPERATIONS LLC GATEWAY INTERCHANGE CONSTRUCTORS, A JOINT VENTURE

IL T8 00 Page 1

	DELUXE PROPE	ERTY





POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE: 12-02-16** 

INSURING COMPANY:

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

EFFECTIVE DATE: Same as policy unless otherwise specified:

DELUXE PROPERTY COVERAGE FORM

#### COVERAGES AND LIMITS OF INSURANCE - DESCRIBED PREMISES

Insurance applies on a BLANKET basis only to a coverage or type of property for which a Limit of Insurance is shown below, and then only at the premises locations for which a value for such coverage or property is shown on the Statement of Values dated 10/03/16, or subsequently reported to and insured by us. For Insurance that applies to a specific premises location see Deluxe Property Coverage Part Schedule - Specific Limits.

Blanket Description of Coverage or Property

Limits of Insurance

Building(s)
Your Business Personal Property

\$ 10,589,957 \$ 3,572,757

#### COINSURANCE PROVISION:

Coinsurance does not apply to the Blanket coverages as shown above.

### VALUATION PROVISION:

Replacement cost (subject to limitations) applies to most types of covered property (See Valuation Loss Condition in DX T1 00).

### DELUXE PROPERTY COVERAGE PART SCHEDULE - SPECIFIC LIMITS - DESCRIBED PREMISES

Insurance applies only to a premises location and building number and to a coverage or type of property for which a Specific Limit of Insurance is shown on schedule DX 00 03.

#### COINSURANCE PROVISION:

Coinsurance does not apply to any Building, Personal Property or "Stock" coverage for which a Specific Limit of Insurance applies as shown on schedule DX 00 03.

#### DX T0 00 11 12



POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE: 12-02-16** 

#### VALUATION PROVISION:

Replacement cost (subject to limitations) applies to most types of covered property (See Valuation Loss Condition in DX T1 00).

ADDITIONAL COVERED PROPERTY  Personal Property at Undescribed Premises:		Limits of Insurance
At any "exhibition" premises At any installation premises or temporary storage premises At any other not owned, leased or regularly operated	\$ \$	50,000 50,000
premises	\$	50,000
Personal Property in Transit:	\$	50,000

#### DELUXE PROPERTY COVERAGE FORM - ADDITIONAL COVERAGES & COVERAGE EXTENSIONS

The Limits of Insurance shown in the left column are included in the coverage form and apply unless a Revised Limit of Insurance or Not Covered is shown in the Revised Limits of Insurance column on the right. The Limits of Insurance apply in any one occurrence unless otherwise stated.

		Limits of Insurance	_	vised Limits Insurance
		Inputance	01	Input uncc
Accounts Receivable				
At all described premises	\$	50,000	\$	250,000
In transit or at all undescribed premises	\$	25,000		
Appurtenant Buildings and Structures	\$	100,000		
Claim Data Expense	\$	25,000		
Covered Leasehold Interest - Undamaged				
Improvements & Betterments				
Lesser of Your Business Personal Property				
limit or:	\$	100,000		
Debris Removal (additional amount)	\$	250,000		
Deferred Payments	\$	25,000		
Duplicate Electronic Data Processing Data and				
Media	\$	50,000		
Electronic Data Processing Data and Media				
At all described premises	\$	50,000		
Employee Tools				
In any one occurrence	\$	25,000		
Any one item	\$	2,500		
Expediting Expenses	\$ \$	25,000		
Extra Expense	\$	25,000		

### DX T0 00 11 12



POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE**: 12-02-16

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

,		Limits of Insurance	_	ised Limits Insurance
Fine Arts				
At all described premises	\$	50,000		
In transit	\$	25,000		
Fire Department Service Charge	Incl	.uded*		
Fire Protective Equipment Discharge	Incl	.uded*		
Green Building Alternatives - Increased Cost				
Percentage 1 %				
Maximum amount - each building	\$	100,000		
Green Building Reengineering and				
Recertification Expense	\$	25,000		
Limited Coverage for Fungus, Wet Rot or				
Dry Rot - Annual Aggregate	\$	25,000		
Loss of Master Key	\$	25,000		
Newly Constructed or Acquired Property:				
Building - each	\$	2,000,000		
Personal Property at each premises		1,000,000		
Non-Owned Detached Trailers	\$	25,000		
Ordinance or Law Coverage	\$	250,000		
Outdoor Property	\$ \$ \$	25,000		
Any one tree, shrub or plant	\$	2,500		
Outside Signs				
At all described premises	\$	100,000		
At all undescribed premises	\$ \$ \$	5,000		
Personal Effects	\$	25,000	\$	50,000
Personal Property At Premises Outside of the				
Coverage Territory	\$	50,000		
Personal Property In Transit Outside of the				
Coverage Territory	\$	25,000		
Pollutant Cleanup and Removal - Annual				
Aggregate	\$	100,000		
Preservation of Property				
Expenses to move and temporarily store				
property	\$	250,000		
Direct loss or damage to moved property	Incl	.uded*		
Reward Coverage				
25% of covered loss up to maximum of:	\$	25,000		
Stored Water	\$	25,000		
Theft Damage to Rented Property	Incl	.uded*		
Undamaged Parts of Stock In Process	\$	50,000		
Valuable Papers and Records - Cost of Research				
At all described premises	\$	50,000	\$	100,000
In transit or at all undescribed premises	\$	25,000	\$	100,000
Water or Other Substance Loss - Tear Out and				



POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE**: 12-02-16

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

Limits of Revised Limits
Insurance of Insurance

Revised Limits of

Replacement Expense

Included\*

\*Included means included in applicable Covered Property Limit of Insurance

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

Premises Building Limits of Location No. Insurance

ALL \$ 1,738,000

100% Coinsurance Applies. See Business Income - Coinsurance DX T4 61.

Rental Value: Included Ordinary Payroll: Excluded

### DELUXE BUSINESS INCOME - ADDITIONAL COVERAGES AND COVERAGE EXTENSIONS

The Limits of Insurance, Coverage Period and Coverage Radius shown in the left column are included in the coverage form and apply unless a revised Limit of Insurance, Coverage Period, Coverage Radius or Not Covered is shown under the column on the right. The Limits of Insurance apply in any one occurrence unless otherwise stated.

Limits of

		ce,Coverage		
	Period o	or Coverage	Period or	Coverage
	Radius		Radius	
Business Income From Dependent Property				
At Premises Within the Coverage				
Territory	\$	100,000		
At Premises Outside of the Coverage				
Territory	\$	100,000		
Civil Authority	-			
Coverage Period		30 days		
Coverage Radius		100 miles		
Claim Data Expense	\$	25,000		
Contract Penalties	\$	25,000		
Extended Business Income				
Coverage Period		180 days		90 days
<del>-</del>		-		-

#### DX T0 00 11 12



POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE**: 12-02-16

DELUXE BUSINESS INCOME - ADDITIONAL COVERAGES AND COVERAGE EXTENSION (continued)

	Limits of	Revised Limits of
	Insurance,Coverage	Insurance,Coverage
	Period or Coverage	Period or Coverage
	Radius	Radius
ungus. Wet Rot or Dry Rot - Amended		

Fungus, Wet Rot or Dry Rot - Amended Period of Restoration Coverage Period Green Building Alternatives - Increased Period of Restoration		30 days
		20 4
Coverage Period		30 days
Ingress or Egress	\$	25,000
Coverage Radius		1 mile
Newly Acquired Locations	\$	500,000
Ordinance or Law - Increased	•	•
Period of Restoration	\$	250,000
Pollutant Cleanup and Removal - Annual	т	
Aggregate	\$	25,000
Transit Business Income	\$	25,000
		•
Undescribed Premises	\$	25,000

CAUSES OF LOSS - EARTHQUAKE - aggregate in any one policy year, for all losses covered under the Causes of Loss - Earthquake endorsement, commencing with the inception date of this policy:

Annual Aggregate Limit

1. Applies at the following Building(s) numbered:

001-078 \$ 10,000,000

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



POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE: 12-02-16** 

CAUSES OF LOSS - BROAD FORM FLOOD - aggregate in any one policy year, for all losses covered under the Causes of Loss - Broad Form Flood endorsement, commencing with the inception date of this policy:

Annual

Aggregate Limit

1. Applies at the following Building(s) numbered:

016-078 \$ 10,000,000

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

EXCESS OF LOSS LIMITATION DOES NOT APPLY.

#### **DEDUCTIBLES:**

### BY EARTHQUAKE:

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

001-078 \$ 25,000

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

### BY "FLOOD":

1. At the premises location(s) of the following Building(s) numbered:

016-078

in any one occurrence \$ 50,000

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

#### DX T0 00 11 12



POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE**: 12-02-16

DEDUCTIBLES: (continued)

TO PERSONAL PROPERTY IN TRANSIT:

in any one conveyance: \$ 5,000 in any one occurrence: \$ 5,000

TO PERSONAL PROPERTY AT UNDESCRIBED PREMISES:

in any one occurrence, at each undescribed premises: \$ 5,000

BUSINESS INCOME:

As respects Business Income Coverage, for which no other deductible is stated above or in the coverage description, a 72 hour deductible applies.

ANY OTHER COVERED LOSS in any one occurrence: \$ 5,000

DX T0 00 11 12

POLICY NUMBER: QT-630-1315N403-TIL-16 ISSUE DATE: 12-02-16

# DELUXE PROPERTY COVERAGE PART SCHEDULE - SPECIFIC LIMITS

Prem. No.	Bldg. No.	Description of Coverage or Property	Limits of Insurance
8	59	Building	\$ 76,500
8	59	Your Business Personal Property	\$ 2,000
8	60	Building	\$ 20,400
8	60	Your Business Personal Property	\$ 10,000
8	61	Building	\$ 51,000
8	62	Building	\$ 500
8	62	Your Business Personal Property	\$ 800

### **TABLE OF CONTENTS**

# **DELUXE PROPERTY COVERAGE PART**

The following indicates the contents of the principal Forms which may be attached to your policy. It contains no reference to the Declarations or Endorsements which also may be attached.

DE	Begins on Page	
A.	Coverage	1
В.	Covered Causes of Loss	18
C.	Exclusions	18
D.	Limitations	26
E.	Limits of Insurance	27
F.	Deductible	28
G.	Loss Conditions	28
Н.	Additional Conditions	34
I.	Optional Coverages	35
J.	Definitions	36
DE	LUXE BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM	
A.	Coverage	1
В.	Exclusions and Limitation	8
C.	Limits of Insurance	9
D.	Deductible	9
E.	Loss Conditions	10
F.	Optional Coverages	11
G.	Definitions	12
DE	LUXE BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM	
A.	Coverage	1
В.	Exclusions and Limitation	7
C.	Limits of Insurance	8
D.	Deductible	8
E.	Loss Conditions	9
	Optional Coverages	10
G.	Definitions	10
DE	LUXE EXTRA EXPENSE COVERAGE FORM	
A.	Coverage	1
В.	Exclusions	6
C.	Limits of Insurance	6
D.	Loss Conditions	6
E.	Optional Coverages	7
F.	Definitions	8

# **DELUXE PROPERTY COVERAGE FORM**

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

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

Other words and phrases that appear in quotation marks have special meaning. REFER TO SECTION J. – DEFINITIONS.

#### A. COVERAGE

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

### 1. Covered Property

Covered Property, as used in this Coverage Part, means each of the following types of property described in this Section A.1., and limited in Section A.2., Property and Costs Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

- **a. Building(s)**, meaning the designated building or structure at the premises described in the Declarations, including:
  - (1) Completed additions;
  - (2) Fixtures, including outdoor fixtures;
  - (3) Foundations;
  - (4) Glass that is a part of the building or structure:
  - (5) Machinery and equipment permanently attached to the building or structure;
  - (6) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
    - (a) Fire extinguishing equipment;
    - (b) Outdoor furniture;
    - (c) Floor coverings;
    - **(d)** Lobby and hallway furnishings owned by you;
    - **(e)** Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
    - (f) Lawn maintenance and snow removal equipment;
    - **(g)** Heating, air conditioning and ventilation equipment; and

- (h) Building systems and equipment including alarm, communication, security and monitoring devices; and
- (7) If not covered by other insurance:
  - (a) Additions under construction, alterations and repairs to the building or structure; and
  - **(b)** Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises, used for making additions, alterations or repairs to the buildings or structures.
- b. Your Business Personal Property located in or on the designated building or structure at the premises described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises, consisting of the following unless otherwise specified in the Declarations:
  - (1) Furniture and fixtures;
  - (2) Machinery and equipment (including "electronic data processing equipment");
  - (3) "Stock";
  - (4) All other personal property owned by you and used in your business;
  - (5) Labor, materials or services furnished or arranged by you on personal property of others;
  - (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
    - (a) Made a part of the building or structure you occupy or lease but do not own; and

- (b) You acquired or made at your expense, but cannot legally remove:
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise insured under Personal Property of Others; and
- (8) Building glass that is not a tenant improvement and betterment but which, as a tenant, you are contractually required to insure under a written lease agreement.
- c. Personal Property of Others meaning others' personal property in your care, custody, or control that is located in or on the designated building or structure at the premises described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

However, our payment for loss of or damage to Personal Property of Others will only be for the account of the owner of the property.

- d. Personal Property At Undescribed Premises meaning Your Business Personal Property and Personal Property of Others in your care, custody or control that:
  - (1) Is at "exhibition" premises located worldwide including while in transit to and from the "exhibition" premises provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage;
  - (2) Is at installation premises or temporary storage premises while awaiting installation that you do not own, lease or regularly operate. This coverage applies only to such property that will or has become a permanent part of an installation project being performed for others by you or on your behalf. This coverage will end when any of the following first occurs:
    - (a) Your interest in the property ceases:
    - **(b)** The installation is accepted by the customer;

- **(c)** The installation is abandoned by you:
- **(d)** The property is more specifically insured; or
- **(e)** This policy is cancelled or expires, whichever occurs first; or
- (3) Is temporarily at any other premises not described in the Declarations, which you do not own, lease or regularly operate.

Coverage does not include Sales Representative Property as defined in Paragraph A.1.f. below.

- e. Personal Property in Transit as follows:
  - (1) This coverage for Personal Property in Transit applies to:
    - (a) Your Business Personal Property; and
    - **(b)** Personal Property of Others; away from the described premises while in transit between points within the Coverage Territory.
  - (2) Unless a mode of transportation or type of shipment is specifically excluded in the Declarations or by endorsement, this coverage applies to property in transit being shipped by any type of carrier or vehicle.
  - (3) This coverage applies from the time the property leaves the premises where the shipment begins until the shipment arrives at its final destination. If the property is not delivered, we cover the return of the property to you, including while the property is temporarily held by the receiver or the carrier while awaiting return shipment to you.
  - (4) Subject to the Limit of Insurance that applies to the Personal Property in Transit coverage, we will also pay for:
    - (a) Any general average or salvage charges you incur as respects losses to covered waterborne shipments;
    - (b) Your interest in covered shipments sold Free On Board if you cannot collect payment for the loss or damage from the consignee; and

- (c) Loss of or damage to Covered Property resulting from the unintentional acceptance of any fraudulent Bill of Lading, order or shipping receipt by you, your employees or authorized representatives or by your agent, customer or consignee from anyone representing themselves to be the proper person to receive goods for shipment or accept goods for delivery.
- (5) This coverage does not apply to:
  - (a) Accounts receivable:
  - (b) "Employee tools";
  - (c) "Fine arts":
  - (d) Sales representative property;
  - **(e)** Personal property in transit to or from an "exhibition" site; or
  - (f) "Valuable papers and records".
- f. Sales Representative Property meaning goods or merchandise which are Your Business Personal Property and Personal Property of Others in the custody of independent contractors whom you authorize to sell such goods or merchandise. This coverage applies worldwide while the property is:
  - (1) At any premises away from the described premises; or
  - (2) In transit;

provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.

### 2. Property and Costs Not Covered

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

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes, checks, drafts or securities except as provided in the Accounts Receivable Coverage Extension. Lottery tickets held for sale are not securities;
- b. Aircraft or watercraft;
- c. Animals;

- **d.** Automobiles, motorcycles, motor trucks, motor homes and similar vehicles held for sale, lease, loan or rent;
- e. Bulkheads, pilings, piers, wharves, docks, dikes or dams;
- **f.** Contraband or property in the course of illegal transportation or trade;
- g. "Electronic data processing data and media" that is obsolete or no longer used by you:
- h. "Employee tools" except as provided in the Employee Tools Coverage Extension;
- Export and import shipments while covered under an ocean marine cargo or other insurance policy;
- j. "Fine arts", except as provided in the Personal Effects and Fine Arts Coverage Extensions;
- **k.** Harvested grain, hay, straw or other crops while outside of buildings, growing crops or standing timber;
- I. Human body parts and fluids including organs, tissue, blood and cells;
- m. Land, whether in its natural state or otherwise (including land on which the property is located), land improvements or the cost of restoring or stabilizing land;
- n. Personal property sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan after delivery to the purchasers except as provided in the Deferred Payments Coverage Extension;
- o. Property of others for which you are responsible while acting as a common or contract carrier, car-loader, freight forwarder, freight consolidator, freight broker, shipping association or similar arranger of transportation, or as a public warehouseman;
- p. Property that is covered under another coverage form or endorsement of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- q. Property while waterborne except while in transit by inland water carriers or by coastwise vessels operating within "territorial waters";

- **r.** Shipments by a government postal service except by registered mail;
- s. The cost of excavations, grading, backfilling or filling. This does not apply to costs necessarily incurred to repair or replace covered loss or damage to Covered Property, but any costs associated with land stabilization and land reconstruction are excluded;
- t. The cost to research, replace or restore the information on "valuable papers and records" and "electronic data processing data and media", except as provided in the Valuable Papers and Records – Cost of Research and Electronic Data Processing Data and Media Coverage Extensions;
- **u.** The following property while outside of buildings:
  - Bridges, roadways, walks, patios, or other paved surfaces;
  - (2) Artificial turf and associated underlayment;
  - (3) Retaining walls that are not part of a building;
  - (4) Fences;
  - (5) Trees, shrubs, plants or lawns (including fairways, greens and tees), but not including vegetative roofs on Covered Buildings nor "stock" of trees, shrubs or plants;

except as provided in the Outdoor Property Coverage Extension.

- **v.** The following underground property:
  - (1) Wires;
  - (2) Pipes, flues and drains;
  - (3) Tanks (including their contents);
  - **(4)** Tunnels (whether or not connected to buildings);
  - (5) Mines or mining property;
- w. Vehicles or self-propelled machines that:
  - Are licensed for use on public roads; or
  - **(2)** Are operated principally away from the described premises;

But this does not apply to:

(a) Vehicles, self-propelled machines or autos you manufacture, process or warehouse;

- (b) Vehicles or self-propelled machines you hold for sale, lease, loan or rent other than those excluded under A.2.d. above; or
- (c) Trailers and Semi-trailers to the extent covered under the Non-Owned Detached Trailers Coverage Extension;
- w. Water, whether in its natural state or otherwise, and whether above or below ground or the cost of reclaiming or restoring water.

But this does not apply to:

- (1) Water contained in storage tanks used in your manufacturing or processing operations as specifically insured under the Stored Water Additional Coverage; or
- (2) Bottled water.

### 3. Additional Coverages

Each of the following Additional Coverages applies subject to the Limit(s) of Insurance stated in this Coverage Form unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

#### a. Debris Removal

(1) We will pay your expense to remove debris of Covered Property, and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

This Additional Coverage does not apply to costs to:

- (a) Remove debris of property you own that is not insured under this policy, or property of others in your care, custody or control that is not Covered Property;
- (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;

- (c) Remove debris of any outdoor property of a type described in the Outdoor Property Coverage Extension, whether the property is your property or the property of others:
- (d) Remove any property that is included under Section A.2. Property and Costs Not Covered;
- **(e)** Remove property of others of a type that is not Covered Property under this Coverage Form;
- (f) Extract "pollutants" from land or water; or
- **(g)** Remove, restore or replace polluted land or water.
- (2) The most we will pay under this Additional Coverage for your expense to remove the debris of Covered Property is 25% of:
  - (a) The amount we pay for the direct physical loss of or damage to Covered Property; plus
  - **(b)** The deductible in this Coverage Part applicable to that loss or damage.

Except as provided in Paragraph (3) below, this payment for your expense to remove the debris of Covered Property is included within the applicable Covered Property Limit of Insurance.

### (3) If:

- (a) Your expense to remove debris of Covered Property exceeds the above 25% limitation; or
- (b) The sum of the amount we pay for loss of or damage to Covered Property and the expense for removal of its debris exceeds the applicable Limit of Insurance;

we will pay an additional amount for your expense to remove the debris of Covered Property, up to \$250,000 in any one occurrence.

(4) The most we will pay in any one occurrence under this Additional Coverage for your expense to remove the debris of any property that is not Covered Property (if such removal is covered under this Additional Coverage) is \$25,000. This is additional insurance.

### b. Expediting Expenses

In the event of covered loss or damage to Covered Property, we will pay for the reasonable and necessary additional expenses you incur to make temporary repairs to, or expedite the permanent repairs or replacement of the Covered Property at the premises sustaining loss or damage. Expediting expenses include overtime wages and the extra cost of express or other rapid means of transportation. Expediting expenses do not include expenses you incur for the temporary rental of property or temporary replacement of damaged property.

The most we will pay in any one occurrence under this Additional Coverage is \$25,000.

### c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No deductible applies to this Additional Coverage.

### d. Fire Protective Equipment Discharge

If fire protective equipment at the described premises discharges accidentally or to control a Covered Cause of Loss, we will pay your cost to:

- (1) Refill or recharge the system with the extinguishing agents that were discharged; and
- (2) Replace or repair faulty valves or controls which caused the discharge.

# e. Green Building Alternatives - Increased Cost

- (1) If direct physical loss or damage by a Covered Cause of Loss occurs to a building that is Covered Property, we will pay for:
  - (a) The reasonable additional cost you incur to repair or replace the lost or damaged portions of the

building using products or materials that:

- (i) Are "green" alternatives to the products or materials of the lost or damaged property, in accordance with a documented "green authority"; and
- (ii) Are otherwise of comparable quality and function to the damaged property;

and

- (b) The reasonable additional cost you incur to employ "green" methods or processes of construction, disposal or recycling in the course of the repair and replacement of the lost or damaged building, in accordance with the documented standards of a "green authority".
- (2) The insurance provided under this Additional Coverage applies only if replacement cost valuation applies to the lost or damaged building and then only if the building is actually repaired or replaced as soon as reasonably possible after the loss or damage.
- (3) The insurance provided under this Additional Coverage does not apply to any building that has been "vacant" for more than 60 consecutive days before the loss or damage occurs.
- (4) The most we will pay for the additional cost incurred with respect to each building in any one occurrence under this Additional Coverage is determined by multiplying:
  - (a) A factor of 1% (unless a higher increased cost percentage is shown in the Declarations); times
  - (b) The lesser of:
    - (i) The amount we would otherwise pay for direct physical loss of or damage to the building, prior to application of any applicable deductible; or
    - (ii) The value you reported to us for the building, as stated on the latest Statement of Values or other documentation

on file with us prior to the loss or damage.

Unless otherwise stated in the Declarations, this resultant amount is subject to a maximum amount of insurance of \$100,000 for each building.

# f. Green Building Reengineering and Recertification Expense

- (1) If, as a result of direct physical loss or damage by a Covered Cause of Loss to a building that is Covered Property, the pre-loss level of "green" building certification by a "Green Authority" on the building is lost, we will pay for the following reasonable additional expenses you incur to re-attain the preloss level of "green" building certification from that "Green Authority":
  - (a) The reasonable additional expense you incur to hire a qualified engineer or other professional required by the "Green Authority" to be involved in:
    - (i) Designing, overseeing or documenting the repair or replacement of the lost or damaged building; or
    - (ii) Testing and recalibrating the systems and mechanicals of the lost or damaged building to verify that the systems and mechanicals are performing in accordance with the design of such systems and mechanicals or the specifications of the manufacturer;

and

- **(b)** The reasonable registration and recertification fees charged by the "Green Authority".
- (2) This Additional Coverage applies to the additional expenses described above that you incur to achieve the pre-loss level of "green" building certification in accordance with the standards of the "Green Authority" that exist at the time of repair or replacement, even if the standards have changed since the original certification was achieved.

- (3) The most we will pay in any one occurrence under this Additional Coverage for:
  - (a) All expenses incurred with respect to each building is 5% of the sum of:
    - (i) The amount we pay for the direct physical loss of or damage to the building, including any amount paid under the Green Building Alternatives – Increased Cost Additional Coverage; and
    - (ii) The deductible amount applied to the loss payment for direct physical loss or damage to the building;
  - **(b)** All expenses incurred, regardless of the number of buildings involved, is \$25,000.

# g. Limited Coverage for Fungus, Wet Rot or Dry Rot

- (1) The coverage provided in Paragraph (2) below only applies when "fungus", wet rot or dry rot is the result of any of the "specified causes of loss", other than fire or lightning, that occurs during the policy period, and only if all reasonable means have been used to save and preserve the property from further damage at the time of and after the occurrence of such "specified causes of loss".
- (2) We will pay for direct physical loss of or damage to Covered Property caused by "fungus", wet rot or dry rot, including:
  - (a) The cost of removal of the "fungus", wet rot or dry rot;
  - (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet rot or dry rot; and
  - (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet rot or dry rot are present.

- (3) The most we will pay for the total of all loss or damage under this Additional Coverage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) occurring during each separate 12 month period of this policy beginning with the effective date of this policy is \$25,000.
- (4) The coverage provided under this Additional Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet rot or dry rot, and other loss or damage, we will not pay more for the total of all loss or damage than the applicable Limit of Insurance on the Covered Property.

If there is covered loss or damage to Covered Property that is not caused by "fungus", wet rot or dry rot, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungus", wet rot or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

### h. Ordinance or Law Coverage

- (1) In the event of covered direct physical loss or damage to a building that is Covered Property, the following coverages apply, but only with respect to that lost or damaged building:
  - (a) Coverage A Coverage For Loss To The Undamaged Portion of The Building

We will pay under Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

# (b) Coverage B - Demolition Cost Coverage

We will pay under Coverage **B** the cost to demolish the building and clear the site of undamaged parts of the same building, as a consequence of enforcement of

an ordinance or law that requires demolition of such undamaged property.

# (c) Coverage C - Increased Cost of Construction

We will pay under Coverage **C** the increased cost to:

- (i) Repair or reconstruct damaged portions of that building; or
- (ii) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

This Coverage **C** applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance. This Coverage **C** does not apply if the building is not repaired, reconstructed or remodeled.

- (2) The coverages described in (1) above apply only if the provisions in Paragraphs (a) and (b) below are satisfied and are then subject to the qualifications set forth in Paragraph (c) below:
  - (a) The ordinance or law:
    - (i) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises;
    - (ii) Is in force at the time of loss. But this Additional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

- (b) The building either:
  - (i) Sustains direct physical loss or damage that is covered under this Coverage Part and such damage results in enforcement of the ordinance or law; or
  - (ii) Sustains both direct physical loss or damage that is covered under this Coverage Part and direct physical loss or damage that is not covered under this Coverage Part and the building damage in its entirety results in enforcement of the ordinance or law.

If the building sustains direct physical loss or damage that is not covered under this Coverage Part, and such damage is the subject of the ordinance or law, then there is no coverage under this Additional Coverage even if the building has also sustained covered direct physical loss or damage.

(c) In the situation described in (b) (ii) above, we will not pay the full amount of loss otherwise payable under the terms of Coverage A, B or C of this Additional Coverage. Instead, we will pay a proportion of such loss. The proportion of such loss that we will pay is the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage.

However, if covered direct physical loss or damage, alone, would have resulted in the enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverage **A**, **B**, or **C** of this Additional Coverage.

- **(3)** We will not pay under this Additional Coverage for:
  - (a) Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remedia-

tion of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot;

- (b) The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet rot or dry rot; or
- (c) Loss due to any ordinance or law that:
  - (i) You were required by the ordinance or law to comply with before the loss, even if the building was undamaged;
     and
  - (ii) You failed to comply with.
- (4) Exclusion C.1.h. Ordinance or Law does not apply to the insurance specifically provided under this Additional Coverage.
- (5) The most we will pay under this Additional Coverage for loss with respect to all buildings lost or damaged in any one occurrence, regardless of the number of buildings involved, is \$250,000.

### i. Pollutant Cleanup and Removal

We will pay your expense to extract "pollutants" from land or water at the described premises, if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from any of the "specified causes of loss" which occurs:

- (1) On the described premises;
- (2) To Covered Property; and
- (3) During the policy period.

The expenses will be paid only if they are reported to us within 180 days of the date on which the covered "specified cause of loss" occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage is \$100,000 for the sum of all covered expenses arising out of all "specified causes of loss" occurring during each separate 12 month period of this policy (beginning with the effective date of the policy).

### j. Preservation of Property

If it is necessary to temporarily move Covered Property from the described premises to preserve it from the threat of imminent loss or damage by a Covered Cause of Loss:

- (1) We will pay for the reasonable and necessary expenses actually incurred by you to remove the Covered Property from the described premises, temporarily store the Covered Property at another location and move the Covered Property back to the described premises within a reasonable time after the threat of imminent loss or damage to the property by the Covered Cause of Loss passes. The most we will pay for the sum of all such expenses that you incur due to the threat of loss or damage from any one occurrence is \$250,000, subject to the following:
  - (a) This Limit of Insurance is an additional amount of insurance that is not included in, and does not reduce, the Covered Property Limits of Insurance.
  - (b) When the Causes of Loss -Earthquake endorsement Causes of Loss - Earthquake Sprinkler Leakage endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of all such Covered Causes of Loss in any one policy year will not exceed \$250,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss - Earthquake endorsement

- or the Causes of Loss Earthquake Sprinkler Leakage endorsement applies.
- (c) When the Causes of Loss -Broad Form Flood endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of such Covered Cause of Loss in any one policy year will not exceed \$250,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss - Broad Form Flood endorsement applies.
- (d) If the threat of imminent direct physical loss or damage to Covered Property from the same occurrence spans over multiple policy years, only the limit that applies to this Coverage in the policy year in which the expenses are first incurred by you will apply to the total of the expenses incurred due to the threat of loss or damage from that occurrence.

This Coverage is subject to the deductible that applies to loss or damage to the Covered Property by the Covered Cause of Loss from which the property is being preserved.

- (2) We will also pay for any direct physical loss of or damage to the Covered Property while it is being moved from the described premises, while temporarily stored at another location or while being moved back to the described premises, subject to the following:
  - (a) This Coverage is subject to, and does not increase the applicable Covered Property Limit of Insurance.
  - (b) This Coverage will only apply if the loss or damage occurs within 180 days after the Covered Property is first moved and will end when any of the following first occurs:

- (i) The policy is amended to provide insurance at the new location:
- (ii) The Covered Property is returned to the original location; or
- (iii) This policy expires.

### k. Reward Coverage

We will reimburse you for rewards you have incurred leading to:

- (1) The successful return of undamaged stolen articles of Covered Property to a law enforcement agency; or
- (2) The arrest and conviction of any person(s) who have damaged or stolen any of your Covered Property.

The most we will pay in any one occurrence under this Additional Coverage is 25% of the covered loss (prior to the application of any applicable deductible and recovery of undamaged stolen articles) up to a maximum of \$25,000 for the payments of rewards you make. These reward payments must be documented. No deductible applies to this Additional Coverage.

#### I. Stored Water

- (1) We will pay the cost you incur to replace water that is used in your manufacturing or processing operations which is contained in any:
  - (a) Above-ground storage tank; or
  - (b) Manufacturing or processing equipment (including related piping) at the described premises,

when the water has been released or rendered unusable for its intended purpose due to direct physical loss of or damage to such tank, equipment or piping by a Covered Cause of Loss.

- (2) This Additional Coverage does not apply to costs to restore or replace water contained in any fire suppression system.
- (3) The most we will pay in any one occurrence under this Additional Coverage is \$25,000.

# m. Water or Other Substance Loss – TearOut and Replacement Expense

In the event of covered loss or damage caused by or resulting from water (or steam), other liquid, powder or molten material, we will also pay:

- (1) The necessary cost of tearing out and replacing any part of a Covered Building or Structure to repair damage to the system or appliance from which the water (or steam), other liquid, powder or molten material escapes; and
- (2) The cost to repair or replace damaged parts of fire extinguishing equipment if:
  - (a) The damage results in discharge of any substance from an automatic fire protective system; or
  - (b) Is directly caused by freezing.

Except as provided under (2) above, we will not pay the cost to repair any defect in a system or appliance from which the water (or steam), other liquid, powder or molten material escapes.

### 4. Coverage Extensions

Each of the following Coverage Extensions applies subject to the Limit(s) of Insurance stated in this Coverage Form, unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

#### a. Accounts Receivable

(1) You may extend the insurance that applies to Your Business Personal Property to apply to losses and expenses described below that you incur resulting from direct physical loss or damage by a Covered Cause of Loss to your accounts receivable records. Credit card company charge media will be considered accounts receivable until delivered to the credit card company.

We will pay:

- (a) Amounts due from your customers that you are unable to collect;
- (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;

- (c) Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and
- (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable.
- (2) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss, we will:
  - (a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss occurs;
  - (b) Adjust the total for any normal fluctuations in the amount of accounts receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month; and
  - (c) Deduct the following from the total amount of accounts receivable, however that amount is established:
    - (i) The amount of the accounts for which there is no loss;
    - (ii) The amount of the accounts that you are able to reestablish or collect;
    - (iii) An amount to allow for probable bad debts that you are normally unable to collect;
    - (iv) All unearned interest and service charges.
- (3) The most we will pay in any one occurrence under this Extension for loss and expenses resulting from loss of or damage to your records of accounts receivable:
  - (a) At or within 1,000 feet of the described premises is \$50,000; and
  - **(b)** While in transit or at all undescribed premises is \$25,000.

#### b. Appurtenant Buildings and Structures

- **(1)** At the described premises where Building coverage applies:
  - (a) You may extend the insurance that applies to your buildings to

- apply to direct physical loss or damage by a Covered Cause of Loss to incidental appurtenant buildings and structures which are at the described premises but not specifically described in the Declarations; and
- (b) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others, if any, to apply to direct physical loss or damage by a Covered Cause of Loss to such property located within incidental appurtenant buildings or structures which are at the described premises but not specifically described in the Declarations.
- (2) Incidental appurtenant buildings or structures include storage buildings, garages, pump houses, above ground tanks, television and radio towers, antennas, satellite dishes and solar panels mounted on the ground or on poles not attached to buildings and structures. But incidental appurtenant buildings and structures do not include:
  - (a) Outside signs, whether or not attached to buildings or structures;
  - (b) Any property to which the Outdoor Property Coverage Extension applies; or
  - **(c)** Any property excluded under Section **A.2.** Property and Costs Not Covered.
- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$100,000.

## c. Claim Data Expense

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable expenses you incur in preparing claim data when we require it to adjust a covered loss. This includes the cost of taking inventories, making appraisals and preparing other documentation to show the extent of loss.
- (2) We will not pay for:

- (a) Any expenses incurred, directed, or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries:
- **(b)** Any costs as provided in the Appraisal Loss Condition **(G.2.)**; or
- (c) Any expenses incurred, directed, or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.
- (3) The most we will pay for claim data expense in any one occurrence under this Extension is \$25,000.

# d. Covered Leasehold Interest – Undamaged Improvements and Betterments

- (1) You may extend the insurance that applies to Your Business Personal Property at the described premises which you lease from others to apply to your interest as tenant in improvements and betterments, as defined in Section A.1.b.(6) of this Coverage Form, which are not damaged or destroyed, but which you lose due to the cancellation of your lease by your landlord. The cancellation of your lease by your landlord must:
  - (a) Result from direct physical loss of or damage to property at the described premises where your improvements and betterments are located, caused by or resulting from a Covered Cause of Loss; and
  - **(b)** Be permitted in accordance with the conditions of your written lease agreement.
- (2) The most we will pay for loss in any one occurrence under this Extension is:
  - (a) The applicable Your Business Personal Property Limit of Insurance; or
  - (b) \$100,000; whichever is less.

# e. Deferred Payments

(1) You may extend the insurance that applies to Your Business Personal Property to apply to your interest in

such business personal property that is sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan when, as a result of direct physical loss of or damage to such property:

- (a) Occurring within the Coverage Territory at any location, or in transit, after delivery to buyers;
- **(b)** Caused by a Covered Cause of Loss:

the buyer refuses to continue payments owed to you for such property and, as a result, you repossess the remaining damaged property of value, if any.

- (2) The value of your loss under this Extension will be determined as follows:
  - (a) In the event of partial loss to property, the value of your loss will be:
    - (i) The unpaid balance shown on your books as due from the buyer for such property, excluding any interest or fees due; minus
    - (ii) The actual cash value of the repossessed damaged property.
  - (b) In the event of a total loss to property, the value of your loss will be the unpaid balance shown on your books as due from the buyer for such property, excluding any interest or fees due.
- (3) The most we will pay for loss in any one occurrence under this Extension is \$25,000.

# f. Duplicate Electronic Data Processing Data and Media

(1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to duplicates of your "electronic data processing data and media" while stored in a separate, unattached building anywhere in the Coverage Territory from where your

- original "electronic data processing data and media" are kept.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

# g. Electronic Data Processing Data and Media

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to your costs to research, replace or restore the lost information on lost or damaged "electronic data processing data and media" for which duplicates do not exist. The loss or damage to the "electronic data processing data and media" must be caused by a Covered Cause of Loss.
- (2) The most we will pay in any one occurrence under this Extension for loss or damage to "electronic data processing data and media":
  - (a) At or within 1,000 feet of the described is as follows:
    - (i) \$50,000 at all described premises unless a different Limit of Insurance or Not Covered is shown in the Declarations or Paragraph (ii) below applies;
    - (ii) When Included is shown in the Declarations as the Limit of Insurance, the insurance provided for such property is included in, and does not increase the Limit(s) of Insurance that otherwise apply to loss or damage to Your Business Personal Property and Personal Property of Others at the described premises where the loss occurs;

and

(b) At any other location where the insurance provided under this Coverage Form for Your Business Personal Property and Personal Property of Others applies, including while in transit, is included in and does not increase the Limit of Insurance that otherwise applies to loss or damage to Your Business Personal Property and Personal Property of Others at that location or in transit. But, in no event will the amount we pay for such loss or damage to "electronic data processing data and media" under this Extension exceed the amount we would have paid had the loss to "electronic data processing data and media" occurred at or within 1,000 feet of the described premises.

# h. Employee Tools

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to "employee tools" at the described premises or while in the care, custody or control of your employees at job sites or while in transit between these locations.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000, but not more than \$2,500 for any one item.

# i. Extra Expense

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable and necessary Extra Expense you incur, during the period of restoration, due to direct physical loss or damage to property at or within 1,000 feet of the described premises caused by or resulting from a Covered Cause of Loss.
- (2) If you occupy only a portion of a building in which the described premises are located, such premises include all routes within the building to gain access to the portion of the building which you own, rent, lease or occupy.
- (3) As used in this Extension:
  - (a) Extra Expense means necessary expenses you incur that you would not have incurred if there had been no direct physical loss or damage to property:
    - (i) To avoid or minimize the suspension of business and

to continue your normal business operations:

- At the described premises; or
- At replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations;
- (ii) To minimize the suspension of business if you cannot continue your normal business operations at the described premises; or
- (iii) To the extent that it reduces the amount of loss that otherwise would have been payable under this Coverage Form:
  - To repair or replace any property;
  - To research, replace or restore the lost information on lost or damaged "electronic data processing data and media" or "valuable papers and records".
- **(b)** Period of restoration means the period of time that:
  - (i) Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
  - (ii) Ends on the earlier of:
    - The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - The date when business is resumed at a new permanent location.

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

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

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

(4) The most we will pay for all Extra Expense in any one occurrence under this Extension is \$25,000.

#### j. Fine Arts

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to "fine arts" at the described premises or in transit.
- (2) The most we will pay in any one occurrence under this Extension for loss of or damage to "fine arts":
  - (a) At or within 1,000 feet of the described premises is \$50,000; and
  - (b) While in transit is \$25,000.

# k. Loss of Master Key

- (1) If a master key or key card to buildings, rooms or compartments that are Covered Property or house Covered Property is lost or damaged by a Covered Cause of Loss, you may extend the insurance provided by this Coverage Form to apply to the actual and necessary costs you incur to:
  - (a) Replace keys and either:
    - (i) Adjust existing locks to accept the new keys; or
    - (ii) Replace existing locks, but only if necessary or less expensive than the cost of adjusting the existing locks;

or

- **(b)** Re-program the key card access control device to accept replacement key cards.
- (2) With respect only to the insurance provided by this Extension, the following changes apply to the Exclusions in Section **C.** and Limitations in Section **D.** of this Coverage Form:
  - (a) The exclusion of loss or damage caused by or resulting from dishonest or criminal act under Exclusion C.2.c. (Dishonesty) does not apply, except with respect to dishonest or criminal act by you or any of your partners, directors or trustees;
  - (b) The exclusion of loss of property when there is no physical evidence to show what happened to the property under Limitations D.1.d. does not apply.
- (3) The most we will reimburse you for costs under this Extension is \$25,000 in total arising out of all occurrences occurring during each separate 12 month period of this policy (beginning with the effective date of the policy).

# I. Newly Constructed or Acquired Property

- (1) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage by a Covered Cause of Loss to:
  - (a) Your new buildings or additions while being built on the described premises or newly acquired premises including materials, equipment, supplies and temporary structures, on or within 1,000 feet of the premises;
  - **(b)** Buildings you acquire at locations other than the described premises; and
  - **(c)** Buildings which you become newly required to insure under a written contract.

The most we will pay for loss or damage to Buildings in any one occurrence under this Extension is \$2,000,000 at each building.

(2) You may extend the insurance that applies to Your Business Personal

Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to that type of property at:

- (a) A building you newly acquire or construct at a location described in the Declarations; and
- **(b)** Any other location you acquire by purchase or lease (other than at "exhibitions").

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

- (3) Insurance provided under this Extension for each newly acquired or constructed property will end when any of the following first occurs:
  - (a) This policy is cancelled or expires;
  - **(b)** 180 days expire after you acquire or begin to construct the property;
  - (c) You report values to us; or
  - (d) The property is more specifically insured.

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

#### m. Non-Owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to trailers or semi-trailers that you do not own, provided that:
  - (a) The trailer or semi-trailer is used in your business;
  - (b) The trailer or semi-trailer is in your care, custody or control at the described premises; and
  - **(c)** You have a contractual responsibility to pay for loss or damage to the trailer or semi-trailer.
- (2) We will not pay for any loss or damage that occurs:
  - (a) While the trailer or semi-trailer is attached to any motor vehicle or

- motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion; or
- (b) During hitching or unhitching operations, or when a trailer or semi-trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000.
- (4) This insurance is excess over the amount due from any other insurance covering such property, whether you can collect on it or not.

# n. Outdoor Property

- (1) You may extend the insurance provided by this Coverage Form to apply to:
  - (a) Direct physical loss or damage to your outdoor:
    - (i) Fences;
    - (ii) Retaining walls that are not part of a building;
    - (iii) Lawns (including fairways, greens and tees), artificial turf (including underlayment) trees, shrubs and plants (other than "stock" of trees, shrubs or plants);
    - (iv) Bridges, walks, roadways, patios or other paved surfaces:

at the described premises caused by or resulting from a cause of loss described in (2) below;

and

(b) The reasonable and necessary expense that you incur to remove debris of your outdoor property listed above and similar property of others at your described premises caused by a Cause of Loss listed in (2) below that occurs during the policy period. Such expenses will be paid only if they are reported to us in writing within 180 days of the direct physical loss or damage. Such payment will not increase the Limit of In-

- surance that applies to this Extension.
- (2) This Extension applies only if the loss or damage is caused by or results from the following causes of loss, and then only if they are a Covered Cause of Loss:
  - (a) Fire;
  - **(b)** Lightning;
  - (c) Explosion;
  - (d) Riot or Civil Commotion;
  - (e) Aircraft;
  - (f) Falling Objects; or
  - (g) "Sinkhole Collapse".
- (3) The most we will pay for loss or damage and debris removal expense in any one occurrence under this Extension is \$25,000, but we will not pay more than \$2,500 for any one tree, shrub or plant.

# o. Outside Signs

- (1) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage by a Covered Cause of Loss to outside signs, whether or not attached to a building, at or within 1,000 feet of the described premises or at any undescribed premises.
- (2) The most we will pay in any one occurrence under this Extension for loss or damage to all outside signs:
  - (a) At or within 1,000 feet of the described premises is \$100,000;
  - **(b)** At all undescribed premises is \$5,000.

# p. Personal Effects

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to personal effects or "fine arts" owned by your officers, your partners or your employees while such property is at the described premises.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000 at each described premises.

(3) Our payment for loss or damage under this Extension will only be for the account of the owner of the property.

# q. Personal Property At Premises Outside of the Coverage Territory

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to such property occurring at premises anywhere in the world outside of the Coverage Territory provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.
- (2) This Extension does not apply to:
  - (a) Personal property at an "exhibition":
  - **(b)** Property at any installation site or at temporary storage premises awaiting installation;
  - (c) Sales representative property; or
  - (d) Personal property in transit.
- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

# Personal Property In Transit Outside of the Coverage Territory

- (1) Unless otherwise indicated in the Declarations or by endorsement, you may extend the insurance provided for Personal Property in Transit in Section A.1.e. (including any mode of transportation or type of shipment exclusion), to apply to Your Business Personal Property and Personal Property of Others in your care, custody or control in transit anywhere in the world outside of the Coverage Territory provided that no sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.
- (2) This Extension also applies to Covered Property in transit which is in the custody of your officers or employees.

(3) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000.

### s. Theft Damage to Rented Property

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by theft or attempted theft to:
  - (a) That part of any building at the described premises that you occupy, but do not own, and which contains the Covered Property; and
  - (b) Property within such non-owned building used for maintenance or service of the non-owned building.
- (2) This Extension applies only if you are a tenant and are required in your lease to cover the expense.
- (3) We will not be liable under this Extension for loss or damage by fire or explosion, or to glass (other than glass building blocks) or to any lettering, ornamentation or burglar alarm tape on glass.
- (4) Payment under this Extension will not increase the Limit of Insurance that applies to Your Business Personal Property at the described premises where the direct physical loss or damage occurs.

# t. Undamaged Parts of Stock in Process

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to the reduction in value of undamaged parts of covered products or "stock" in process which become unmarketable. The reduction in value must be the direct result of direct physical loss or damage by a Covered Cause of Loss to other parts of the covered products or "stock" in process at the described premises.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

# u. Valuable Papers and Records - Cost of Research

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace or restore the lost information on lost or damaged "valuable papers and records" for which duplicates do not exist. The loss or damage to "valuable papers and records" must be caused by a Covered Cause of Loss.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension:
  - (a) At or within 1,000 feet of the described premises is \$50,000; and
  - **(b)** While in transit or at all undescribed premises is \$25,000.

#### **B. COVERED CAUSES OF LOSS**

Covered Causes of Loss means RISKS OF DI-RECT PHYSICAL LOSS unless the loss is:

- 1. Excluded in Section C., Exclusions;
- 2. Limited in Section D., Limitations; or
- Excluded or limited in the Declarations or by endorsement.

# C. EXCLUSIONS

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

#### a. Certain Computer-Related Losses

- (1) Failure, malfunction or inadequacy of:
  - (a) Any of the following, whether belonging to any insured or to others:
    - (i) Computer hardware, including microprocessors;
    - (ii) Computer application software:
    - (iii) Computer operating systems and related software;
    - (iv) Computer networks;

- (v) Microprocessors (computer chips) not part of any computer system; or
- (vi) Any other computerized or electronic equipment or components;

or

(b) Any other products and services, data or functions, that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph (1)(a) above;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

(2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you to determine, rectify or test for, any potential or actual problems described in Paragraph (1) above.

If an excluded Cause of Loss as described in Paragraphs (1) and (2) above results in any of the "specified causes of loss", or in elevator collision resulting from mechanical breakdown, we will pay only for the loss or damage caused by such "specified causes of loss" or elevator collision.

We will not pay for repair, replacement or modification of any items in Paragraphs (1) and (2) above to correct any deficiencies or change in features.

#### b. Earth Movement

- (1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:
  - (a) Earthquake, including tremors and aftershocks, and earth sinking, rising or shifting related to such event;
  - (b) Landslide, including any earth sinking, rising or shifting related to such event:
  - (c) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
  - (d) Earth sinking (other than "sinkhole collapse"), rising, or shifting

including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface; or

- **(e)** Volcanic eruption, explosion or effusion.
- (2) If Earth Movement as described in:
  - (a) Paragraphs (1)(a) through (1)(d) above results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion; or
  - (b) Paragraph (1)(e) above, results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

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

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

With respect to coverage for Volcanic Action as set forth in (i), (ii) and (iii) above, volcanic eruptions that occur within any 168-hour period will constitute a single occurrence. Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

- (3) This exclusion does not apply to:
  - (a) Personal property in transit;
  - **(b)** Personal property at an "exhibition":
  - (c) Sales representative property; or
  - (d) Personal property in the custody of any officer or employee of the

insured while traveling outside of the Coverage Territory.

# c. Fungus, Wet Rot or Dry Rot

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

But if "fungus", wet rot or dry rot results in any of the "specified causes of loss", we will pay for the loss or damage caused by such "specified causes of loss".

This exclusion does not apply:

- (1) When "fungus", wet rot or dry rot results from fire or lightning; or
- (2) To the extent that coverage is provided under the Limited Coverage for Fungus, Wet Rot or Dry Rot Additional Coverage.

#### d. Governmental Action

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

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

#### e. Intentional Loss

Any act an insured commits or conspires to commit with the intent to cause a loss.

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

# f. Neglect

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

#### g. Nuclear Hazard

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

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

#### h. Ordinance or Law

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

## i. Utility Services

The failure or fluctuation of power, communication, water or other utility service supplied to the described premises, however caused, if the failure or fluctuation:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure or fluctuation involves equipment used to supply the utility service to the described premises from a source away from the described premises.

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

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

Communication services include service relating to Internet access or access to any electronic, cellular or satellite network.

# j. Virus or Bacteria

(1) Any virus, bacterium, or other microorganism that induces or is capable of inducing physical distress, illness or disease. (2) With respect to any loss or damage subject to this exclusion, this exclusion supersedes any exclusion relating to "pollutants".

# k. War and Military Action

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

#### Water

- (1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:
  - (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether driven by wind (including storm surge) or not;
  - (b) Mudslide or mudflow:
  - (c) Water or sewage that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment. However, this exclusion does not apply to the backup or overflow of water or sewage from drains within a building if the backup or overflow is not otherwise directly or indirectly caused by the Water Exclusions in Paragraphs (a) or (b) above or in Paragraphs (d) or (e) below.
  - **(d)** Water under the ground surface pressing on, or flowing or seeping through:
    - (i) Foundations, walls, floors or paved surfaces;
    - (ii) Basements, whether paved or not; or
    - (iii) Doors, windows or other openings; or

(e) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (a), (c) and (d) above, or material carried or otherwise moved by mudslide or mudflow.

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

- (2) This exclusion does not apply to:
  - (a) Personal property in transit;
  - **(b)** Personal property at an "exhibition";
  - (c) Sales representative property; or
  - (d) Personal property in the custody of any officer or employee of the insured while traveling outside of the Coverage Territory.
- **2.** We will not pay for loss or damage caused by or resulting from any of the following:

# a. Collapse

- (1) Collapse, including any of the following conditions of property or any portion of the property:
  - (a) An abrupt falling down or caving in;
  - (b) Loss of structural integrity, including separation of portions of the property or property in danger of falling down or caving in; or
  - (c) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion as such condition relates to Paragraphs (a) or (b) above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

- (2) This Exclusion does not apply:
  - (a) To an abrupt collapse to the extent that coverage is provided under the Abrupt Collapse Additional Coverage in (3) below; or

- (b) To collapse of Covered Property caused by one or more of the following:
  - (i) Any of the "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
  - (ii) Weight of rain that collects on a roof; or
  - (iii) Weight of people or personal property.
- (3) Abrupt Collapse Additional Coverage
  The term Covered Cause of Loss includes abrupt collapse as described and limited under Paragraphs (a) through (g) below.
  - (a) As used in this Additional Coverage, abrupt collapse means abrupt falling down or caving in of a building or any portion of a building with the result that the building or portion of the building cannot be occupied for its intended purpose.
  - (b) We will pay for direct physical loss of or damage to Covered Property, caused by abrupt collapse of a building or any portion of a building that is insured under this Coverage Form, or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
    - (i) Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
    - (ii) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
    - (iii) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation;

- (iv) Use of defective material or methods of construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling, or renovation is complete, but only if the collapse is caused in part by:
  - A cause of loss listed in Paragraphs (3)(b)(i) or (3)(b)(ii) above;
  - One or more of the "specified causes of loss":
  - Breakage of building glass;
  - Weight of people or property; or
  - Weight of rain that collects on a roof.
- (c) Abrupt collapse under Paragraphs (3)(a) and (b) above does not apply to:
  - (i) A building or any portion of a building that is in danger of falling down or caving in;
  - (ii) A portion of a building that is standing, even if it has separated from another portion of the building; or
  - (iii) A building that is standing or any portion of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- **(d)** With respect to the following property:
  - (i) Television and radio towers, antennas, satellite dishes, guy wires, lead-in wiring and masts;
  - (ii) Awnings, canopies, gutters, downspouts and fences;
  - (iii) Yard fixtures;
  - (iv) Outdoor swimming pools;
  - (v) Bulkheads, pilings, piers, wharves and docks;

- (vi) Beach or diving platforms or appurtenances;
- (vii) Retaining walls;
- (viii) Underground pipes, flues or drains; and
- (ix) Walkways, roadways and other paved surfaces;

if abrupt collapse is caused by a Cause of Loss listed in Paragraphs (3)(b)(i) through (3)(b)(iv) above, we will pay for loss or damage to that property only if:

- (i) Such loss or damage is a direct result of the abrupt collapse of a building or any portion of a building insured under this Coverage Form; and
- (ii) The property is Covered Property under this Coverage Form.
- (e) If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building or any portion of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
  - (i) The collapse of personal property was caused by a Cause of Loss listed in Paragraphs (3)(b)(i) through (3)(b)(iv) above;
  - (ii) The personal property which collapses is inside a building; and
  - (iii) The personal property which collapses is not of a kind listed in Paragraph (3)(d) above, regardless of whether that kind of property is considered to be personal property or real property.
- (f) This Abrupt Collapse Additional Coverage does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

(g) This Abrupt Collapse Additional Coverage will not increase the Limits of Insurance provided in this Coverage Part.

# b. Consequential Loss

- (1) Delay, loss of use or loss of market; or
- (2) Loss of business income or extra expense except as specifically provided in this Coverage Part.

## c. Dishonesty

Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others: or
- (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees (including leased employees), but theft by employees is not covered.

This exclusion does not apply to carriers for hire.

### d. Electrical Damage or Disturbance

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

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

Electrical, magnetic or electromagnetic energy includes:

- (1) Electrical current, including arcing;
- (2) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (3) Pulse of electromagnetic energy;
- (4) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

This Exclusion does not apply to loss or damage to "electronic data processing

equipment" or "electronic data processing data and media".

### e. Explosion

Explosion of steam boilers, steam generators, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control.

But if explosion of steam boilers, steam generators, steam pipes, steam engines, or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

### f. Exposed Property

Rain, snow, sand, dust, ice or sleet to personal property in the open (other than to property in the custody of a carrier for hire).

# g. Freezing

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

- (1) You do your best to maintain heat in the building or structure; or
- (2) You drain the equipment and shut off the supply if the heat is not maintained.

#### h. Liquid Seepage or Leakage

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

# i. Other Types of Losses

- (1) Wear and tear;
- (2) Rust, or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- **(4)** Settling, cracking, shrinking, bulging or expansion;

- (5) Nesting or infestation or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.
  - This Exclusion does not apply to loss or damage to "electronic data processing equipment" or "electronic data processing data and media";
- **(7)** The following causes of loss to personal property:
  - (a) Dampness or dryness of atmosphere;
  - **(b)** Changes in or extremes of temperature;
  - **(c)** Changes in flavor, color, texture or finish;
  - (d) Contamination by other than "pollutants"; and
  - (e) Marring or scratching.

But if an excluded cause of loss that is listed in Paragraphs (1) through (7) above results in any of the "specified causes of loss" or building glass breakage, we will pay for the loss or damage caused by such "specified causes of loss" or building glass breakage.

Also, if an excluded cause of loss listed in Paragraphs (1) through (5) or (7) above results in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that mechanical breakdown of "electronic data processing equipment".

#### i. Pollution

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

#### k. Smoke, Vapor or Gas

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

This exclusion does not apply to emissions or puff backs of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

# I. Voluntary Parting

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

This Exclusion does not apply to insurance provided under this Coverage Form for personal property in transit if the loss to Covered Property is caused by your acceptance, in good faith, of false bills of lading or shipping receipts.

- 3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c., but if an excluded cause of loss that is listed in 3.a. and 3.b. below results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
  - a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in C.1. above to produce the loss or damage.
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body except as provided in the Additional Coverage – Ordinance or Law Coverage.
  - c. Faulty, inadequate or defective:
    - Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;

of part or all of any property on or off the described premises.

If an excluded cause of loss that is listed in **3.c.** above results in a Covered Cause of Loss, we will pay for the resulting loss or damage caused by that Covered Cause of Loss. But we will not pay for:

- (1) Any cost of:
  - (a) Correcting or making good the fault, inadequacy or defect itself; or
  - (b) Tearing down, tearing out, repairing or replacing any part of any property to correct the fault, inadequacy or defect;

except as specifically provided under the Water or Other Substance Loss – Tear Out and Replacement Expense Additional Coverage; or

(2) Any resulting loss or damage by a Covered Cause of Loss to the property that has the fault, inadequacy or defect until the fault inadequacy or defect is corrected.

## 4. Special Exclusions

The following exclusions apply only with respect to the specified coverage or property.

#### a. Accounts Receivable

Under the Accounts Receivable Coverage Extension, we will not pay for:

- (1) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions;
- (2) Any loss or damage that requires an audit of records or an inventory computation to prove its factual existence; or
- (3) Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal wrongful giving, taking or withholding of money, securities or other property. But this exclusion only applies to the wrongful giving, taking or withholding.

# b. Valuable Papers and Records

We will not pay for any loss of or damage to "valuable papers and records" caused by or resulting from the following. In addition, we will not pay for any loss that is a consequence of such loss or damage.

(1) Unauthorized viewing, copying or use of electronic data (or any proprietary or confidential information or intellectual property in any form) by any person, even if such activity is characterized as theft;

- (2) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the resulting loss or damage caused by that fire or explosion; or
- (3) Unauthorized instructions to transfer property to any person or place.

# c. Electronic Data Processing Equipment and Electronic Data Processing Data and Media

- (1) We will not pay for loss of or damage to "electronic data processing equipment", any other programmable electronic machines, "electronic data processing data and media" or other electronic data caused by or resulting from the following. In addition, we will not pay for any loss that is a consequence of such loss or damage.
  - (a) Programming errors, omissions or incorrect instructions to a machine. But if programming errors, omissions or incorrect instructions to a machine result in any of the "specified causes of loss" or result in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that "specified cause of loss" or mechanical breakdown of "electronic data processing equipment";
  - (b) Unauthorized viewing, copying or use of "electronic data processing data and media" by any person, even if such activity is characterized as theft;
  - (c) Errors or deficiency in design, installation, maintenance, repair or modification of your electronic data processing system or any electronic data processing system or network to which your system is connected or on which your system depends (including the electronic data in such system or network). But if errors or deficiency in design, installation, maintenance, repair or modification of your electronic data processing system or any electronic data processing system or network to which your system is

connected or on which your system depends (including the electronic data in such system or network) results in any of the "specified causes of loss" or results in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that "specified cause of loss" or mechanical breakdown of "electronic data processing equipment"; or

- (d) Unexplained or indeterminable failure, malfunction or slowdown of any electronic data processing system or network, including the electronic data in such system or network, and the inability to access or properly manipulate the electronic data.
- (2) We will not pay for loss of or damage to "electronic data processing data and media" or other electronic data while being sent electronically. In addition, we will not pay for any loss that is a consequence of such loss or damage.

# 5. Additional Exclusion

The following exclusion applies only to loss or damage to the specified property and to loss that is a consequence of such loss or damage to the specified property.

# **Loss or Damage to Products**

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

# D. LIMITATIONS

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

- We will not pay for loss of or damage to property, as described and limited in this section.
   In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
  - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
  - **b.** Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
  - c. The "interior of a building or structure", or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
    - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
    - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
  - d. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
    - This limitation does not apply to property in the custody of a carrier for hire.
  - e. Property that has been transferred to a person or place outside the described premises on the basis of unauthorized instructions.
  - f. Trees, shrubs, plants or lawns on a vegetative roof or "stock" of outdoor trees, shrubs and plants caused by or resulting from:
    - (1) Dampness or dryness of atmosphere;
    - (2) Changes in or extremes of temperature; or
    - (3) Rain, snow, sand, dust, ice or sleet.

- 2. The special limit shown for each category, a. through c., is the total limit for loss of or damage to all property in each category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:
  - **a.** \$25,000 for furs, fur garments and garments trimmed with fur.
  - b. \$25,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals, but;
    - (1) This limit is increased to \$50,000 for gold, silver, platinum, and other precious alloys or metals used as a raw material in your manufacturing process; and
    - (2) This limit does not apply to jewelry and watches worth \$100 or less per item.
  - c. \$5,000 for stamps, tickets (including lottery tickets held for sale) and letters of credit.

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

- 3. If the building where loss or damage occurs has been "vacant" for a period of more than 60 consecutive days before that loss or damage occurs:
  - a. We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
    - (1) Vandalism;
    - (2) Sprinkler leakage, unless you have protected the system against freezing;
    - (3) Building glass breakage;
    - (4) Water damage;
    - (5) Theft; or
    - (6) Attempted theft.
  - b. With respect to Covered Causes of Loss other than those listed in a.(1) through a.(6) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

#### **E. LIMITS OF INSURANCE**

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

Payments under:

- 1. The following Additional Coverages:
  - a. Fire Department Service Charge;
  - b. Fire Protective Equipment Discharge;
  - **c.** Limited Coverage for Fungus, Wet Rot or Dry Rot;
  - d. Stored Water; and
  - Water or Other Substance Loss Tear Out and Replacement Expense;

and

- 2. The following Coverage Extensions:
  - a. Covered Leasehold Interest Undamaged Improvements and Betterments;
     and
  - **b.** Theft Damage To Rented Property;

are included in and do not increase the applicable Limits of Insurance.

Payments under the Debris Removal Additional Coverage and the Preservation of Property Additional Coverage are included in the applicable Covered Property Limit(s) of Insurance and/or are additional insurance, as described in the Debris Removal Additional Coverage in Section A.3.a. and the Preservation of Property Additional Coverage in Section A.3.j.

Payments under the Electronic Data Processing Data and Media Coverage Extension are included in the applicable Covered Property Limit(s) of Insurance and/or are additional insurance, as described in the Electronic Data Processing Data and Media Coverage Extension in Section **A.4.g.** 

The remaining Additional Coverages in Section **A.3.** and the remaining Coverage Extensions in Section **A.4.** are additional insurance.

#### F. DEDUCTIBLE

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

Unless otherwise stated, if more than one deductible amount applies to loss or damage in any one occurrence, the total of the deductible amounts applied in that occurrence will not exceed the amount of the largest applicable deductible.

#### **G. LOSS CONDITIONS**

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

#### 1. Abandonment

There can be no abandonment of any property to us.

# 2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

# 3. Duties in the Event of Loss or Damage

- a. You must see that the following are done in the event of loss of or damage to Covered Property:
  - (1) Notify the police if a law may have been broken.
  - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
  - (3) As soon as possible, give us a description of how, when, and where the loss or damage occurred.
  - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set

- the damaged property aside and in the best possible order for examination.
- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property and records proving the loss or damage and examine your books and records.
  - Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis and permit us to make copies from your books and records.
- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- **(8)** Cooperate with us in the investigation or settlement of the claim.
- (9) You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent except as respects to protecting property from further damage.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

#### 4. Loss Payment

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

- (4) Repair, rebuild, or replace the property with other property of like kind and quality subject to **b.**, **c.**, **d.** and **e.** below.
- **b.** A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable Coverage Part provisions including Limits of Insurance, the Valuation Loss Condition and all other provisions of this Loss Payment Loss Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Additional Condition - Transfer of Rights of Recovery Against Others To Us in this Coverage Form.
- c. Except as provided in the Additional Coverage Ordinance or Law Coverage, the cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- d. The following loss payment provisions are subject to the apportionment procedures set forth in Additional Coverage – Ordinance or Law Coverage:
  - The most we will pay, for the total of all covered losses in any one occurrence under Coverage **A** Coverage For Loss To The Undamaged Portion of the Building, Coverage **B** Demolition Cost Coverage and Coverage **C** Increased Cost of Construction Coverage, is the Combined Limit of Insurance shown in the Declarations for Ordinance or Law Coverage. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

- (1) For a loss in value of an undamaged portion of a building to which Coverage A applies, the loss payment for that undamaged portion of the building will be determined as follows:
  - (a) If Replacement Cost Coverage applies and the property is being repaired or replaced, on the same or another location, we will not pay more than the lesser of:
    - (i) The cost to repair, rebuild or reconstruct the undamaged portion of the building that was necessarily demolished as a consequence of the ordinance or law but not for more than the amount it would cost to restore that undamaged portion of the building on the same location and to the same height, floor area, style and comparable quality of the original property insured; or
    - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage Ordinance or Law Coverage.
  - (b) If Replacement Cost Coverage applies and the property is not repaired or replaced, or if Replacement Cost Coverage does not apply, we will not pay more than the lesser of:
    - (i) The Actual Cash Value at the time of loss of the undamaged portion of the building that is required to be demolished as a consequence of the ordinance or law; or
    - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage Ordinance or Law Coverage.
- (2) Loss payment under Coverage B will be determined as follows:
  - (a) The amount you actually spend to demolish and clear the site; or
  - **(b)** The Combined Limit of Insurance shown in the Declarations for the

Additional Coverage – Ordinance or Law Coverage;

whichever is less.

- (3) Loss payment under Coverage C will be determined as follows:
  - (a) We will not pay under Coverage C:
    - (i) Until the property is actually repaired or replaced, at the same or another location;
       and
    - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
  - **(b)** If the building is repaired or replaced at the same location, or if you elect to rebuild at another location, the most we will pay under Coverage **C** is the lesser of:
    - (i) The increased cost of construction at the same location; or
    - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage Ordinance or Law Coverage.
  - (c) If the ordinance or law requires relocation to another location, the most we will pay under Coverage C is the lesser of:
    - (i) The increased cost of construction at the new location;
    - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage Ordinance or Law Coverage.
- **e.** Except as specifically provided under the:
  - Green Building Alternatives Increased Cost Additional Coverage; and
  - (2) Green Building Reengineering and Recertification Expense Additional Coverage;

the cost to repair, rebuild or replace does not include any cost incurred to reattain a pre-loss level of "green building" certification from a "Green Authority".

- f. With respect to our options listed in 4.a.(1) through 4.a.(4) above, we will give notice of our intentions within 30 days after we receive the proof of loss.
- **g.** We will not pay you more than your financial interest in the Covered Property.
- h. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owner's property. We will not pay the owners more than their financial interest in the Covered Property.
- i. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- j. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if:
  - (1) You have complied with all of the terms of this Coverage Part; and
  - (2) (a) We have reached agreement with you on the amount of loss; or
    - **(b)** An appraisal award has been made.
- k. At our option, we may make a partial payment toward any claims, subject to the policy provisions and our normal adjustment process. To be considered for a partial claim payment, you must submit a partial sworn proof of loss with supporting documentation. Any applicable policy deductibles must be satisfied before any partial payments are made.

# 5. Recovered Property

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

- a. We will pay:
  - (1) Recovery expenses; and
  - (2) Costs to repair the recovered property:
- **b.** But the amount we will pay will not exceed:

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

# 6. Valuation

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

- a. At replacement cost as of the time of loss or damage, except as otherwise provided in this Valuation Loss Condition. Replacement cost is the cost to replace Covered Property at the time of loss or damage without deduction for depreciation.
  - (1) You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.
  - (2) We will not pay on a replacement cost basis for any loss or damage:
    - (a) Until the lost or damaged property is actually repaired or replaced; and
    - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

Instead, we will pay on an actual cash value basis. This restriction does not apply to losses less than \$10,000.

- (3) We will not pay more for loss or damage on a replacement cost basis than the least of (a), (b), or (c), subject to (4) below:
  - (a) The Limit of Insurance applicable to the lost or damaged property;
  - **(b)** The cost to replace, at the same premises, the lost or damaged property with other property;
    - (i) Of comparable material and quality; and

- (ii) Used for the same purpose; or
- (c) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a different premises, the cost described in **(b)** above is limited to the cost which would have been incurred had the building been built at the original premises.

- (4) The cost to repair, rebuild, or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property, except as provided in the Additional Coverage - Ordinance or Law Coverage.
- b. "Electronic data processing equipment" will be valued at replacement cost as of the time and place of loss, in accordance with the replacement cost provisions contained in this Valuation Loss Condition. However, if replacement of "electronic data processing equipment" with comparable property is impossible, the replacement cost will be the cost of items that are similar to the damaged or destroyed equipment and intended to perform the same function, but which may include technological advances.

In no event will the value determined for:

- (1) "Electronic data processing equipment" owned by others exceed the amount for which you are liable; or
- (2) "Electronic data processing equipment" that is obsolete or no longer used by you exceed the actual cash value of such equipment at the time of loss.
- c. "Electronic data processing data and media" will be valued at:
  - (1) The cost of blank media; and
  - (2) The cost of labor to copy the electronic data from a duplicate of the electronic data, but only if the lost electronic data is actually copied.

The restoration of "electronic data processing data and media" for which duplicates do not exist is provided under the

- Electronic Data Processing Data and Media Coverage Extension.
- **d.** Tenant's improvements and betterments at:
  - (1) Replacement cost of the lost or damaged property if it is actually repaired or replaced as soon as reasonably possible.
  - (2) A proportion of your original cost if you do not make repairs as soon as reasonably possible. We will determine the proportionate value as follows:
    - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
    - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

- (3) Nothing if others pay for repairs or replacement.
- e. Personal property you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- f. Personal property of others at the lesser of:
  - (1) The valuation of such property if it were owned by you; or
  - (2) The amount for which you are contractually liable, not to exceed the replacement cost.
- **g.** "Stock" in process at the cost of raw materials and labor, plus the proper proportion of overhead charges.
- h. Finished "stock" you manufacture at:
  - (1) The selling price, as if no loss or damage occurred;
  - (2) Less discounts and expenses you otherwise would have had.
- i. Personal property in transit at:
  - (1) (a) The amount of invoice; or

- **(b)** In the absence of an invoice, the least of the following:
  - (i) The value of the Covered Property;
  - (ii) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
  - (iii) The cost of replacing that property with substantially the same property;

plus

- (2) The amount of any prepaid freight charges and other shipping costs or charges that are incurred while the property is in transit.
- i. Glass at:
  - (1) The cost of replacement with safety glazing material if required by law; plus
  - (2) The amount of reasonable expenses incurred to put up temporary plates or board up openings if repair or replacement of the damaged glass is delayed.
- k. "Valuable papers and records" at the cost of:
  - (1) Blank material for reproducing the records; and
  - **(2)** Labor to transcribe or copy records for which duplicates exist.

The restoration of data on "valuable papers and records" for which duplicates do not exist is provided under the Valuable Papers and Records – Cost of Research Coverage Extension.

- Works of arts, antiques or rare articles at the least of:
  - (1) The price at which the property could likely be sold prior to loss or damage if offered for sale in a fair market on the date the loss or damage occurred;
  - **(2)** The cost of reasonably restoring that property; or
  - (3) The cost of replacing that property with substantially the same property.
- **m.** Personal property at "exhibitions" at the lesser of replacement cost or the original cost to you.

- n. Patterns, dies, molds, and forms not in current usage at actual cash value. If loss is paid on an actual cash value basis, and within 24 months from the date of the loss you need to repair or replace one or more of them, we will pay you, subject to the conditions of this insurance, the difference between actual cash value and replacement cost for those patterns, molds and dies which are actually repaired or replaced.
- o. Personal property valuation includes the pro-rated value of non-refundable and non-transferable extended warranties, maintenance contracts or service contracts that you purchased, on lost or damaged personal property that you repair or replace. This applies only when the extended warranty, maintenance contract or service contract is voided due to the loss or damage to the personal property.
- p. If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss and we take all or part of the property at an agreed or appraised value, we will pay, subject to the Limit of Insurance that applies to the damaged property:
  - (1) The reasonable expenses you incur to:
    - (a) Stamp the word Salvage on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
    - (b) Remove the brands or labels, if doing so will not physically damage the merchandise. You must re-label the merchandise or its containers to comply with the law.
  - (2) The reduction in the salvage value of the damaged merchandise with the brand or label removed.
- q. If you decide to repair or rebuild buildings which have sustained loss or damage, our payment will include any reasonable and necessary architectural, engineering, consulting or supervisory fees incurred. This will not increase the applicable Limits of Insurance.
- **r.** Pairs, sets or parts:
  - (1) In case of loss to any part of a pair or set we may at our option:

- (a) Repair or replace any part to restore the pair or set to its value before the loss: or
- **(b)** Pay the difference between the value of the pair or set before and after the loss.
- (2) In case of loss to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

#### H. ADDITIONAL CONDITIONS

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

# 1. Concealment, Misrepresentation or Fraud

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Part;
- **b.** The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this Coverage Part.

# 2. Control of Property

The breach of any condition of this Coverage Part as a result of act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

# 3. Currency

The amounts used within this Coverage Part are in the currency of the United States of America and all premium and losses are payable in United States currency. In the event of a loss adjustment involving currency other than United States currency, the conversion into United States currency will be at the published rate of exchange as of the date of the loss.

# 4. Legal Action Against Us

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

a. There has been full compliance with all of the terms of this Coverage Part; and

**b.** The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

#### 5. Liberalization

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

#### 6. Mortgageholders

- a. The term mortgageholder includes trus-
- **b.** We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
  - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
  - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
  - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
  - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

(2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- **f.** If we cancel this policy, we will give written notice to the mortgageholder at least:
  - 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
  - (2) 60 days before the effective date of cancellation if we cancel for any other reason
- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 60 days before the expiration date of this policy.

#### 7. No Benefit to Bailee

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

# 8. Other Insurance

- a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- b. If there is other insurance covering the same loss or damage, other than that described in Paragraph a. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- c. If loss or damage is also covered by a service agreement, any amounts payable for such loss or damage under this Coverage Part will be excess over any amounts payable under such agreement. Service agreement means a service plan, property restoration plan, or similar ser-

vice warranty agreement, even if it is characterized as insurance.

# 9. Policy Period, Coverage Territory

Under this Coverage Part:

- a. We cover loss or damage commencing:
  - (1) During the policy period shown in the Declarations; and
  - (2) Within the Coverage Territory.
- **b.** Except as otherwise specifically provided, the Coverage Territory is:
  - (1) The United States of America (including its territories and possessions);
  - (2) Puerto Rico; and
  - (3) Canada.

# 10. Transfer of Rights of Recovery Against Others to Us

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

- **a.** Prior to a loss under this Coverage Part.
- **b.** After a loss under this Coverage Part only if, at time of loss, that party is one of the following:
  - (1) Someone insured by this insurance;
  - (2) A business firm:
    - (a) Owned or controlled by you; or
    - **(b)** That owns or controls you; or
  - (3) Your tenant.

This will not restrict your insurance.

#### 11. Unintentional Errors In Description

Your error in how you describe the address of a location in the Location Schedule shall not prejudice coverage afforded by this policy, provided such error is not intentional. Any such error shall be reported and corrected when discovered and appropriate premium charged.

# I. OPTIONAL COVERAGES

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

 Actual Cash Value replaces the term Replacement Cost where used in the Valuation Loss Conditions in Section G.6. of this Coverage Form.

## 2. Inflation Guard

- **a.** The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
  - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance; times
  - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08); times
  - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

#### Example:

۱f٠

The applicable Limit of Insurance is: \$100,000

The annual percentage increase is: 8%

The number of days since the beginning of the policy year (or last policy change)

is: 146

The amount of the increase is:  $$100,000 \times .08 \times 146/365 = $3,200$ 

#### J. DEFINITIONS

- 1. "Electronic Data Processing Data and Media" means the following:
  - a. "Electronic data processing data and media" means:
    - (1) Data stored on, created or used on, or transmitted to or from computer software (including systems and applications software) on electronic data processing recording or storage media such as hard or floppy disks, CDs, DVDs, flash memory, tapes, drives, cells, data processing devices or any other repositories of computer

- software which are used with electronically controlled equipment;
- (2) The electronic media on which the data is stored; and
- (3) Programming records and instructions used with "electronic data processing equipment".
- **b.** "Electronic data processing data and media" does not mean:
  - (1) Prepackaged software;
  - (2) Property that you manufacture or hold for sale; or
  - **(3)** Property that is licensed, leased, or rented to others.

# 2. "Electronic Data Processing Equipment" means the following:

- a. "Electronic data processing equipment" means any of the following equipment used in your data processing operations:
  - (1) Electronic data processing equipment, facsimile machines, word processors, multi-functional telephone equipment and laptop and portable computers; and
  - (2) Any component parts or peripherals of such equipment, including related surge protection devices.
- b. "Electronic data processing equipment" does not mean:
  - Property that is in the course of manufacture, or held for sale or distribution by you;
  - **(2)** Property that is leased or rented to others; or
  - (3) Equipment that is used to control or operate production-type machinery or equipment.
- **3.** "Employee Tools" means tools and equipment owned by your employees and used in your business operations.
- **4.** "Exhibition" means the temporary display of personal property at a convention, exposition, trade show or similar event at a location you do not own or regularly occupy.
- 5. "Fine Arts" means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac and

- similar property of rarity, historical value, or artistic merit.
- "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents, or by-products produced or released by fungi.
- 7. "Green" means products, materials, methods and processes that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize the environmental impact.
- **8.** "Green Authority" means a recognized authority on "green" building or "green" products, materials or processes.
- 9. "Interior of a Building or Structure" means any portion of a building or structure that is within the exterior-facing surface material of the building or structure.
- 10. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and any unhealthful or hazardous building materials (including but not limited to asbestos and lead products or materials containing lead). Waste includes materials to be recycled, reconditioned or reclaimed.
- 11. "Sinkhole Collapse" means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite.

This cause of loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man made underground cavities.
- 12. "Specified Causes of Loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke (including the emission or puff back of smoke, soot, fumes or vapors from a boiler, furnace or related equipment); aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects as limited below; weight of snow, ice or sleet; "water damage", all only as otherwise insured against in this Coverage Part.

Falling objects does not include loss or damage to:

a. Personal property in the open; or

b. The "interior of a building or structure", or property inside a building or structure, unless the roof or an exterior wall of the building or structure is first damaged by a falling object.

When the Causes of Loss – Earthquake endorsement, Causes of Loss – Earthquake Sprinkler Leakage endorsement or Causes of Loss – Broad Form Flood endorsement is included in this Coverage Part, "specified causes of loss" also includes such cause of loss, but only to the extent such cause of loss is insured against under this Coverage Part.

- 13. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.
- 14. "Territorial Waters" means that portion of the sea which is immediately adjacent to the shores of any country and over which the sovereignty and exclusive jurisdiction of that country extends, but not exceeding 12 nautical miles from the mean low-water mark of the shore of that country.
- 15. "Vacant" means the following:
  - a. When this policy is issued to a tenant, a building is "vacant" when it does not contain enough business personal property to conduct customary operations. With respect to tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant.
  - b. When this policy is issued to the owner or general lessee of a building, a building is "vacant" unless at least 31% of its total square footage is:
    - (1) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
    - **(2)** Used by the building owner to conduct customary operations.

With respect to the owner or general lessee's interest in Covered Property, building means the entire building.

- **c.** A building under construction or renovation is not considered "vacant".
- **16.** "Valuable Papers and Records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps and mortgages.

But "Valuable papers and records" does not mean:

- a. Accounts receivable:
- b. Money or securities; or
- c. "Electronic data processing data and media" or any other data that exists on electronic media.

# 17. "Water damage" means:

a. Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts)

- that is located on the described premises and contains water or steam; and
- b. Accidental discharge or leakage of water as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the described premises, if the breakage or cracking is caused by wear and tear. This provision serves as an exception to the wear and tear exclusion under the Other Types of Losses Exclusion in Section (C.2.i.). But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion (C.1.I.).

# DELUXE BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. REFER TO SECTION G. – DEFINITIONS in this Coverage Form and SECTION J. – DEFINITIONS in the Deluxe Property Coverage Form.

#### A. COVERAGE

We will pay for:

- The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
- The actual Extra Expense you incur during the "period of restoration";

caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income and Extra Expense Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- The portion of the building which you rent, lease or occupy; and
- Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

#### 1. Business Income

- **a.** Business Income means the sum of the:
  - (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; plus
  - **(2)** Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

- **b.** The coverage provided for Business Income is based on the entry shown in the Declarations for "Rental Value". When:
  - (1) *Included* is shown, the term Business Income includes "Rental Value";
  - (2) Excluded is shown, the term Business Income excludes "Rental Value":
  - (3) Only is shown, the term Business Income means "Rental Value" only.

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

#### 2. Extra Expense

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

- a. Expenses to avoid or minimize the "suspension" of business and to continue "operations" at:
  - (1) The described premises; or
  - (2) Replacement premises or temporary locations, including:
    - (a) Relocation expenses; and
    - **(b)** Costs to equip and operate the replacement premises or temporary locations:
- **b.** Expenses to minimize the "suspension" of business if you cannot continue "operations": or
- **c.** Expenses to repair or replace property, but only to the extent the amount of loss that otherwise would have been payable under this Coverage Form is reduced.

#### 3. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS unless the loss is excluded or limited in:

- a. Section C. Exclusions or Section D. Limitations of the Deluxe Property Coverage Form: or
- **b.** Section **B.** Exclusions and Limitation of this Coverage Form; or
- **c.** In the Declarations or by endorsement.

### 4. Additional Coverages

Each of the following Additional Coverages applies subject to the Limit(s) of Insurance stated in this Coverage Form, unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

### a. Alterations and New Buildings

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

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

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred. This change in the start of the "period of restoration" does not apply to Extra Expense.

# b. Business Income From Dependent Property

- (1) We will pay for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "op-

- erations" during the "period of restoration"; and
- (b) The actual Extra Expense you incur during the "period of restoration":

caused by direct physical loss of or damage to property at the premises of a "dependent property" located anywhere in the world provided that no sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering such loss. The loss or damage to the property must be caused by or result from a Covered Cause of Loss.

- (2) This Additional Coverage does not apply to "dependent property" for which you have more specific insurance under this or any other policy.
- (3) The most we will pay in any one occurrence under this Additional Coverage for loss of Business Income and Extra Expense arising out of damage to property at the premises of a "dependent property" located:
  - (a) Within the Coverage Territory is \$100,000; and
  - **(b)** Anywhere in the world outside of the Coverage Territory is \$100,000.
- (4) With respect only to the insurance provided under this Additional Coverage, the phrase, at the described premises, as used in the definition of "period of restoration" is deleted and replaced by the phrase at the premises of a "dependent property".

# c. Civil Authority

- (1) When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:
  - (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and

- the described premises are within that area but are not more than 100 miles from the damaged property; and
- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.
- (2) Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to thirty consecutive days from the date on which such coverage began.
- (3) Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:
  - (a) Thirty consecutive days after the date of that action; or
  - **(b)** When your Civil Authority Coverage for Business Income ends;

whichever is later.

### d. Contract Penalties

- (1) We will pay for Contract Penalties you incur due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" of your "operations" must be caused by direct physical loss or damage by a Covered Cause of Loss to property at the described premises, including "finished stock" and personal property in the open (or in a vehicle) within 1,000 feet of the described premises.
- (2) As used in this Additional Coverage, Contract Penalties means amounts which, under the terms of a written contract that is in effect at the time of the direct physical loss or damage, you are required to pay to your customers for failure to deliver your products or services on time.

(3) The most we will pay for all Contract Penalties incurred in any one occurrence under this Additional Coverage, regardless of the number of contracts involved is \$25,000.

#### e. Extended Business Income

# (1) Business Income Other Than "Rental Value"

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

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
  - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the Business Income amount that would have existed if no direct physical loss or damage had occurred; or
  - (ii) 180 consecutive days after the date determined in (1)(a) above, unless otherwise stated in the Declarations or by endorsement.

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

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

# (2) "Rental Value"

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

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
  - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
  - (ii) 180 consecutive days after the date determined in (2)(a) above, unless otherwise stated in the Declarations or by endorsement.

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

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

# f. Fungus, Wet Rot or Dry Rot – Amended Period of Restoration

- (1) The coverage described in f.(2) and f.(3) below only applies when "fungus", wet rot or dry rot is the result of any of the "specified causes of loss", other than fire or lightning, that occurs at the described premises during the policy period, and only if all reasonable means have been used to save and preserve the property from further damage at the time of and after that occurrence.
- (2) If the cause of loss at the described premises which results in "fungus", wet rot or dry rot does not, in itself, necessitate a "suspension" of "operations", but such "suspension" of "operations" is necessary due to loss or damage to property at the described premises caused by "fungus", wet rot or dry rot, then our payment for loss of Business Income and Extra Expense is limited to the actual amount

of such loss and expense sustained during a period of not more than 30 days unless another number of days is shown in the Declarations. The days need not be consecutive.

- (3) If a covered "suspension" of "operations" is caused by a cause of loss at the described premises other than "fungus", wet rot or dry rot, but remediation of resulting loss by "fungus", wet rot or dry rot prolongs the "period of restoration", we will pay for the actual loss of Business Income and the actual Extra Expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to a period of not more than 30 days unless another number of days is shown in the Declarations. The days need not be consecutive.
- (4) The Fungus, Wet Rot or Dry Rot exclusion in Section C.1.c. of the Deluxe Property Coverage Form does not apply to the insurance specifically provided under this Additional Coverage.

# g. Green Building Alternatives – Increased Period of Restoration

If direct physical loss or damage by a Covered Cause of Loss occurs to a building at a described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur during the reasonable and necessary increase in the "period of restoration" that is incurred to:

- (1) Repair or replace the lost or damaged portions of the building using products or materials that:
  - (a) Are "green" alternatives to the products or materials of the lost or damaged property, in accordance with the documented standards of a "Green Authority"; and
  - **(b)** Are otherwise of comparable quality and function to the damaged property;

and

(2) Employ "green" methods or processes of construction, disposal or recycling in the course of repair and replacement of the lost or damaged building, in accordance with the documented standards of a "Green Authority":

subject to a maximum of 30 additional days, unless another number of days is shown in the Declarations, from the date the "period of restoration" would otherwise have ended.

# h. Ordinance or Law – Increased Period of Restoration

- (1) If direct physical loss or damage by a Covered Cause of Loss occurs to property at the described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur during the reasonable and necessary increase in the "period of restoration" caused by or resulting from the enforcement of any ordinance or law which:
  - (a) Regulates the construction or repair of any property;
  - **(b)** Requires the tearing down of parts of property not damaged by a Covered Cause of Loss; and
  - (c) Is in force at the time of loss.

However, this Additional Coverage applies only to the increased period required to repair or reconstruct the property to comply with the minimum standards of such ordinance or law.

- (2) This Additional Coverage does not apply to any loss caused by or resulting from:
  - (a) The enforcement of any ordinance or law which requires:
    - (i) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot; or
    - (ii) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollut-

ants", "fungus", wet rot or dry rot;

or

- **(b)** The enforcement of any ordinance or law which:
  - (i) You were required to comply with before the loss, even if the building was undamaged; and
  - (ii) You failed to comply with.
- (3) The Ordinance or Law exclusion in Section C.1.h. of the Deluxe Property Coverage Form does not apply to the insurance specifically provided under this Additional Coverage.
- (4) The most we will pay for loss and expense in any one occurrence under this Additional Coverage is \$250,000.

### 5. Coverage Extensions

Each of the following Coverage Extensions applies subject to the Limit of Insurance stated in this Coverage Form, unless a different Limit of Insurance or *Not Covered* is indicated in the Declarations, or the coverage is otherwise amended by endorsement:

#### a. Claim Data Expense

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable expenses you incur in the preparation of claim data when we require it to adjust a covered loss. This includes the cost of preparing income statements and other documentation to show the extent of loss.
- (2) We will not pay for:
  - (a) Any expenses incurred, directed or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries:
  - **(b)** Any costs as provided in the Appraisal Loss Condition; or
  - (c) Any expenses incurred, directed or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.
- (3) The most we will pay in any one occurrence under this Extension is \$25,000.

# b. Ingress or Egress

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration": and
  - (b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur when ingress to or egress from the described premises is prevented (other than as provided in the Civil Authority Additional Coverage).

- (2) The prevention of ingress to or egress from the described premises must be caused by direct physical loss or damage by a Covered Cause of Loss to property that is away from, but within 1 mile of the described premises, unless a different number of miles is shown in the Declarations. This coverage will apply for up to 30 consecutive days from the date when the ingress or egress is first prevented.
- (3) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$25,000.

# c. Newly Acquired Locations

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
  - (b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur caused by direct physical loss or damage by a Covered Cause of Loss to property (including property under construc-

- tion) at any location you newly acquire by purchase, lease or otherwise, other than at "exhibitions".
- (2) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$500,000 at each newly acquired location.
- (3) With respect only to the insurance provided under this Extension, the phrase, at the described premises, as used in the definition of "period of restoration" is deleted and replaced by the phrase at a newly acquired location.
- (4) Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
  - (a) This policy expires;
  - **(b)** 180 days expire after you acquire or begin to construct the property;
  - (c) You report the location to us; or
  - (d) Coverage for Business Income and Extra Expense at the location is more specifically insured.

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

# d. Pollutant Cleanup and Removal

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
  - (b) The actual Extra Expense you incur during the "period of restoration":

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur during the increased period of time necessarily required to extract "pollutants" from land or water at the described premises

(2) The insurance provided under this Extension applies only if the discharge, dispersal, seepage, migration, release or escape of the "pollut-

ants" into the land or water is caused by or results from direct physical loss or damage by any of the "specified causes of loss" which occurs:

- (a) To property at the described premises that is Covered Property under the Deluxe Property Coverage Form of this policy; and
- (b) During the Policy Period.
- (3) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred arising out of all "specified causes of loss" that occur during each separate 12 month period of this policy (beginning with the effective date of this policy), is \$25,000.

#### e. Transit Business Income

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
  - (b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur caused by direct physical loss or damage by a Covered Cause of Loss to property while in the due course of transit at your risk within the Coverage Territory.

- (2) This Extension does not apply to loss caused by or resulting from loss of or damage to:
  - (a) Shipments by a government postal service, except by registered mail;
  - (b) Export and import shipments while covered under an ocean marine cargo or other insurance policy;
  - (c) Property while waterborne except while in transit by inland water carriers or by coastwise vessels operating within "territorial waters";

- (d) Property of others for which you are responsible while acting as a common or contract carrier, carloader, freight forwarder, freight consolidator, freight broker, shipping association or similar arranger of transportation, or as a public warehouseman;
- (e) Property within a conveyance or container caused by theft while the conveyance or container is unattended unless the portion of the conveyance or container containing the property is fully enclosed and securely locked, and the theft is by forcible entry of which there is visible evidence; or
- (f) The transporting conveyance.
- (3) With respect only to the insurance provided under this Extension, the phrase, at the described premises, as used in the definition of "period of restoration" is deleted and replaced by the phrase in the due course of transit.
- (4) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$25,000.

## f. Undescribed Premises

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
  - (b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur caused by direct physical loss or damage by a Covered Cause of Loss to property at Undescribed Premises, as defined in (2) below.

- (2) Undescribed Premises, as used in this Extension, means premises:
  - (a) Owned, leased or operated by you; or

- (b) Not owned, leased or operated by you, where your business personal property or business personal property of others in your care custody or control is located;
- that are within the Coverage Territory and not described in the Declarations nor reported to or accepted by us for coverage under this Coverage Form.
- (3) This Extension does not apply to loss caused by or resulting from loss or damage to property:
  - (a) At the premises of a "dependent property";
  - **(b)** At any location to which the Newly Acquired Locations Coverage Extension applies; or
  - (c) In the due course of transit.
- (4) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$25,000.
- (5) With respect only to the insurance provided under this Extension, the phrase at the described premises, as used in the definition of "period of restoration", is replaced by the phrase at Undescribed Premises.

# **B. EXCLUSIONS AND LIMITATION**

The following exclusions and limitation apply in addition to the exclusions and limitations contained in the Deluxe Property Coverage Form.

#### 1. Exclusions

We will not pay for:

- a. Any loss caused by or resulting from:
  - (1) Damage or destruction of "finished stock"; or
  - (2) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense or to the insurance provided under the Contract Penalty Additional Coverage.

- **b.** Any loss caused by or resulting from direct physical loss of or damage to the following property:
  - (1) Harvested grain, hay, straw or other crops while outside of buildings;

- (2) Outdoor trees, shrubs, plants, lawns (including fairways, greens and tees), artificial turf and associated underlayment, growing crops, land or water:
- (3) Communication, radio or television antennas (including satellite dishes), and their lead-in wiring, masts or towers;
- (4) Animals, unless the loss is caused by or results from a "specified cause of loss", and then only if, as a direct result of the "specified cause of loss", the animals are killed or their death or destruction is made necessary; or
- (5) Human body parts and fluids, including organs, tissues, blood and cells.
- **c.** Any increase of loss caused by or resulting from:
  - (1) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
  - (2) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage or any variation thereof.
- d. Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- **e.** Any other consequential loss including fines and penalties, except as specifically provided under the Contract Penalties Additional Coverage.

# 2. Limitation – Electronic Media and Records

- a. We will not pay for any loss of Business Income caused by direct physical loss of or damage to electronic media and records after the longer of:
  - 60 consecutive days from the date of direct physical loss or damage; or

(2) The period, beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described premises (or other location of the loss to which this insurance applies) which suffered loss or damage in the same occurrence.

This Limitation does not apply to Extra Expense.

- **b.** Electronic Media and Records are:
  - (1) Electronic data processing, recording or storage media such as hard or floppy disks, CDs, DVDs, flash memory, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment;
  - (2) Data stored on such media; or
  - (3) Programming records used for electronic data processing or electronically controlled equipment.

# **EXAMPLE NO. 1**

A Covered Cause of Loss damages a computer on June 1. It takes until September 1 to replace the computer, and until October 1 to restore the computer data that was lost when the damage occurred. We will only pay for the Business Income loss sustained during the period June 1 - September 1. Loss during the period September 2 - October 1 is not covered.

#### **EXAMPLE NO. 2**

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

# C. LIMITS OF INSURANCE

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

Payments under:

1. The following Additional Coverages:

- a. Alterations and New Buildings;
- **b.** Civil Authority:
- c. Extended Business Income;
- Fungus, Wet Rot or Dry Rot Amended Period of Restoration;
- **e.** Green Building Alternatives Increased Period of Restoration;

and

**2.** The Ingress or Egress Coverage Extension; are included in and do not increase the applicable Limits of Insurance.

The remaining Additional Coverages in Section **A.4.** and the remaining Coverage Extensions in Section **A.5.** are additional insurance.

#### D. DEDUCTIBLE

- 1. An hour deductible applies to your Business Income coverage. We will not pay for loss of Business Income in any one occurrence that is incurred during the period of time that:
  - Begins at the time of direct physical loss or damage that triggers the Business Income coverage; and
  - b. Continues for the consecutive number of hours shown in the Declarations as the applicable Business Income hour deductible.
- **2.** The Business Income hour deductible described in **1.** above does not:
  - Apply to or alter the coverage period that applies to the Business Income coverage provided under the Civil Authority Additional Coverage; or
  - **b.** Apply to the Contract Penalties Additional Coverage.
- 3. If a separate dollar deductible applies to other loss or damage in that same occurrence under this Coverage Part, such dollar deductible will apply to that other loss or damage and only the hourly deductible will apply to your loss of Business Income.
- 4. No deductible applies to Extra Expense.

# **E. LOSS CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions – Deluxe, the Loss Condition – Duties in the Event of Loss in the Deluxe Property Coverage Form and the Additional Conditions in the Deluxe Property Coverage Form:

#### 1. Appraisal

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

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

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

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

# 2. Duties in the Event of Loss – Additional Duty

The following duty applies in addition to the duties specified in the Loss Condition – Duties in the Event of Loss in the Deluxe Property Coverage Form:

If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

#### 3. Loss Determination

- **a.** The amount of Business Income loss will be determined based on:
  - (1) The Net Income of the business before the direct physical loss or damage occurred;
  - (2) The likely Net Income of the business if no physical loss or damage occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business as a result of favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
  - (3) The operating expenses, including payroll expenses necessary to resume "operations" with the same quality of service that existed just be-

- fore the direct physical loss or damage; and
- **(4)** Other relevant sources of information, including:
  - (a) Your financial records and accounting procedures;
  - **(b)** Bills, invoices and other vouchers; and
  - (c) Deeds, liens or contracts.
- **b.** The amount of Extra Expense will be determined based on:
  - (1) All reasonable and necessary expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period or restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
    - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
    - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
  - (2) All reasonable and necessary expenses that reduce the Extra Expense loss that otherwise would have been incurred.

#### c. Resumption of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations" in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at the described premises or elsewhere and, with respect to the Business Income From Dependent Property Additional Coverage, by using any other available source of materials or outlet for your products.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

#### 4. Loss Payment

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

- **a.** You have complied with all of the terms of this Coverage Part; and
- **b.** (1) We have reached agreement with you on the amount of loss; or
  - (2) An appraisal award has been made.

#### F. OPTIONAL COVERAGES

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

#### 1. Maximum Period of Indemnity

The most we will pay for the total loss of Business Income, including the Extended Business Income Additional Coverage, and Extra Expense is the lesser of:

- a. The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
- **b.** The Limit of Insurance shown in the Declarations.

#### 2. Monthly Limit of Indemnity

The most we will pay for loss of Business Income, including the Extended Business Income Additional Coverage, in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- a. The Limit of Insurance, multiplied by
- **b.** The fraction shown in the Declarations for this Optional Coverage.

#### **EXAMPLE:**

When: The Limit of Insurance is: \$120,000

The fraction shown in the Declarations for this Optional Coverage is: 1/4

The most we will pay for loss in each period of 30 consecutive days is:

 $120,000 \times 1/4 = 30,000$ 

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

Days 1 - 30	\$40,000
Days 31 - 60	\$20,000
Days 61 – 90	<u>\$30,000</u>
	\$90,000
We will pay:	
Days 1 – 30	\$30,000
Days 31 - 60	\$20,000
Days 61 – 90	<u>\$30,000</u>
	\$80,000

The remaining \$10,000 is not covered.

#### 3. Ordinary Payroll Exclusion or Limitation

- a. When the Declarations shows:
  - (1) Ordinary Payroll is excluded, the Business Income coverage provided for continuing normal operating expenses incurred does not include Ordinary Payroll;
  - (2) Ordinary payroll is limited to a specified number of days, the Business Income coverage provided for continuing normal operating expenses incurred only includes Ordinary Payroll for the specified number of days. The number of days may be used in two separate periods during the "period of restoration".
- **b.** Ordinary payroll expenses mean payroll expenses for all your employees except:
  - (1) Officers;
  - (2) Executives;
  - (3) Department managers;
  - (4) Employees under contract; and
  - (5) Additional Exemptions, shown by endorsement as:
    - (a) Job Classifications; or
    - **(b)** Employees.
- **c.** Ordinary payroll expenses include:
  - (1) Payroll;
  - (2) Employee benefits, if directly related to payroll;
  - (3) FICA payments you pay;
  - (4) Union dues you pay; and
  - **(5)** Worker's compensation premiums.

#### **G. DEFINITIONS**

- "Dependent Property" means property operated by others you directly depend on to:
  - a. Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers the following services is not a Contributing Location with respect to such services:
    - (1) Water supply services;
    - (2) Power supply services; or
    - (3) Communication services, including services relating to internet access or access to any electronic, cellular or satellite network.
  - **b.** Accept your products or services (Recipient Locations):
  - Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
  - **d.** Attract customers to your business (Leader Locations).
- 2. "Finished Stock" means "stock" you have manufactured.

"Finished Stock" also includes whiskey and alcoholic products being aged.

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

#### 3. "Operations" means:

- a. Your business activities occurring at the described premises even if such activities would not have produced income during the "period of restoration", such as research and development activities; and
- b. The tenantability of the described premises, if coverage for Business Income including "Rental Value" or "Rental Value" only applies.

#### 4. "Period of Restoration"

- a. "Period of Restoration" means the period of time that:
  - (1) (a) For Business Income coverage, begins once the number of hours of the applicable Business Income hour deductible, if any, expires following the time of direct physical loss or damage; and

(b) For Extra Expense coverage begins immediately after the time of direct physical loss or damage;

caused by or resulting from a Covered Cause of Loss at the described premises; and

- (2) Ends on the earlier of:
  - (a) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
  - **(b)** The date when business is resumed at a new permanent location.
- **b.** "Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:
  - (1) Regulates the construction, use or repair, or requires the tearing down, of any property, except as provided in the Ordinance or Law-Increased Period of Restoration Additional Coverage; or
  - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "fungus", wet rot or dry rot, except as provided in the Fungus, Wet Rot or Dry Rot Amended Period of Restoration Additional Coverage; or
  - (3) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants" except as provided in the Pollutant Clean Up and Removal Coverage Extension.
- c. "Period of restoration" does not include any increased period required to attain a pre-loss level of "green" building certification from a "Green Authority". But this does not apply to any increase in the "period of restoration" otherwise insured under the Green Buildings Alternatives – Increased Period of Restoration Additional Coverage.

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

- **5.** "Rental Value" means Business Income that consists of:
  - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of such described premises which is occupied by you; and
  - **b.** Continuing normal operating expenses incurred in connection with such premises, including:

- (1) Payroll; and
- (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.

#### **6.** "Suspension" means:

- **a.** The partial or complete cessation of your business activities; or
- **b.** That a part or all of the described premises is rendered untenantable, if coverage for Business Income including "Rental Value" or "Rental Value" only applies.

#### **DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT**

# EXTENDED COVERAGE ON PERSONAL PROPERTY AT UNDESCRIBED PREMISES

This endorsement modifies insurance provided under the following:

#### DELUXE PROPERTY COVERAGE FORM

- A. The insurance provided for Personal Property at Undescribed Premises under Section A.1.d.(3) is extended to apply to Your Business Personal Property and Personal Property of Others at premises you own, lease or regularly operate that are not described in the Declarations nor reported to or accepted by us for coverage under this policy.
- **B.** This Extension does not apply to:
  - 1. Property at an "exhibition";
  - **2.** Property at any installation site or in temporary storage awaiting installation;

- **3.** Property in the care, custody or control of your sales representatives;
- 4. Property in transit;
- **5.** Property at the location of a building you newly construct or newly acquire by purchase or lease; or
- **6.** Property outside of the Coverage Territory.
- C. This Extension is subject to, and does not increase, the Limit of Insurance shown in the Declarations for Personal Property at Undescribed Premises: At any other not owned, leased or regularly operated premises.

#### DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

### **BUSINESS INCOME – COINSURANCE**

This endorsement modifies insurance provided under the following:

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

If a Coinsurance percentage is shown in the Declarations for Business Income Coverage, the following additional condition applies:

#### Coinsurance

- **A.** We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:
  - 1. The Coinsurance percentage shown for Business Income in the Declarations; times
  - 2. The sum of:
    - **a.** The Net Income (Net Profit or Loss before income taxes); and
    - **b.** Operating expenses, including payroll expenses:

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

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

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

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

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

- 1. Prepaid freight outgoing;
- 2. Returns and allowances:
- 3. Discounts:
- 4. Bad debts:
- **5.** Collection expenses;
- **6.** Cost of raw stock and factory supplies consumed (including transportation charges);
- 7. Cost of merchandise sold (including transportation charges);
- **8.** Cost of other supplies consumed (including transportation charges);
- Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- Power, heat and refrigeration expenses that do not continue under contract (if form DX T3 61 is attached);
- **11.** The amount of payroll expense excluded (when ordinary payroll is excluded or limited as stated in the Declarations); and
- 12. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).
- C. This Coinsurance condition does not apply to:
  - The Business Income From Dependent Property, Contract Penalties or Ordinance or Law

     Increased Period of Restoration Additional Coverages;
  - 2. Any of the Coverage Extensions;
  - If applicable, the Optional Coverages Maximum Period of Indemnity and Monthly Limit of Indemnity; or
  - **4.** Unless otherwise stated, any Coverage, Additional Coverage or Coverage Extension that is added to this Coverage Form by endorse-

ment when such Coverage, Additional Coverage or Coverage Extension is provided subject to a separate, additional amount of insur-

ance or provided at a limit less than, and included in, the Business Income Limit of Insurance shown in the Declarations.

#### DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

### **CAUSES OF LOSS – EARTHQUAKE**

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

#### A. APPLICATION OF THIS ENDORSEMENT

 This endorsement applies at the premises location(s) of the building number(s) for which an Earthquake Limit of Insurance is shown in the Declarations.

This endorsement also applies to:

- **a.** The Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form;
- b. The Newly Acquired Locations Coverage Extension in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms;
- c. The Civil Authority Additional Coverage in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms, but only with respect to such loss of Business Income and/or Extra Expense incurred at the premises of the building number(s) for which an Earthquake Limit of Insurance is shown in the Declarations; and
- d. Utility Services Direct Damage or Utility Services – Time Element coverage provided under this Coverage Part, if any, but only with respect to such direct damage loss or loss of Business Income and/or Extra Expense that is incurred at the premises of the building number(s) for which an Earthquake Limit of Insurance is shown in the Declarations.
- 2. Except as provided in A.1.a. through A.1.d. above, this endorsement does not apply to loss or damage caused by or resulting from Earthquake or Volcanic Eruption that occurs away from the premises location(s) of the building number(s) for which an Earthquake Limit of Insurance is shown in the Declarations.

- **3.** This endorsement does not apply to, or modify, any limits or deductibles that apply to:
  - a. The insurance otherwise provided under this Coverage Part for loss or damage by fire or explosion that results from earth movement other than volcanic eruption, explosion or effusion, or for loss or damage by fire, building glass breakage or volcanic action that results from a volcanic eruption, explosion or effusion; or
  - **b.** Any other insurance provided under this Coverage Part for loss or damage to which the Earth Movement exclusion does not apply.

#### **B. COVERED CAUSES OF LOSS**

The following are added to the Covered Causes of Loss and the "specified causes of loss":

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

All earthquake shocks or volcanic eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period.

## C. EXCLUSIONS, LIMITATIONS AND RELATED PROVISIONS

1. The Earth Movement exclusion contained in Section C.1.b. of the Deluxe Property Coverage Form does not apply to the coverage provided under this endorsement. The remaining Exclusions and the Limitations that apply to this Coverage Part apply to the coverage provided under this endorsement. For example, loss caused directly or indirectly by a cause of loss excluded under provisions (1)(a) through (1)(e) of the Water exclusion

contained in Section **C.1.I.** of the Deluxe Property Coverage Form, such as flood or tidal wave, is excluded even if the flood or tidal wave is attributable to an Earthquake or Volcanic Eruption.

- 2. The following additional exclusions apply to the coverage provided under this endorsement:
  - a. We will not pay for loss or damage caused by or resulting from any earthquake or volcanic eruption that begins before the inception of this insurance.
  - b. We will not pay for the cost of restoring or stabilizing land or for loss resulting from the time required to restore or stabilize land.
- **3.** The following additional Limitation applies to the coverage provided by this endorsement:

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

This limitation does not apply:

- **a.** If less than 10% of the total outside wall area is faced with masonry veneer (excluding stucco); or
- b. At any premises location(s) of the building number(s) to which the Cause of Loss – Earthquake Masonry Veneer Coverage endorsement applies, as indicated in the Schedule of that endorsement when it is attached to this policy.

## D. UNDERGROUND WIRES, PIPES, FLUES AND DRAINS EXTENSION

Under the Deluxe Property Coverage Form, when Building coverage applies at premises locations to which this endorsement applies, the insurance provided by this endorsement is extended to also apply to direct physical loss or damage by Earthquake or Volcanic Eruption to underground wires, pipes, flues and drains at such premises locations. The exclusion of underground wires, pipes, flues and drains under Section A.2., Property and Costs Not Covered, of the Deluxe Property Coverage Form does not apply to this Extension.

This Extension does not increase the Earthquake Limit of Insurance that applies at such premises locations.

#### **E. LIMITS OF INSURANCE**

 The most we will pay under this endorsement for the total of all loss or damage caused by or resulting from all earthquakes and volcanic eruptions in a 12 month period of this policy (beginning with the effective date of this policy) is the single highest Annual Aggregate Limit of Insurance shown in the Declarations for Earthquake.

Subject to the single highest Annual Aggregate Limit of Insurance shown in the Declarations for Earthquake:

- a. Any individual Annual Aggregate Limit of Insurance shown in the Declarations for Earthquake is the most we will pay under this endorsement for the total of all loss or damage caused by or resulting from all earthquakes and volcanic eruptions in a 12 month period of this policy (beginning with the effective date of this policy) to which such individual Annual Aggregate Limit of Insurance shown in the Declarations for Earthquake applies.
- b. If more than one Annual Aggregate Limit of Insurance applies to loss or damage under this endorsement in any one occurrence, each limit will be applied separately, but the most we will pay under this endorsement for all loss or damage in that occurrence is the single highest involved Annual Aggregate Limit of Insurance applicable to that occurrence.
- c. The most we will pay under this endorsement for the total of:
  - (1) All loss or damage under the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form; and
  - (2) All loss under the Newly Acquired Locations Coverage Extension in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms;

caused by or resulting from all earthquakes and volcanic eruptions in a 12 month period of this policy (beginning with the effective date of this policy) is \$100.000.

The Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement is included in and does not increase the Limits of Insurance provided under

this Coverage Part. For example, subject to the applicable Earthquake Annual Aggregate Limit(s) of Insurance, our payment for loss under any Utility Services – Direct Damage or Utility Services –Time Element coverage that is attributable to an Earthquake or Volcanic Eruption to which this endorsement applies will not exceed the Limit of Insurance that applies to that Utility Services – Direct Damage or Utility Services –Time Element coverage.

- 2. The Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement applies regardless of the items or types of property, number or types of coverages (including business income and extra expense coverages) or number of premises locations involved. Amounts payable under this endorsement for any item or type of property, or under any coverage, Additional Coverage or Coverage Extension, are subject to the Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement, and will not:
  - **a.** Exceed the applicable property and coverage Limits of Insurance provided under this Coverage Part; nor
  - Increase the applicable Annual Aggregate Limit(s) of Insurance under this endorsement.

This includes payments under any Debris Removal or Ordinance or Law coverage for loss that is attributable to earthquake or volcanic eruption at premises locations to which this endorsement applies, and covered as a result of the insurance provided under this endorsement.

#### F. DEDUCTIBLES

The following Deductible provisions apply to the insurance provided by this endorsement. The Deductible(s) applicable to loss or damage under this endorsement apply separately to each occurrence and apply in addition to any other Deductibles in this Coverage Part that apply to loss or damage in the same occurrence.

#### 1. Percent Deductible

If a percentage (%) is shown in the Declarations as applicable, the following applies:

- **a.** This Deductible is calculated separately for, and applies separately to each of the following items of insurance:
  - (1) Each building, if two or more buildings sustain loss or damage;

- (2) The building and to personal property in that building, if both sustain loss or damage:
- (3) Personal property at each building, if personal property at two or more buildings sustains loss or damage;
- (4) Personal property in the open; and
- **(5)** Any other property insured under this Coverage Part.
- **b.** In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2%, 5% or 10% (as shown in the Declarations) of:
  - (1) The Limit of Insurance applicable to each item of insurance that has sustained loss or damage when specific insurance applies to that item of insurance, meaning a separate Limit of Insurance applies only to that item of insurance (for example, each building or personal property in a building); or
  - (2) The value of each item of insurance that has sustained loss or damage when blanket insurance applies to that item of insurance, meaning a single Limit of Insurance applies to two or more items of insurance (for example, a building and personal property in that building or two buildings). The value to be used is the value shown in the most recent Statement of Values on file with us. If there is no value on file with us for the item of insurance property, we will use the value(s) of the property at the time of loss.

For newly constructed or acquired property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies, we will deduct an amount equal to a percentage of the value of each item of insurance at the time of loss. The applicable percentage used will be the highest percentage that applies at the premises location of any building number for which a percentage Deductible is shown in the Declarations.

- **c.** When the percentage Deductible shown in the Declarations is subject to:
  - (1) A minimum dollar amount in any one occurrence; or

(2) A minimum dollar amount in any one occurrence at each premises location:

the percentage Deductible will be calculated as described in **1.a.** and **1.b.** above, but the minimum amount we will deduct in any one occurrence, or in any one occurrence at each premises location (as indicated in the Declarations), is the minimum dollar amount shown in the Declarations.

d. We will not pay for loss or damage in any one occurrence under this endorsement until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limits of Insurance.

#### 2. Dollar Deductible

When:

- a. A dollar amount in any one occurrence; or
- **b.** A dollar amount in any one occurrence at each premises location;

is shown as the applicable Deductible in the Declarations, we will not pay for loss or damage in any one occurrence, or in any one occurrence at each premises location (as indicated in the Declarations), until the amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limits of Insurance.

When no percentage Deductible applies to the insurance provided under this endorsement, the Deductible applicable to newly acquired or constructed property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies is the highest dollar Deductible shown in the Declarations for the premises location of any building number to which this endorsement applies.

#### 3. Hour Deductible

When an hour Deductible is stated in the Declarations, the following is applicable to your Business Income Coverage to which this endorsement applies:

We will not pay for loss of Business Income in any one occurrence that you incur during the period of time that:

- Begins at the time of direct physical loss or damage by Earthquake or Volcanic Eruption that triggers the Business Income coverage; and
- b. Continues for the consecutive number of hours shown in the Declarations as the applicable Business Income hour Deductible.

The Deductible applicable to Business Income coverage at locations to which the Newly Acquired Locations Coverage Extension in the Business Income (and Extra Expense) Coverage Form or Business Income (Without Extra Expense) Coverage Form applies, is the highest hour Deductible shown in the Declarations for any premises location to which this endorsement applies.

- 4. No Deductible applies to Extra Expense.
- 5. When a Deductible is shown in the Declarations for Utility Service Direct Damage coverage or Utility Services Time Element coverage, that Deductible will apply to the insurance provided under the Utility Service Direct Damage coverage or Utility Services Time Element coverage for loss that is attributable to an Earthquake or Volcanic Eruption to which this endorsement applies. Otherwise, the above Deductible provisions apply to loss under the Utility Service Direct Damage coverage or Utility Services Time Element coverage that is attributable to an Earthquake or Volcanic Eruption to which this endorsement applies.

#### DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

### CAUSES OF LOSS – BROAD FORM FLOOD

This endorsement modifies insurance provided under the following:

**DELUXE PROPERTY COVERAGE PART** 

#### A. APPLICATION OF THIS ENDORSEMENT

- When a Broad Form Flood Limit of Insurance is shown in the Declarations for a building number, this endorsement applies at the premises location(s) of such building number(s) for which a Broad Form Flood Limit of Insurance is shown.
- 2. When a Broad Form Flood Limit of Insurance is shown in the Declarations for property at the described premises within a Flood Zone or a non-participating or suspended community (as classified under the National Flood Insurance Program), this endorsement applies at the premises described in the Declarations for coverage under this Coverage Part with respect to covered loss resulting from "flood" to buildings, structures or personal property in the open within such Flood Zone(s) or community(ies) for which a Broad Form Flood Limit of Insurance is shown, or to personal property at the described premises in or on the buildings or structures within such Flood Zone(s) or community(ies).

If, at the time of loss, a building, a structure or personal property in the open is located within more than one Flood Zone or community, coverage under this endorsement for loss or damage to, or loss that is a consequence of loss or damage to that building, structure or personal property in the open will be subject to the insurance, Annual Aggregate Limit of Insurance and deductible, if any, that would apply under this policy if that building, structure or personal property in the open was wholly located within the most hazardous of the Flood Zones or communities, as stated below, in which it is located. The most hazardous Flood Zone or community that is determined to apply to a building or structure will also apply with respect to the coverage under this endorsement for loss or damage to, or loss or damage that is a consequence of loss

or damage to any personal property in or on such building or structure.

The following listing of Flood Zones and communities, as classified under the National Flood Insurance Program, is in order of the most hazardous to least hazardous:

- a. Flood Zone V and Flood Zones prefixed V;
- b. Flood Zone A and Flood Zones prefixed A:
- c. Flood Zone D;
- **d.** Non-Participating or Suspended communities:
- **e.** Flood Zone B, Flood Zone X (shaded) and Flood Zone X-500;
- f. Flood Zone C and Flood Zone X (unshaded).
- 3. This endorsement also applies to:
  - a. The Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form, regardless of the Flood Zone or community in which the property is located;
  - b. The Newly Acquired Locations Coverage Extension in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms, regardless of the Flood Zone or community in which the newly acquired locations are located;
  - c. The Civil Authority Additional Coverage in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms, regardless of the Flood Zone or community in which the "flood" loss that triggers the coverage occurs, but only with respect to such loss of Business Income and/or Extra Expense that you in-

cur at the premises described in **A.1.** or **A.2.** above; and

- d. Utility Services Direct Damage or Utility Services Time Element coverage provided under this Coverage Part, if any, regardless of the Flood Zone or community in which the "flood" loss to the utility services property that triggers the coverage occurs, but only with respect to such direct damage loss or loss of Business Income and/or Extra Expense that is incurred at the premises described in A.1. or A.2. above.
- 4. Except as provided in A.3.a. through A.3.d. above, this endorsement does not apply to loss or damage caused by or resulting from "flood" that occurs away from the premises described in A.1. and A.2. above.
- **5.** This endorsement does not apply to, or modify, any limits or deductibles that apply to:
  - **a.** The insurance otherwise provided under this Coverage Part for loss or damage by:
    - (1) Fire, explosion or sprinkler leakage that results from "flood": or
    - (2) Water or sewage from drains within a building if the backup or overflow is not otherwise directly or indirectly caused by Water that is excluded in provisions (a), (b), (d) or (e) of the Water exclusion in Section C.1.I. of the Deluxe Property Coverage Form;

or

b. Any other insurance provided under this Coverage Part for loss or damage to which the Water exclusion in Section C.1.I. of the Deluxe Property Coverage Form does not apply.

#### **B. COVERED CAUSES OF LOSS**

"Flood" is added to the Covered Causes of Loss and the "specified causes of loss".

All "flood" loss that occurs:

- During a continuous or protracted event, such as a period of continued rising or overflow of any river(s), stream(s) or any body(ies) of water and the subsidence of same within the banks of such river(s), stream(s) or body(ies) of water; or
- **2.** Due to any tidal wave or series of tidal waves that occur within any 168 hour period;

will constitute a single "flood" occurrence. If "flood" loss commences prior to the expiration

date of this policy and the "flood" occurrence extends beyond the expiration date of this policy, the expiration date of this policy will not reduce the "flood" occurrence period.

#### C. FLOOD DEFINED

The following is added to the Section **J.**, Definitions, in the Deluxe Property Coverage Form:

"Flood" means the following, all whether naturally occurring or due to man-made or other artificial causes, and includes waterborne material carried or otherwise moved by any of the water referred to in paragraphs 1., 3. and 4. below and material carried or otherwise moved by mudslide or mudflow:

- Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether driven by wind (including storm surge) or not;
- 2. Mudslide or mudflow;
- 3. Water or sewage that backs up, overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment (other than the backup or overflow of water or sewage from drains within a building to which the exception in provision (c) of the Water exclusion in Section C.1.I. of the Deluxe Property Coverage Form applies); and
- **4.** Water under the ground surface pressing on, or flowing or seeping through:
  - a. Foundations, walls, floors or paved surfaces;
  - **b.** Basements, whether paved or not; or
  - c. Doors, windows or other openings.

### D. EXCLUSIONS, LIMITATIONS AND RELATED PROVISIONS

- Under the Exclusions contained in Section
   C.1. of the Deluxe Property Coverage Form:
  - a. Exclusion b., Earth Movement, does not apply to the insurance otherwise provided under this endorsement for loss or damage caused by or resulting from:
    - (1) Mudslide or mudflow that is caused by or precipitated by the accumulation or runoff of water on or below the surface of the ground; or
    - (2) "Flood" that is attributable to an Earth Movement, such as tsunami, but this exception does not apply to loss or damage caused by or resulting from

any excluded Earth Movement that results from such "Flood".

**b.** Exclusion **I.**, Water, does not apply to the coverage provided under this endorsement.

The remaining Exclusions and the Limitations that apply to this Coverage Part apply to the coverage provided under this endorsement.

- 2. The following additional exclusions apply to the coverage provided under this endorsement:
  - a. We will not pay for loss or damage caused by or resulting from any "flood" occurrence that begins before the inception of this insurance.
  - b. We will not pay for the cost of restoring, recovering or de-watering land or for loss resulting from the time required to restore, recover or de-water land.
- The following LIMITATION is added as respects coverage provided by this endorsement:

#### **EXCESS OF LOSS LIMITATION**

- a. Unless otherwise indicated in the Declarations or by endorsement, this Excess of Loss Limitation applies to the coverage provided for direct physical loss of or damage to:
  - (1) Buildings, structures and personal property in the open which are:
    - (a) Covered Property at the premises described in Section A.1. and A.2. of this endorsement, or newly constructed or acquired property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies; and
    - (b) Located, in whole or in part, in Flood Zone A, Flood Zones prefixed A, Flood Zone V or Flood Zones prefixed V, as classified under the National Flood Insurance Program at the time of loss;

and

(2) Personal property which is Covered Property located in or on a building or structure described in (1) above, and personal property to which the Newly

Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies.

- b. If the property is eligible to be written under a National Flood Insurance Program (NFIP) policy, we will pay only for the amount of loss in excess of the maximum limit that can be insured under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy.
- c. The Deductible provisions applicable to the coverage provided under this endorsement apply in addition to any applicable Excess of Loss Limitation.

# E. UNDERGROUND WIRES, PIPES, FLUES AND DRAINS EXTENSION

Under the Deluxe Property Coverage Form, when Building coverage applies at premises locations to which this endorsement applies, the insurance provided by this endorsement is extended to also apply to direct physical loss or damage by "flood" to underground wires, pipes, flues and drains at such premises locations. The exclusion of underground wires, pipes, flues and drains under Section A.2., Property and Costs Not Covered, of the Deluxe Property Coverage Form does not apply to this Extension.

This Extension does not increase the Broad Form Flood Limit of Insurance that applies at such premises locations.

#### F. LIMITS OF INSURANCE

1. The most we will pay under this endorsement for the total of all loss or damage caused by or resulting from "flood" in a 12 month period of this policy (beginning with the effective date of this policy) is the single highest Annual Aggregate Limit of Insurance shown in the Declarations for Broad Form Flood.

Subject to the single highest Annual Aggregate Limit of Insurance shown in the Declarations for Broad Form Flood:

a. Any individual Annual Aggregate Limit of Insurance shown in the Declarations for Broad Form Flood is the most we will pay under this endorsement for the total of all loss or damage caused by or resulting from all "flood" occurrences in a 12 month period of this policy (beginning with the effective date of this policy) to which such individual Annual Aggregate Limit of In-

- surance shown in the Declarations for Broad Form Flood applies.
- b. If more than one Annual Aggregate Limit of Insurance applies to loss or damage under this endorsement in any one occurrence, each limit will be applied separately, but the most we will pay under this endorsement for all loss or damage in that occurrence is the single highest involved Annual Aggregate Limit of Insurance applicable to that occurrence.
- **c.** The most we will pay under this endorsement for the total of:
  - (1) All loss or damage under the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form; and
  - (2) All loss under the Newly Acquired Locations Coverage Extension in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms;

caused by or resulting from all "flood" occurrences in a 12 month period of this policy (beginning with the effective date of this policy) is \$100,000.

The Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement is included in and does not increase the Limits of Insurance provided under this Coverage Part. For example, subject to the applicable Broad Form Flood Annual Aggregate Limit(s) of Insurance, our payment for loss under any Utility Services – Direct Damage or Utility Services –Time Element coverage that is attributable to "flood" to which this endorsement applies will not exceed the Limit of Insurance that applies to that Utility Services – Direct Damage or Utility Services – Time Element coverage.

2. The Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement applies regardless of the items or types of property, number or types of coverages (including business income and extra expense coverages) or number of premises locations involved. Amounts payable under this endorsement for any item or type of property, or under any coverage, Additional Coverage or Coverage Extension, are subject to the Annual Aggregate Limit(s) of Insurance

applicable to loss or damage under this endorsement, and will not:

- Exceed the applicable property and coverage Limits of Insurance provided under this Coverage Part; nor
- Increase the applicable Annual Aggregate Limit(s) of Insurance under this endorsement

This includes payments under any Debris Removal or Ordinance or Law coverage for loss that is attributable to "flood" at premises locations to which this endorsement applies, and covered as a result of the insurance provided under this endorsement.

#### G. DEDUCTIBLES

The following Deductible provisions apply to the insurance provided by this endorsement. The Deductible(s) applicable to loss or damage under this endorsement apply separately to each occurrence and apply in addition to any other Deductibles in this Coverage Part that apply to loss or damage in the same occurrence.

#### 1. Dollar Deductible

When:

- **a.** A dollar amount in any one occurrence; or
- **b.** A dollar amount in any one occurrence at each premises location,

is shown as the applicable deductible in the Declarations, we will not pay for loss or damage in any one occurrence, or in any one occurrence at each premises location (as indicated in the Declarations), until the amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limits of Insurance.

The Deductible applicable to newly acquired or constructed property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies is the highest dollar deductible shown in the Declarations for any premises location to which this endorsement applies.

#### 2. Hour Deductible

When an hour Deductible is stated in the Declarations, the following is applicable to your Business Income Coverage to which this endorsement applies:

We will not pay for loss of Business Income in any one occurrence that you incur during the period of time that:

- **a.** Begins at the time of direct physical loss or damage by "flood" that triggers the Business Income coverage; and
- b. Continues for the consecutive number of hours shown in the Declarations as the applicable Business Income hour deductible.

The Deductible applicable to Business Income coverage at locations to which the Newly Acquired Locations Coverage Extension in the Business Income (and Extra Expense) Coverage Form or Business Income (Without Extra Expense) Coverage Form applies, is the highest hour Deductible shown in

- the Declarations for any premises location to which this endorsement applies.
- **3.** No Deductible applies to Extra Expense.
- 4. When a Deductible is shown in the Declarations for Utility Service Direct Damage coverage or Utility Services Time Element coverage, that Deductible will apply to the insurance provided under the Utility Service Direct Damage coverage or Utility Services Time Element coverage for loss that is attributable to "flood" to which this endorsement applies. Otherwise, the above Deductible provisions apply to loss under the Utility Service Direct Damage coverage or Utility Services Time Element coverage that is attributable to "flood" to which this endorsement applies.

# FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

#### DELUXE PROPERTY COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean 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 certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

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

- 7% of your total Deluxe Property Coverage Part premium if your primary location is in a Designated City (as listed below).
- 3% of your total Deluxe Property Coverage Part premium if your primary location is not in a Designated City (as listed below).

#### **DELUXE PROPERTY**

### **Designated Cities are:**

Albuquerque, NM	El Paso, TX	Miami, FL	San Diego, CA
Atlanta, GA	Fort Worth, TX	Milwaukee, WI	San Antonio, TX
Austin, TX	Fresno, CA	Minneapolis, MN	San Francisco, CA
Baltimore, MD	Honolulu, HI	Nashville-Davidson, TN	San Jose, CA
Boston, MA	Houston, TX	New Orleans, LA	Seattle, WA
Charlotte, NC	Indianapolis, IN	New York, NY	St. Louis, MO
Chicago, IL	Jacksonville, FL	Oakland, CA	Tucson, AZ
Cleveland, OH	Kansas City, MO	Oklahoma City, OK	Tulsa, OK
Colorado Springs, CO	Las Vegas, NV	Omaha, NE	Virginia Beach, VA
Columbus, OH	Long Beach, CA	Philadelphia, PA	Washington, DC
Dallas, TX	Los Angeles, CA	Phoenix, AZ	Wichita, KS
Denver, CO	Memphis, TN	Portland, OR	
Detroit, MI	Mesa, AZ	Sacramento, CA	

### MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

#### **DELUXE PROPERTY COVERAGE PART**

- **A.** Paragraph 5. of the CANCELLATION Common Policy Conditions is replaced by the following:
  - **5.** If this policy or any Coverage Part is cancelled, we will send the First Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.
- **B.** If partial loss ("loss") or damage to Covered Property is caused by or results from fire, Paragraph **a.**, of the LOSS CONDITIONS Loss Payment is replaced by the following:

Loss Payment

In the event of partial loss ("loss") or damage caused by or resulting from fire, and covered by this Coverage Part, at your option, we will either:

- **1.** Pay you an amount of money equal to the damage done; or
- **2.** Repair the damage, so that the property is in as good a condition as before the fire.

But we will not pay more than the Limit of Insurance.

**C.** The following provision replaces Paragraph **f.** of the LOSS CONDITIONS – Loss Payment:

In the event of loss ("loss") or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:

- 1. Accept your claim;
- 2. Deny your claim; or
- **3.** Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed. If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent inform-

ing you that we need more time to determine whether your claim should be accepted or denied and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

**D.** Except as provided in **E.** below, the LOSS CON-DITIONS – Appraisal is replaced by the following:

#### 2. APPRAISAL

If we and you disagree on the value of the property or the amount of loss ("loss"), either may make written demand for an appraisal of the loss ("loss"). In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an umpire shall be selected by a judge of a court of record in the state and county (or city if the city is not within a county) in which the property covered is located. The appraisers will state separately the value of the property and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding.

#### Each party will:

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

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

- **E.** The Appraisal Condition in:
  - Deluxe Business Income (And Extra Expense) Coverage Form DX T1 01; or
  - **2.** Deluxe Business Income (Without Extra Expense) Coverage Form DX T1 02,

is replaced by the following:

#### **Appraisal**

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an umpire shall be selected by a judge of a court of record in the state and county (or city if the city is not within a county) in which the property covered is located. The appraisers will state separately the amount of Net Income and operating expense or the amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

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

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

**F.** The ADDITIONAL CONDITIONS – Legal Action is replaced by the following:

#### 4. LEGAL ACTION AGAINST US

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

- **a.** There has been full compliance with all of the terms of this Coverage Part; and
- **b.** The action is brought within 10 years after the date on which the direct physical loss ("loss") or damage occurred.
- **G.** Paragraph **f.** above does not apply to the:
  - LOSS CONDITIONS Legal Action Against Us in the LEGAL LIABILITY COVERAGE ENDORSEMENT.
- H. Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations
  - 1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.

- 2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply subject to all other provisions of the Act:
  - a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December thirty-first of the year next preceding the date the insurer becomes insolvent; provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all of its affiliates as calculated on a consolidated basis.
  - **b.** Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable limit of insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

- **I.** The following exclusion and related provisions are added to Paragraph **C.2.** Exclusions:
  - 1. We will not pay for loss or damage arising out of any act committed:
    - a. By or at the direction of any insured; and
    - **b.** With the intent to cause a loss.
  - 2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Part and the loss arose out of domestic violence. Such coverage will be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating both:
    - a. The cause of the loss; and

- **b.** A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.
- 3. If we pay a claim pursuant to Paragraph I.2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.
- J. The following is added to the ADDITIONAL CONDITIONS – Transfer Of Rights Of Recovery Against Others To Us:
  - If we pay an innocent co-"insured" for loss ("loss") arising out of an act of domestic violence by another "insured", the rights of the innocent co-"insured" to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss ("loss"), the innocent co-"insured" may not waive such right to recover against the abuser.

- K. The following is added with respect to the ADDI-TIONAL CONDITIONS – Debris Removal and Pollutant Cleanup and Removal, and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:
  - If you fail to report the expenses to us within the 180-day timeframe, such failure will not invalidate a claim under Debris Removal or Pollutant Cleanup And Removal unless such failure operates to prejudice our rights.
- **L.** The following applies to LOSS CONDITIONS Valuation:
  - When the Replacement Cost Coverage applies, the following is added with respect to these provisions and relates only to the requirement to notify us of your intent to submit an additional claim (for the difference between the actual cash value and replacement cost) within 180 days after the loss or damage occurs:
  - If you fail to notify us of your intent within the 180 day timeframe, such failure will not invalidate the claim unless such failure operates to prejudice our rights.

### KANSAS CHANGES

This endorsement modifies insurance provided under the following:

**DELUXE PROPERTY COVERAGE PART** 

**A.** The ADDITIONAL CONDITIONS – Legal Action Against Us is replaced by the following:

#### **Legal Action Against Us**

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

- 1. There has been full compliance with all of the terms of this Coverage Part; and
- 2. The action is brought within 5 years after the date on which the direct physical loss or damage occurred.
- **B.** The following is added:

The term "Actual Cash Value" means the amount it would cost to repair or replace Covered Property with material of like kind and quality, less allowance for deterioration and depreciation, including obsolescence.

- **C.** The following applies when coverage is provided for townhouse buildings and structures:
  - 1. The following is added:

The Association of Townhouse Owners includes every person or organization who is an owner of a fee simple title to a townhouse unit, for which insurance is provided by this policy.

2. The ADDITIONAL CONDITIONS – Control Of Property is superseded and replaced by the following:

The following will not affect this insurance if beyond your direction or control:

- **a.** Any act or neglect by any occupants or owners of the buildings; or
- **b.** Your failure to comply with any warranty or condition with regard to any portion of your premises.

If you violate a condition of this Coverage Part, we will not pay for loss or damage at the involved location. But your coverage will continue for other locations at which the violation does not apply.

**3.** The following is added to Property Not Covered in the Deluxe Property Coverage Form:

- **a.** Household and personal property, unless owned by the Association of Townhouse Owners.
- **4.** Paragraph b. in the ADDITIONAL CONDITIONS Mortgageholders in the Deluxe Property Coverage Form is replaced by the following:
  - **b.** We will pay for covered loss of or damage to buildings or structures to:
    - (1) The Insurance Trustee for the benefit of each Townhouse Owner;
    - (2) The holder of each first mortgage; and
    - (3) The Association;

as interests may appear and as shown in the Townhouse Declaration.

**D.** The **Appraisal** Loss Condition is replaced by the following:

#### **Appraisal**

If, after a claim has been made, a dispute arises because you and we disagree on the value of the property or the amount of loss, either may make a written request for an appraisal of the loss. However, an appraisal will be made only if both you and we agree, voluntarily, to have the loss appraised. If so agreed, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

### **ALABAMA CHANGES**

This endorsement modifies insurance provided under the following:

**DELUXE PROPERTY COVERAGE PART** 

- **A.** The following exclusion and related provisions are added to Paragraph **C.2. Exclusions**:
  - 1. We will not pay for loss or damage arising out of any act committed:
    - a. By or at the direction of any insured; and
    - **b.** With the intent to cause a loss.
  - 2. However, this exclusion will not apply to deny coverage to an innocent co-insured when the loss or damage is otherwise covered under this policy and is proximately related to and in furtherance of an abusive act by an insured who is a family or household member. Such coverage will be provided only if the innocent co-insured:
    - a. Provides evidence of the abuse to us, to demonstrate that the loss is abuserelated: and
    - **b.** For the act causing the loss, either:
      - (1) Files a complaint under the Protection From Abuse Act against the abuser, and does not voluntarily dismiss the complaint; or
      - (2) Seeks a warrant for the abuser's arrest and cooperates in the prosecution of the abuser.
    - 3. If we pay a claim pursuant to Paragraph A.2., of this endorsement our payment to the innocent co-insured is limited to that insured's legal interest in the property

less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

B. The following is added to Paragraph H.10. ADDI-TIONAL CONDITIONS – Transfer Of Rights Of Recovery Against Others To Us:

If we pay an innocent co-insured for loss arising out of an act of abuse by another insured, the rights of the innocent co-insured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent co-insured may not waive such rights to recover against the abuser.

- C. Legal Action Against Us
  - The Legal Action Against Us Commercial Property Condition is replaced by the following except as provided in Paragraph C.2. below:

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

- **a.** There has been full compliance with all of the terms of this Coverage Part; and
- **b.** The action is brought within the time limitations prescribed by Alabama law.
- 2. Paragraph C.1. above does not apply to the Legal Action Against Us Condition in Legal Liability Coverage Form DX T3 90.

POLICY NUMBER: QT-630-1315N403-TIL-16 ISSUE DATE: 12-02-16

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

#### DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

### ELECTRONIC VANDALISM LIMITATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

When included in this policy, this endorsement also modifies insurance provided under the COMMERCIAL INLAND MARINE COVERAGE PART.

#### **SCHEDULE**

#### **Electronic Vandalism Limit of Insurance,**

aggregate in any 12-month period of this policy:

\$ 10,000 unless a higher limit is shown: \$

This endorsement limits the insurance provided under this policy for direct physical loss or damage caused by or resulting from "electronic vandalism" and for loss that is a consequence of such direct physical loss or damage.

#### A. LIMITATION - ELECTRONIC VANDALISM

The following LIMITATION is added:

The most we will pay for all loss or damage caused directly or indirectly by or resulting from "electronic vandalism" in any one policy year, commencing with the inception date of this endorsement, is the Electronic Vandalism Limit of Insurance shown in the Schedule of this endorsement. This limit:

- Applies regardless of the number of locations, items or types of property or coverages or Coverage Forms involved; and
- **2.** Is part of, and does not increase the Limits of Insurance provided under this policy.

But if "electronic vandalism" results in a "specified cause of loss", other than vandalism, this limitation will not apply to the resulting loss or damage caused by that "specified cause of loss".

#### B. ELECTRONIC VANDALISM MINIMUM DE-DUCTIBLE

The following deductible provision is added and applies to all coverages, including Extra Expense:

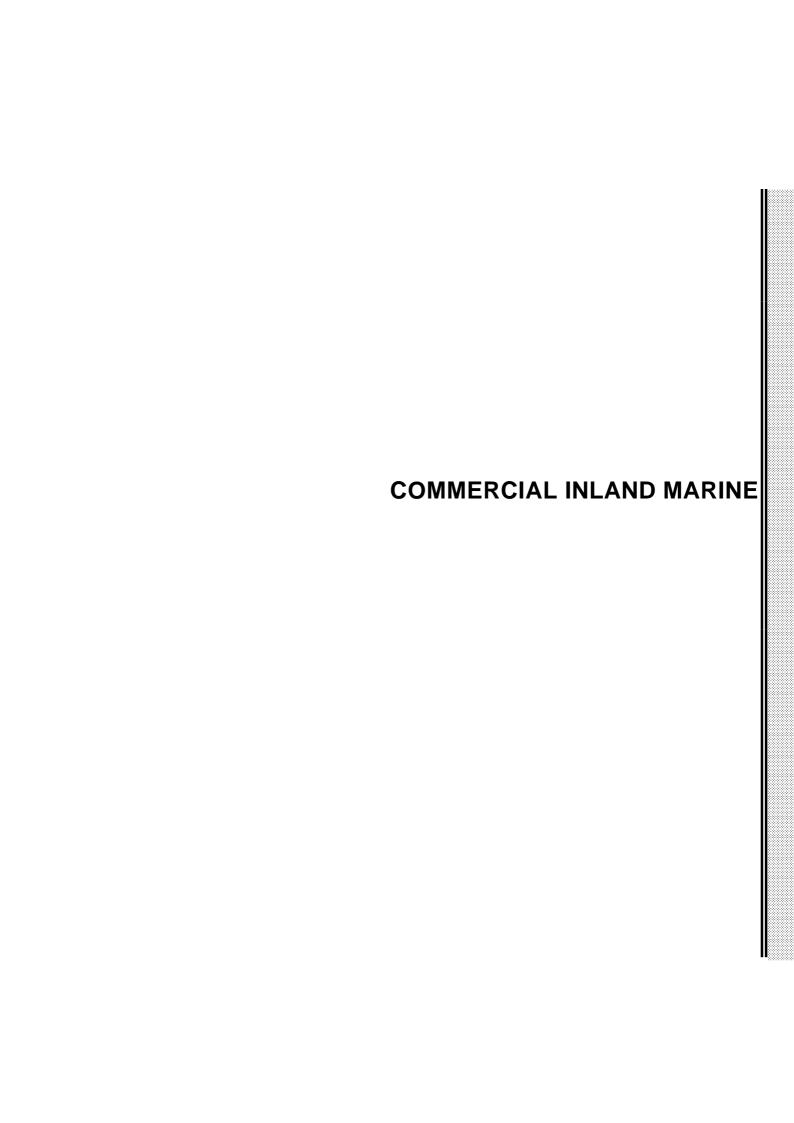
The DEDUCTIBLE provisions of this policy continue to apply. But in no event will the total of all applicable deductible amounts applied in any one occurrence of "electronic vandalism" be less than \$1,000.

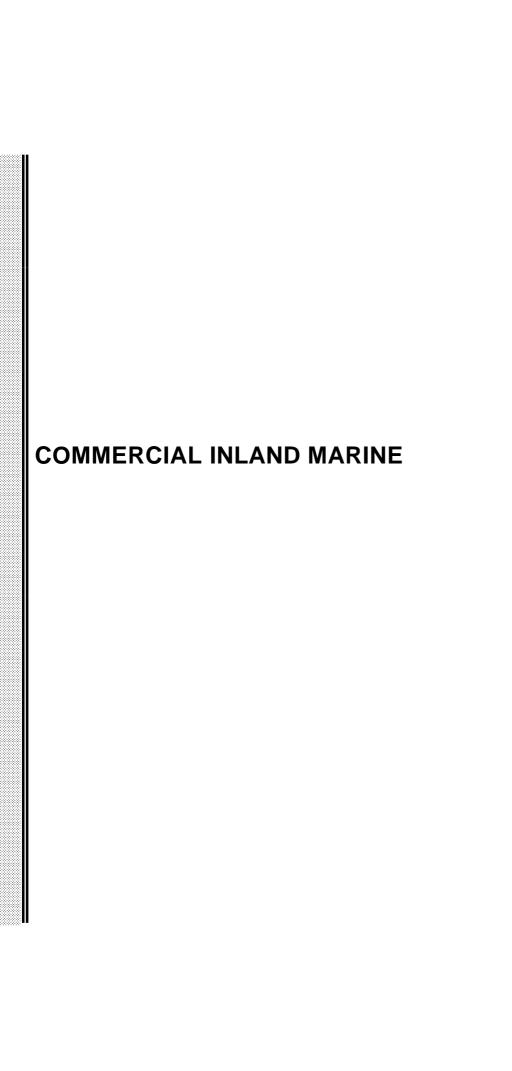
#### C. ELECTRONIC VANDALISM DEFINED

"Electronic Vandalism", as used in this endorsement means:

- Willful or malicious destruction of computer programs, content, instructions or other electronic or digital data stored within computer systems.
- Unauthorized computer code or programming that:
  - a. Deletes, distorts, corrupts or manipulates computer programs, content, instructions or other electronic or digital data, or otherwise results in damage to computers or computer systems or networks to which it is introduced;
  - **b.** Replicates itself, impairing the performance of computers or computer systems or networks; or
  - c. Gains remote control access to data and programming within computers or computer systems or networks to which it is introduced, for uses other than those intended for authorized users of the computers or computer systems or networks.

**DX T3 98 04 02** Page 1 of 1







#### One Tower Square, Hartford, Connecticut 06183

COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

POLICY NO.: QT-630-1315N403-TIL-16 ISSUE DATE: 12-02-16

**INSURING COMPANY:** 

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

**DECLARATIONS PERIOD:** From 12-01-16 to 12-01-17 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

#### 1. COVERAGE, LIMITS OF INSURANCE AND DEDUCTIBLE:

### BROADCASTERS EQUIPMENT AND MEDIA COVERAGE FORM

A. Radio and Television Towers:

**B.** Transmitting, Receiving and Studio Operating Equipment:

Loc. No. Bldg. No. Limit of Insurance \$ 586,500 \$ \$

C. Data and Media:

Loc. No. Bldg. No.

1 1 \$ NO COVERAGE \$ \$

**D.** Scenery, Costumes and Theatrical Property:

Loc. No. Bldg. No. Limit of Insurance

1 1 \$ NO COVERAGE \$
\$
\$

E. Improvements and Betterments:

Loc. No. Bldg. No.

Limit of Insurance

NO COVERAGE

\$
\$
\$

NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

**CM T0 01 07 86** Page 1 of 2

Order # CM A0 07 04 93

# BROADCASTERS EQUIPMENT AND MEDIA COVERAGE FORM (Cont'd)

# COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

F. Buildings as Covered by This Form:		
Loc. No. Bldg. No.		Limit of Insurance \$ NO COVERAGE \$ \$
G. Mobile or Portable Equipment:		
Item No. 1 1	Description	Limit of Insurance  \$ NO COVERAGE  \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
H. Other Property:		
Item No.	Description	Limit of Insurance \$ NO COVERAGE \$ \$
		a a a a a a
I. Tower Collapse:		
Loc. No. Bldg. No.		Limit of Insurance \$ NO COVERAGE \$ \$
J. Valuation:		
Actual Cash Value Applies at All Locat Replacement Cost at Locations Numb	ions Except as Indicated Below. er: 1	
K. Deductible: \$ 5,000 Exception: \$		

**CM T0 01 07 86** Page 2 of 2

PRODUCER: SRA INSURANCE AGENCY LLC HE349 OFFICE: ST LOUIS 184

POLICY NUMBER: QT-630-1315N403-TIL-16



#### **COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS**

#### **INSURING COMPANY:**

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

Declarations Period: From 12-01-16 to 12-01-17 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

#### I. COVERED PROPERTY AND LIMITS OF INSURANCE

#### **IM PAK COVERAGE**

**ISSUE DATE: 12-02-16** 

#### "CONTRACTORS EQUIPMENT"

COVERED ITEMS Listed Items: Unlisted Items: Not To Exceed: Leased or Rented Items:		MITS OF INSUR Coverage 51,069,600 10,000,000 1,000,000	per	item item
COVERAGE EXTENSIONS  Newly Acquired "Contractors Equipment":  "Replacement Items"	\$	1,000,000		
Rental Cost: Loss to any one "Replacement Item": Continuing Rental Payments:	ያ ያ ያ	750,000 1,000,000 250,000	_	item item
Not To Exceed:	\$	250,000	per	item
"Maximum Amount of Payment":	\$	52,069,600		
"Flood Limit of Insurance": "Flood Annual Aggregate Limit of Insurance":	\$ \$ \$	52,069,600 52,069,600		
"Earth Movement Limit of Insurance": "Earth Movement Annual Aggregate Limit of Insurance":	\$ \$	52,069,600 52,069,600		
"SCHEDULED PROPERTY"				

	ГТWТ	TS OF INSURANCE
COVERED ITEMS (see SCHEDULE)	\$	1,790,000
"Flood Limit of Insurance":	\$	1,790,000
"Flood Annual Aggregate		
Limit of Insurance":	\$	1,790,000
"Earth Movement Limit of Insurance":	\$	1,790,000
"Earth Movement Annual Aggregate	•	
Limit of Insurance":	\$	1,790,000
	•	•

#### "COMPUTERIZED BUSINESS EQUIPMENT"

1 Bldg 1 Loc

**ADDRESS** LIMITS OF INSURANCE

4133 GARDNER

KANSAS CITY MO 64120

"Hardware Limit of Insurance":	\$	3,000,000
"Software Limit of Insurance":	No	Coverage
"Extra Expense and Business Income		
Limit of Insurance":	\$	275,000

CM T0 01 07 86 Page 1

Order # CM A0 28 08 96

POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE: 12-02-16** 



# COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

#### **INSURING COMPANY:**

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

Declarations Period: From 12-01-16 to 12-01-17 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

#### I. COVERED PROPERTY AND LIMITS OF INSURANCE CONTINUED

"Earth Movement Limit of Insurance": "Earth Movement Annual Aggregate Limit of Insurance": "Flood Limit of Insurance": "Flood Annual Aggregate Limit of Insurance":	\$ \$ \$	3,275,000 3,275,000 3,275,000 3,275,000
"Electronic Vandalism" Increased Limit of Insurance:	\$	25,000
II. DEDUCTIBLE		
"CONTDACTODS FOITDMENT"		

"CONTRACTORS EQUIPMENT" Specific Deductible:  "Basic Deductible":  "Flood Deductible":  "Earth Movement Deductible":  "Windstorm Deductible":	see sssss	"Contractor Deductible 5,000 5,000 5,000 5,000	rs Equipment" Schedule
"SCHEDULED PROPERTY"  "Basic Deductible":  "Flood Deductible":  "Earth Movement Deductible":	See Ş-Ş-	"Scheduled Deductible 1,000 1,000	

"Windstorm Deductible":	Ş	1,000
"COMPUTERIZED BUSINESS EQUIPMENT" "Basic Deductible": "Breakdown Deductible":	ş	5,000 5,000
Loc 1 Bldg 1	ė	25 000

±	
\$	25,000
\$	25,000
\$	5,000
	\$ \$ \$

#### III. PREMIUM SUMMARY

The policy premium includes the premiums shown below. Deposit Premiums are subject to adjustment as specified in the Reporting Provisions.

	REPORTING PROVISIONS		Premium
"CONTRACTORS EQUIPMENT" Leased or Rented Items Deposit:		\$	20,000
CM TO 01 07 86		Page	2

**CM T0 01 07 86**Order # CM A0 28 08 96

POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE: 12-02-16** 



# COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

#### **INSURING COMPANY:**

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

Declarations Period: From 12-01-16 to 12-01-17 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

#### III. PREMIUM SUMMARY CONTINUED

Premium Base: Annual Rental Expense Adjustment Rate: Reporting Period: Adjustment Period: Non Adjusted Premium:	\$ 2,000,000 \$ 1.00 Annual Annual Not Applicable	\$	169,526
"SCHEDULED PROPERTY"	Not Applicable	\$	7,088
"COMPUTERIZED BUSINESS EQUIPMENT"	Not Applicable	\$	18,181
"MINIMUM EARNE	PREMIUM: ED PREMIUM":	\$ \$	214,795 10,000

NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.



#### One Tower Square, Hartford, Connecticut 06183

**COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS**  POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE:** 12-02-16

#### **INSURING COMPANY:**

CM T0 01 07 86

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

**DECLARATIONS PERIOD**: From 12-01-16 to 12-01-17 12:01A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

#### COVERAGE, LIMITS OF INSURANCE AND DEDUCTIBLE:

#### **CARRIERS CARGO PAK**

					Limit of Insurance		
I.	Limits of Insurance Applicable To Property:						
		In Or On A Land Vehicle or C	Container:		\$ 500,000		
	В.	At the "Terminal" located:					
		1. All locations include	ling jobsites		\$ 500,000		
		2.			\$		
		3.			\$		
		4.			\$		
					•		
	C.	At Other Locations:			\$ 500,000		
	G. At Other Educations.						
	D.	All Covered Property In Any (	One Occurrence:		\$ 500,000		
II. Deductible: \$ 5,000							
III.	Rep						
	Mir	nimum Earned Premium: \$ <b>No</b> 1	ne				
	Reporting or Non-Reporting applies as indicated by an 'X' below.						
	X	Non- Reporting:	\$ 750	Annual Policy Prem	iium		
		Reporting:					
		☐ See Reporting Schedule					
		Premium Base:					
		Estimated Exposure:					
		Rate:	\$				
		Premium Adjustment Period:					
		Deposit Premium:	\$				

NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING ON FORM IL T8 01 10 93.

© 2010 The Travelers Indemnity Company. All rights reserved.

Page 1 of 1

Order # CM B0 15 01 11 Includes copyrighted material of Insurance Services Office, Inc. with its permission.

OFFICE: ST LOUIS PRODUCER: HE349 SRA INSURANCE AGENCY LLC 184



COMMERCIAL INLAND MARINE POLICY NUMBER: QT-630-1315N403-TIL-16

COVERAGE PART DECLARATIONS ISSUE DATE: 12-02-16

**INSURING COMPANY:** 

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

**DECLARATIONS PERIOD**: From 12-01-16 to 12-01-17 12:01A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

Conditions Form and the Coverage Forms shown below.								
TRANSPORTATION EQUIPMENT LOT COVERAGE								
I.	COVERED PROPERTY AND LIMITS OF INSURANCE							
	A. Description of Covered Property:							
	☐ Tractors ☐ Trailers ☐ Intermodal Containers							
	X Other as described:							
	AUTOS, PICKUP TRUCKS AND OTHER VEHICLES OF THE INSURE							
	B. Livita Office and a							
	B. Limits Of Insurance:	Limits of Insurance						
	☐ Listed locations:	Per Listed Locations Schedule						
	Blanket Limit for all locations listed in Blanket Location Schedule:	\$ 1,000,000						
	☐ Locations not listed in a Schedule that you own or lease:	\$						
	☐ Maximum Any One Item:	\$						
	X Maximum in any Occurrence:	\$ 1,000,000						
	C. Optional Coverages:	ψ 1/000/000						
	C. Optional Coverages.	Limits of Insurance						
	X "Earth Movement":	Per Earth Movement Schedule						
	X "Flood":	Per Flood Schedule						
II.	ADDITIONAL COVERAGES	Fei Flood Schedule						
111.	ADDITIONAL COVERAGES	Limits of Insurance						
	Debris Removal	\$ 10,000						
	Pollutant Cleanup and Removal	\$ 10,000						
III.	DEDUCTIBLE:	, , , , , , , , , , , , , , , , , , , ,						
	Deductible: \$ 25,000 Per Deductible Schedule							
IV.	REPORTS AND PREMIUM:							
	Minimum Earned Premium: \$ NONE							
	X Non-Reporting: \$ 12945 Policy Premium							
	Reporting:							
	Deposit Premium: \$							
	Premium Reporting Period: Annual Other:							
	Premium Adjustment Period: Annual Other:							
	Premium Base: Values Other:							
	Estimated Premium Base:							
	Rate, per \$100 of the above Premium Base: \$							
<b>.</b>								
NU	NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART							

ARE ATTACHED AS A SEPARATE LISTING.

CM T0 01 07 86 © 2015 The Travelers Indemnity Company. All rights reserved.

Order # CM B0 63 09 15 Includes copyrighted material of Insurance Services Office, Inc. with its permission.



#### TRANSPORTATION EQUIPMENT LOT

POLICY NUMBER: QT-630-1315N403-TIL-16

**ISSUE DATE**: 12-02-16

#### FLOOD AND EARTH MOVEMENT SCHEDULE

This Location Schedule describes covered locations from the Declarations.

This Location Schedule describes covered locations	Fauth Massace 1.A	
Location	Flood Annual Aggregate Limit of Insurance	Earth Movement Annual Aggregate Limit of Insurance
ANY JOBSITE WHERE THE INSURED IS OP ERATING OR ANY LOCATION ON IL TO 03	\$ 1,000,000	\$ 1,000,000
	\$	\$
	\$	\$
	\$	\$
	Ψ	V
	\$	\$
	\$	\$
	\$	\$
	\$	\$



#### One Tower Square, Hartford, Connecticut 06183

COMMERCIAL INLAND MARINE POLICY NO.: QT-630-1315N403-TIL-16

COVERAGE PART DECLARATIONS ISSUE DATE: 12-02-16

**INSURING COMPANY:** 

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

**DECLARATIONS PERIOD:** From 12-01-16 to 12-01-17 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

#### **COVERAGE. LIMITS OF INSURANCE AND DEDUCTIBLE:**

#### MILLWRIGHT LEGAL LIABILITY COVERAGE FORM

#### I. LIMITS OF INSURANCE

Limit of Insurance

Any One Lift: \$ 25,000

Transit: \$ 25,000

All Covered Property In Any One Occurrence: \$ 25,000

II. DEDUCTIBLE: \$ 5,000

#### **III. Premium Adjustment:**

Premium Base:

Adjustment Rate (per \$100): \$
Premium Adjustment Period:

Deposit Premium: \$

Deposit Premium: \$
Minimum Premium: \$

NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING ON FORM IL T8 01 10 93.

CM T0 66 04 07 Page 1 of 1
PRODUCER: SRA INSURANCE AGENCY LLC OFFICE: ST LOUIS 184



COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

POLICY NO.: QT-630-1315N403-TIL-16

**ISSUE DATE: 12-02-16** 

**INSURING COMPANY:** 

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

**DECLARATIONS PERIOD:** From 12-01-16 to 12-01-17 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

#### 1. COVERAGE, LIMITS OF INSURANCE AND DEDUCTIBLE:

#### PERSONAL PROPERTY OF OTHERS COVERAGE

Premises Location Number	<b>Building Number</b>		mit of Insurance			
ALL	ALL	\$	500,000			
		\$				
		\$				
		\$				
		\$				
		\$				
Property At Premises of Others						
		\$				
		\$				
		Ψ				
		\$				
		\$				
		\$				
		•				
		\$				
		•				
Property in Transit:		\$	500,000			
All Covered Property In Any One	Occurrence:	\$	500,000			
Deductible: \$ 5,000						
Reports and Premium:						
Minimum Earned Premium:	\$ None					
Reporting or Non-Reporting ap	Reporting or Non-Reporting applies as indicated by an 'X' below.					
X Non- Reporting: \$ Annual Policy Premium		ium				
Reporting:	See CM T3 12					
NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART						

ARE ATTACHED AS A SEPARATE LISTING.

CM T0 01 07 86 Page 1 of 1

Order # CM T9 95 08 10

PRODUCER: SRA INSURANCE AGENCY LLC OFFICE: ST LOUIS 184

POLICY NUMBER: QT-630-1315N403-TIL-16

# IM PAK® COVERAGE SUMMARY

This Coverage Part covers the following:

- "Computerized Business Equipment"
- "Contractors Equipment"
- "Scheduled Property"

This Coverage Part Includes the following coverage form:

IM PAK® COVERAGE FORM

IZ 013 06 0462 0653 0704 0709 0733 0788 0790 0440 0076 0626 0587

This Coverage Part includes the following modifiers:

0462	Exception to IL T3 55 Date-Related Loss Excl
0653	Programming Errors E
0704	CE Blanket 90% Coins Nonreporting
0709	Valuable Papers and Records/\$250,000
0733	CBE Off Premises/Transit \$500,000
0788	Theft Deductible Waiver - Wireless Recovery System
0790	Electronic Vandalism Changes - CBE
0440	Minimum Earned Premium
0076	Rpr Prov - CE Leased/Rented Items
0626	CBE Breakdown Deductible
0587	Continuing Rental Payments

**CM T3 71 08 96** Page 1 of 1

# IM PAK<sup>®</sup> COVERAGE "CONTRACTORS EQUIPMENT" PREMIUM ADJUSTMENT STATEMENT

POLICY NUMBER: QT-630-1315N403	3-TIL-16
POLICY PERIOD: 120116 to 1201	117
NAMED INSURED: CLARKSON CONSTRUCTION COMPANY	AGENCY:  SRA INSURANCE AGENCY LLC
	of your IM PAK Coverage Form, the coverage listed below is subject to section of your IM PAK Coverage Form and provide the necessar ons below.
Instructions:	
1) Enter the Reporting Period dates and	d Premium Base information below:
- The Reporting Period, as shown in	the Declarations, may differ among coverages.
<ul> <li>If this IM PAK Coverage Form is ca and as of the date of cancellation.</li> </ul>	ancelled, state your Premium Base from the last Reporting Period up to
2) Sign and date this statement.	
3) Keep a copy for your records.	
"CONTRACTORS EQUIPMENT"  Listed and Unlisted items Reporting Period	oker within 30 days after the end of the Reporting Period.  Premium Base
s	Total Value of Listed and Unlisted items.
Leased or Rented items Reporting Period \$	Premium Base  Actual Expense you incurred (paid or owed) to lease or rent items from others during the Reporting Period.
I certify that the above is a true and corr	
INCLIDED SIGNATURE	rect statement for the period indicated.

TITLE

BY



IM PAK® COVERAGE
"CONTRACTORS EQUIPMENT"
DEDUCTIBLE SCHEDULE

POLICY NUMBER: QT-630-1315N403-TIL-16

ISSUE DATE: 12-02-16

The "Basic Deductible", "Flood Deductible", "Earth Movement Deductible" and "Windstorm Deductible" shown in the Declarations apply to all items of "Contractors Equipment" except: cranes, The Manchester Asphalt Plant. Employee Tools, and loss by theft.

# Crane Deductible:

The "Basic Deductible", "Flood Deductible", "Earth Movement Deductible" and "Windstorm Deductible" applicable to cranes is \$10,000.

# Manchester Asphalt Plant:

The "Basic Deductible", "Flood Deductible", "Earth Movement Deductible" and "Windstorm Deductible" applicable to the Manchester Asphalt Plant is \$50,000

# Employee Tools:

The "Basic Deductible", "Flood Deductible", "Earth Movement Deductible" and "Windstorm Deductible" applicable to Employee Tools is \$1,000

# Theft Deductible:

The "Basic Deductible" applicable to loss by Theft is \$10,000

If more than one "Contractors Equipment" deductible amount applies to the same loss or damage in any one occurrence, the most we will deduct is the largest applicable "Contractors Equipment" deductible.

CM T0 27 08 07 Page 1(END)



IM PAK<sup>®</sup> COVERAGE
"SCHEDULED PROPERTY"
SCHEDULE

POLICY NUMBER: QT-630-1315N403-TIL-16 ISSUE DATE: 12-02-16

# "Scheduled Property"

ITEM	DESCRIPTION OF ITEM	LIMIT O	F INSURANCE
1	SURVEY, GPS, SEISMIC AND LYCA GEOSYSTEMS, MOBILE RADIOS, CAMERAS, AND VIDEO EQUIPMENT		\$1,500,000
2	TANK #9372 - 4133 GARNDER, KCMO TANK LIMIT \$30,000 CONTENTS LIMIT \$10,000		\$ 40,000
3	TANK #9371 - K-10 & RENNER BLVD TANK LIMIT \$30,000 CONTENTS LIMIT \$10,000		\$40,000
4	PERSONAL EFFECTS OF ED DEMOSS		\$60,000
5	PERSONAL EFFECTS OF BILL CLARKSON JR. AND FAMILY		\$60,000
6	PERSONAL EFFECTS OF BILL CLARKSON SR.		\$60,000
7	ASPHALT IN TRUCKS		\$30,000
TOTAL LIMIT OF	INSURANCE FOR ALL COVERED ITEMS	\$	1,790,000

CM T0 29 08 96 Page 1 (END)





IM PAK® COVERAGE
"SCHEDULED PROPERTY"
DEDUCTIBLE SCHEDULE

POLICY NUMBER: QT-630-1315N403-TIL-16

ISSUE DATE: 12-02-16

1. Tanks, and their contents \$ 2,500

2. Survey, GPS, Seismic and Lyca Geosystem, \$ 1,000 mobile radios, cameras and video equipment

3. Personal effects of Ed De Moss and Clarkson family \$ 1,000

If more than one "Scheduled Property" deductible amount applies to the same loss or damage in any one occurrence, the most we will deduct is the largest applicable "Scheduled Property" deductible.

CM T0 68 08 07 Page 1(END)

# **TABLE OF CONTENTS**

# COMMERCIAL INLAND MARINE COVERAGE PART

The following indicates the contents of the principal forms which may be attached to your policy.

**COMMERCIAL INLAND MARINE CONDITIONS** 

Loss Conditions

Exclusions

It contains no reference to the Declarations or Endorsements which also may be attached.

**Beginning on Page** 

Varies

By

Form

# A. Abandonment \_\_\_\_\_ B. Appraisal C. Duties In The Event Of Loss D. Insurance Under Two Or More Coverages Loss Payment \_\_\_\_\_ F. Other Insurance \_\_\_\_\_ G. Pair, Sets Or Parts H. Recovered Property Reinstatement Of Limit After Loss Transfer Of Rights Of Recovery Against Others To Us **General Conditions** Concealment, Misrepresentation Or Fraud Control Of Property \_\_\_\_\_ В. C. Legal Action Against Us No Benefit To Bailee \_ Policy Period, Coverage Territory 3 Valuation \_\_\_\_\_ **INLAND MARINE COVERAGE FORM(S)** A. Coverage Covered Property 2. Property Not Covered \_\_\_\_\_ Page 3. Covered Causes Of Loss \_\_\_\_ Additional Coverage – Collapse (If Applicable) No.

5. Coverage Extensions (If Any)

C. Limits of Insurance

D. Deductible \_\_\_\_\_\_

E. Additional Conditions

F. Definitions \_\_\_\_\_

CM T0 11 08 05 Page 1 of 1

# **COMMERCIAL INLAND MARINE CONDITIONS**

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

# **LOSS CONDITIONS**

#### A. Abandonment

There can be no abandonment of any property to us.

# B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

# C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

- Notify the police if a law may have been broken.
- **2.** Give us prompt notice of the loss or damage. Include a description of the property involved.
- As soon as possible, give us a description of how, when and where the loss or damage occurred.
- 4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible,

- set the damaged property aside and in the best possible order for examination.
- You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
- 6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
  - Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- 7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- **8.** Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- **9.** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
- **10.** Cooperate with us in the investigation or settlement of the claim.

# D. Insurance Under Two Or More Coverages

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

# E. Loss Payment

- 1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- **2.** We will not pay you more than your financial interest in the Covered Property.
- 3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than

CM 00 01 09 04 Page 1 of 3

# COMMERCIAL INLAND MARINE

their financial interest in the Covered Property.

- **4.** We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- 5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
  - **a.** We have reached agreement with you on the amount of the loss; or
  - **b.** An appraisal award has been made.
- **6.** We will not be liable for any part of a loss that has been paid or made good by others.

# F. Other Insurance

- 1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- 2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

# G. Pair, Sets Or Parts

# 1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

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

# 2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

# H. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

#### I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

# J. Transfer Of Rights Of Recovery Against Others To Us

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

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

This will not restrict your insurance.

# **GENERAL CONDITIONS**

# A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

- 1. This Coverage Part;
- 2. The Covered Property;
- 3. Your interest in the Covered Property; or
- 4. A claim under this Coverage Part.

Page 2 of 3 CM 00 01 09 04

# **B.** Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

# C. Legal Action Against Us

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

- **1.** There has been full compliance with all the terms of this Coverage Part; and
- 2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

# D. No Benefit To Bailee

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

# E. Policy Period, Coverage Territory

We cover loss or damage commencing:

- **1.** During the policy period shown in the Declarations; and
- 2. Within the coverage territory.

#### F. Valuation

The value of property will be the least of the following amounts:

- **1.** The actual cash value of that property;
- The cost of reasonably restoring that property to its condition immediately before loss or damage; or
- **3.** The cost of replacing that property with substantially identical property.

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

CM 00 01 09 04 Page 3 of 3

# MILLWRIGHT LEGAL LIABILITY COVERAGE FORM

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

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

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

#### A. COVERAGE

We will pay those sums that you become legally obligated to pay as damages because of direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss.

We have the right and duty to defend you against any "suit" seeking those damages. However, we will have no duty to defend you against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any occurrence and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section C Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of judgments or settlements.

No other obligation or legal liability to pay sums or perform acts or services is covered unless explicitly provided for under the Supplementary Payments Additional Coverage.

# 1. Covered Property

Covered Property, as used in this Coverage Form, means property of others you have accepted for the purpose of your "millwright operations" and for which you are legally liable.

# 2. Property Not Covered

Covered Property does not include:

- **a.** Property for which you have been released of legal liability;
- **b.** Property for which you are legally liable solely as a common or contract motor carrier;
- c. Motor vehicles, including trailers, railcars, aircraft, watercraft or other conveyances designed and used for the transporting of Covered Property, including any equipment used with such property;

- **d.** Contractors equipment, tools, hoists, jacks, lifts or property of similar kind used in your business;
- e. Waterborne shipments except while in transit in or on any land conveyance by a regularly scheduled inland or coastal ferry service. But, inland or coastal ferry service does not include waterborne shipments:
  - (1) To or from:
    - (a) Alaska;
    - (b) Hawaii;
    - (c) Puerto Rico; or
    - (d) Territories or possessions of the United States of America, or
  - (2) Via the Panama Canal;
- f. Property that you accept for "millwright operations" gratuitously or as an accommodation, except as provided under the Goodwill Additional Coverage;
- **g.** Contraband, or property in the course of illegal transportation or trade.

# 3. Coverage Ceases

The insurance provided by this Coverage Form will end when one of the following first occurs:

- a. This policy expires or is cancelled; or
- **b.** Your legal liability for the property ceases.

# 4. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE except those causes of loss listed in the Exclusions.

# 5. Additional Coverages

# a. Claim Mitigation Expense

We will pay necessary and reasonable expense you incur to prevent further loss of or damage to Covered Property if that expense is incurred within a 12 hour pe-

riod after a covered loss or damage occurs.

The most we will pay under this Additional Coverage is \$10,000 in any one occurrence.

No Deductible applies to this Additional Coverage.

# b. Contract Penalty

If your written contract contains a clause that requires you to pay a penalty as a direct result of a Covered Cause of Loss to Covered Property, we will pay up to \$25,000 during each separate 12 month period of this policy for all such expenses.

#### c. Debris Removal

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

This Additional Coverage does not apply to:

- Costs to extract "pollutants" from land or water; or
- (2) Costs to remove, restore or replace polluted land or water.

The most we will pay under this Additional Coverage is \$50,000 in any one occurrence.

# d. Earned Charges

We will cover your earned charges that you are unable to collect due to loss of or damage to Covered Property from a Covered Cause of Loss.

The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

# e. Expediting Costs

We will pay your reasonable costs, including increased labor and overtime expenses, to expedite repair of Covered Property following a Covered Cause of Loss to Covered Property.

The most we will pay under this Additional Coverage is \$25,000.

# f. Fire Or Police Department Service Charge

We will pay your liability for fire, police or other public emergency service department charges when such public emergency services are called to save or protect Covered Property from a Covered Cause of Loss. Such emergency service department charges must be:

- (1) Assumed by contract or agreement prior to loss or damage; or
- (2) Required by local ordinance.

The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

No deductible applies to this Additional Coverage.

# g. Goodwill

We will pay for direct physical loss of or damage to property of others you accept for your "millwright operations" if performed gratuitously or as an accommodation. Such loss or damage must occur while the property is in your care, custody or control and must be directly caused by or result from any of the Covered Causes of Loss.

The most we will pay under this Additional Coverage is \$25,000.

# h. Pollutant Cleanup and Removal

We will pay your legal liability for expenses to extract "pollutants" from land or water, if the release, discharge or dispersal of the "pollutants" is caused by or results from a Covered Cause of Loss which occurs to Covered Property during the policy period.

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

The most we will pay under this Additional Coverage is \$25,000 in any one year commencing with policy inception.

# i. Reward Coverage

We will reimburse you for any reward payments you make leading to:

(1) The successful return of undamaged stolen Covered Property to a law enforcement agency; or

(2) The arrest and conviction of any persons who have damaged or stolen any of your Covered Property.

We will pay 25% of the covered loss, prior to the application of any Deductible and recovery, up to a maximum of \$5,000 in any one occurrence for the reward payments you make. These reward payments must be documented.

No Deductible applies to this Additional Coverage.

This Additional Coverage does not apply in the state of New York.

# j. Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any "suit" against you we defend:

- (1) All expenses we incur.
- (2) The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We will not be the principal under these bonds, and we do not have to furnish these bonds.
- (3) All reasonable expenses you incur at our request to assist us in the investigation or defense of the claim or "suit", including your actual loss of earnings up to \$500 a day because of time off from work.
- (4) All costs taxed against you in the "suit", but only if such costs are taxed for direct physical loss of or damage to Covered Property to which this insurance applies.
- (5) Prejudgment interest awarded against you on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.
- (7) The cost of any required appeal bond for any judgment that we appeal, but only for bond amounts for that part of

the judgment that is for damages to which this insurance applies and which are within the applicable limit of insurance. We will pay, or reimburse you for, the cost of a higher appeal bond amount if we are required to do so under the law that applies. We will not be the principal under any appeal bond, and we do not have to furnish any appeal bond.

No Deductible applies to this Additional Coverage.

#### **B. EXCLUSIONS**

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

#### a. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

# b. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

# c. War And Military Action

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

governmental authority in hindering or defending against any of these.

#### d. Ordinance or Law

The enforcement of any ordinance or law that is in force at the time of loss or damage:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the removal of any of its debris.

# e. Waterborne Operations

"Millwright operations" involving the use of equipment or Covered Property while waterborne in or on any watercraft.

- 2. We will not pay your legal liability for loss or damage caused by or resulting from any of the following:
  - **a.** Delay, loss of use, loss of market, loss of income or any other consequential loss.
  - **b.** Shortage found upon taking inventory.
  - c. Dishonest or criminal acts by you, any of your partners, directors, trustees or officers:
    - (1) Acting alone or in collusion with others: or
    - (2) Whether or not occurring during the hours of employment.
  - **d.** Failure of Covered Property to operate or perform unless caused by direct physical loss of or damage to such property by a Covered Cause of Loss.
  - e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".
- 3. We will not pay your legal liability for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage:
  - a. Marring or scratching; wear and tear; any quality in the property that causes it to damage or destroy itself; hidden or latent defect; gradual deterioration; deprecia-

- tion; insects, rodents or other animals; corrosion, rust, cold or heat.
- **b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- **c.** Faulty, inadequate or defective:
  - (1) Planning, zoning, development, surveying, siting;
  - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling;
  - (3) Materials used in the repair, construction, renovation or remodeling; or
  - (4) Maintenance;

of part or all of any property wherever located.

**4.** Except as may be provided in the Contract Penalty Additional Coverage, we will not pay for penalties for non-completion or non-compliance with any contract conditions.

# C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the Declarations as applicable to:

- Any One Lift applies to loss of or damage to a single item, component or part of Covered Property that takes place while that item is being moved, hoisted, jacked, skidded, lifted, raised or lowered into place;
- 2. Transit applies to loss of or damage to Covered Property that takes place while the Covered Property is being transported in or on any land conveyance; or
- **3.** All Covered Property in any one occurrence.

The applicable Limit of Insurance is the most we will pay regardless of the number of:

- 1. Insureds;
- 2. Claims made or "suits" brought; or
- **3.** Persons or organizations making claims or bringing "suits".

The Limits of Insurance stated within the specific Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Additional Coverage.

# D. DEDUCTIBLE

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

#### E. ADDITIONAL CONDITIONS

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

# 1. Coverage Territory

We cover property wherever located within:

- a. The United States of America:
- **b.** Puerto Rico; or
- c. Canada.

#### 2. Valuation

The Valuation General Condition, in the Commercial Inland Marine Conditions, is replaced by the following:

The value of Covered Property will be the amount for which you are legally liable under the written contract, not to exceed the replacement cost of the property. In the absence of a written contract, the valuation will be the amount you are liable as a bailee for such property.

In the event of loss or damage the value of property will be determined as of the time of loss or damage.

# 3. Reimbursement To Us

We may endorse this policy at your request to comply with the requirements of the Federal Highway Administration or any other governmental authority.

If we pay any loss or damage because of any such endorsement, you must promptly reimburse us for that payment and any other expenses we may incur in connection with it, however, your reimbursement will be required only to the extent that we do not cover that loss or damage under this Coverage Form.

# 4. Premium Adjustment

The following applies only if Reporting Form is indicated in the Declarations.

# a. Reports.

Within 30 days after the end of the Reporting Period shown in the Declaration, you will report to us the amount of the Premium Base shown in the Declarations for the Reporting Period.

All reports must be in writing on the forms provided by us.

# b. Premium Computation and Adjustment

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

#### c. Cancellation

If this policy is cancelled, you will report your Premium Base from the last Premium Adjustment Period up to the date of cancellation.

# d. Minimum Premium.

You must pay at least the Minimum Premium shown in the Declarations of the Coverage Form. This Minimum Premium only applies:

- (1) When the computed premium is less than the Minimum Premium; or
- (2) You cancel this Coverage Form after it has taken effect.

#### 5. Records

You must keep accurate records of your business, including records of the Premium Base shown in the Declarations, and retain them for 3 years after the policy period ends.

# 6. Duties In The Event Of Loss Or A "Suit"

The Duties In The Event Of Loss Condition, in the Commercial Inland Marine Conditions, is replaced by the following:

You must see that the following are done in the event of loss or damage to Covered Property or a "suit":

- **a.** Notify the police if a law may have been broken.
- **b.** Give us prompt notice of the loss, damage, or "suit". Include a description of the property involved.

- c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- e. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
- f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- g. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- h. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- i. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit".
- j. You must promptly make a claim in writing against any other party which may be legally liable for the loss or damage.
- k. Cooperate with us in the investigation, settlement or defense of the claim or "suit".

# 7. Legal Action Against Us

The Legal Action Against Us General Condition, in the Commercial Inland Marine Conditions, is replaced by the following:

Legal Action Against Us

- (a) No one may bring a legal action against us under this Coverage Part unless:
  - (1) There has been full compliance with all the terms of this Coverage Form;
  - (2) The action is brought within 2 years after you first have knowledge of the direct loss or damage or the "suit".
- **(b)** No person or organization has a right under this Coverage Form to join us as a party or otherwise bring us into a "suit" asking for damages from you.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against you obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

# F. DEFINITIONS

- 1. "Millwright operations" means your business activities of:
  - **a.** Moving, including loading and unloading, hoisting, jacking, skidding, lifting, raising or lowering property into place for use;
  - **b.** Installing, erecting, assembling, dismantling or disassembling property.
  - "Millwright operations" includes preparing property for the activities described in paragraph a. or b. above, transporting and storing of such property.
- 2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- **3.** "Specified causes of loss" means and is limited to the following:

Fire, lightning, windstorm, hail, smoke, explosion, rioters, strikers, civil commotion, vandalism, earthquake, flood, theft or attempted theft, or accident to the conveyance carrying the Covered Property.

# COMMERCIAL INLAND MARINE

- **4.** "Suit" means a civil proceeding in which damages because of loss of or damage to Covered Property to which this insurance applies are alleged. "Suit" includes:
  - **a.** An arbitration proceeding in which such damages are claimed and to which you
- must submit, or submit with our consent; and
- **b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

# **CARRIERS CARGO PAK**

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

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

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

#### A. COVERAGE

We will pay those sums you become legally obligated to pay as damages for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

 Covered Property, as used in this Coverage Form, means lawful property of others that you have accepted for transportation, and for which a Limit of Insurance is shown in the Declarations.

# 2. Property Not Covered

Covered Property does not include:

- **a.** Live animals, insects, vermin, rodents, birds, poultry, fish or marine life;
- b. Automobiles, vehicles, transporting vehicles, trailers or containers unless specifically described as property to be transported in any written contract issued or accepted by you;
- c. Accounts, bills, deeds, letters of credit, passports, lottery or other tickets, stamps, money, currency, securities, checks, drafts, notes, evidences of debt, commercial papers, blueprints, mechanical drawings, manuscripts, other valuable papers or records, bullion, coins, precious stones, jewelry, abstracts, paintings, etchings, drawings, rare books, tapestries, sculptures, statuary and other bona fide works of art, rarity, historic value or artistic merit:
- d. Property for which you have arranged transportation as a transportation broker or for which you are legally liable as a warehouse operator or a freight forwarder.

# 3. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE from an external cause, except for those causes of loss listed in the Exclusions.

# 4. Additional Coverages

# a. Duty to Defend

We have the right and duty to defend you against any "suit". However, we will have no duty to defend you against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any occurrence and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section C – Limits of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under the Supplementary Payments Additional Coverage.

# b. Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any "suit" against you we defend:

- (1) All expenses we incur.
- (2) The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We will not be the principal under these bonds, and we do not have to furnish these bonds.
- (3) All reasonable expenses you incur at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
- (4) All costs taxed against you in the "suit", but only if such costs are taxed for direct physical loss of or damage

to Covered Property to which this insurance applies.

- (5) Prejudgment interest awarded against you on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.
- (7) The cost of any required appeal bond for any judgment that we appeal, but only for bond amounts for that part of the judgment that is for damages to which this insurance applies and which are within the applicable Limit of Insurance. We will pay, or reimburse you for, the cost of a higher appeal bond amount if we are required to do so under the law that applies. We will not be the principal under any appeal bond, and we do not have to furnish any appeal bond.

# c. Cargo Handling Equipment

We will pay for direct physical loss or damage caused by a Covered Cause of Loss to tarpaulins, chains, binders, pads, covers, burlap, skids, barrels, cartons, pallets, dollies, hand trucks, fork lifts and lift trucks owned by you or owned by others and not accepted for transportation. The value of such property will be the lesser of the cost to repair or replace, if you actually repair or replace, but if you do not, the value will be the Actual Cash Value for the covered loss or damage as of the date of loss.

The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

# d. Shipper's Control of Damaged and Undamaged Goods

If loss to any part of Covered Property is caused by a Covered Cause of Loss and you have agreed in writing prior to the loss that the shipper may control the disposition of the damaged or undamaged

Covered Property, we will pay those sums you become legally obligated to pay for such loss to damaged or undamaged Covered Property within the contractual control of the Shipper.

# e. Cargo Extra Expenses

We will pay the necessary and reasonable extra expenses incurred to:

- (1) Avoid or minimize a Covered Cause of Loss to Covered Property; or
- (2) Re-load, salvage or temporarily store Covered Property after a covered loss.

This includes services provided by Fire, Police or other Public Emergency Service Departments. The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

#### f. Debris Removal

We will pay the necessary and reasonable expenses incurred to remove debris of Covered Property resulting from a Covered Cause of Loss.

This Additional Coverage does not apply to:

- Costs to extract "pollutants" from land or water; or
- (2) Costs to remove, restore or replace polluted land or water.

The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

# g. Pollutant Cleanup and Removal

We will pay the necessary and reasonable expenses incurred to extract "pollutants" from land or water, if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property that occurs during the policy period.

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

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage is \$25,000 in any one year commencing with policy inception.

# h. Reward Coverage

We will reimburse you for any reward payments you make leading to:

- (1) The successful return of undamaged stolen Covered Property; or
- (2) The arrest and conviction of any persons who have damaged or stolen any of the Covered Property.

The most we will pay under this Additional Coverage is \$5,000 in any one occurrence.

This Additional Coverage does not apply in the State of New York.

# i. Uncollectible Freight Charges

We will pay the amount of earned freight charges that you cannot collect due to a covered loss to Covered Property. We will not prorate your charges for a shipment that commenced but could not be delivered due to a covered loss to Covered Property.

The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

#### **B. EXCLUSIONS**

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

# a. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

# b. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected at-

tack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
- **2.** We will not pay for loss or damage caused by or resulting from any of the following:
  - **a.** Delay, loss of use, loss of market, loss of income or any other consequential loss.
  - b. Dishonest or criminal acts by you, your partners, directors, trustees, officers or members. This exclusion does not apply to your employees or independent contractors.
- 3. We will not pay for any costs, fines, or penalties you incur for your violation of any law or regulation that applies to your delay in payments, denial or settlement of any claim made against you by others for any loss or damage.

# C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations:

- In Or On A Land Vehicle or Container applies to Covered Property in or on a truck, trailer, semi-trailer, or container, while not at your "Terminal".
- 2. At the "Terminal" applies to Covered Property while at the "Terminal" described in the Declarations.
- **3.** At Other Locations applies to Covered Property that is not in or on a truck, trailer, semitrailer, or container and not at a location described as a "Terminal" in the Declarations.

In no event will we pay more than the All Covered Property in Any One Occurrence limit regardless of the number of:

- **a.** Trucks, trailers, semi-trailers, or containers;
- b. "Terminals"; or
- c. Other Locations.

The applicable Limit of Insurance is the most we will pay regardless of the number of insureds, claims made or "suits" brought; or persons or organizations making claims or bringing "suits".

The Limits of Insurance stated within the specific Additional Coverage will apply as additional

amounts of insurance, unless otherwise stated within the Additional Coverage.

#### D. DEDUCTIBLE

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

Unless otherwise stated within the specific Additional Coverage, the Deductible shown in the Declarations applies to the Additional Coverages in this coverage form. But, if loss or damage in any one occurrence involves more than one Coverage or Additional Coverage under this coverage form, we will deduct only the largest applicable deductible.

#### E. AMENDED AND ADDITIONAL CONDITIONS

The Commercial Inland Marine Conditions and the Common Policy Conditions apply except as amended below.

# 1. Commercial Inland Marine Loss Conditions Not Applicable

The following Loss Conditions do not apply to this Coverage Form: Appraisal; Loss Payment; Pairs, Sets or Parts; and Recovered Property.

# 2. Valuation

The Valuation General Condition is replaced by the following for all Covered Property other than the Additional Coverage for Cargo Handling Equipment:

Covered Property will be valued at the amount for which you are legally liable. However, at your discretion, Covered Property which was sold by a Seller, prior to any loss, will be valued at the destination market value less any charges or expenses not incurred.

# 3. Transfer of Rights of Recovery Against Others to Us

The Transfer of Rights of Recovery Against Others to Us Loss Condition is replaced by the following:

If you have rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. You must do nothing after loss to impair them. At our request, you will bring "suit" or transfer those rights to us and help us enforce them.

You may waive your rights against another party in writing:

- **a.** Prior to a loss to Covered Property;
- **b.** After a loss to Covered Property only if at the time of loss that party is:
  - (1) Someone insured by this insurance;
  - (2) A business firm owned or controlled by you or that owns or controls you; or
  - (3) Another bailee of Covered Property if you have a written contract that apportions some or all of the loss with such bailee.

This will not restrict your insurance.

# 4. Legal Action Against Us

The Legal Action Against Us General Condition, in the Commercial Inland Marine Conditions, is replaced by the following:

Legal Action Against Us

- **a.** No one may bring a legal action against us under this Coverage Part unless:
  - (1) There has been full compliance with all the terms of this Coverage Form;
  - (2) The action is brought within 2 years after you first have knowledge of the direct loss or damage or the "suit".
- b. No person or organization has a right under this Coverage Form to join us as a party or otherwise bring us into a "suit" asking for damages from you.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against you obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

# 5. Duties in the Event of Loss

The following is added to the Duties in the Event of Loss Condition:

Make a prompt claim in writing against any other party who may be liable for the loss.

# 6. Coverage Territory

We cover property wherever located within:

- **a.** The United States of America and its territories or possessions;
- b. Puerto Rico; and
- c. Canada.

#### 7. Reimbursement to Us

We may endorse this policy at your request to comply with the requirements of the United States Department of Transportation or any other governmental authority.

If we pay any loss or damage because of any such endorsement, you must promptly reimburse us for that payment and any other expenses we may incur in connection with it; however, your reimbursement will be required only to the extent that we do not cover that loss or damage under this Coverage Form.

# 8. Salvage

Unless, prior to any loss, you have agreed by written contract to the contrary, any salvage for loss will accrue entirely to our benefit until the sum paid by us has been made up. If our benefit of salvage recovery exceeds the loss sum we paid, then we will return the difference to you or the owner of Covered Property, less salvage expenses.

# 9. Minimum Earned Premium

You must pay at least the Minimum Earned Premium shown in the Declarations.

This Minimum Earned Premium will only apply:

- **a.** When the computed premium for each annual policy period is less than the Minimum Premium; or
- **b.** If you cancel this Insurance after it has taken effect.

# 10. Reports, Premium And Reporting Provisions

The following applies only if Reporting is indicated in the Declarations.

- a. Reports. Within 30 days after the end of each reporting period, you must report to us the amount of your Premium Base for that period.
- **b.** Premium Computation. We will compute the premium using the rate and your Premium Base shown in the Declarations

- as of each Premium Adjustment Period shown in the Declarations.
- c. Premium Adjustment. We will apply the computed premium to the Deposit Premium shown in the Declarations until it is used up. You must then pay us all premiums that exceed the Deposit Premium.
- **d.** If the Coverage Form is cancelled, you must report the amount of the Premium Base up to the date of cancellation.
- e. Cancellation. The following is added to the Cancellation Common Policy Condition:

In the event of cancellation, this Coverage Form applies to all shipments of Covered Property made up to the date of cancellation.

#### F. DEFINITIONS

- "Gross receipts" means the total amount of receipts to which you are entitled for all services covered by this coverage form during the policy period.
- 2. "Mileage" means the total live and dead mileage of all revenue producing units operated during the policy period.
- "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 4. "Suit" means a civil proceeding in which damages because of loss of or damage to Covered Property to which this insurance applies are alleged. "Suit" includes:
  - An arbitration proceeding in which such damages are claimed and to which you must submit, or submit with our consent; and
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.
- 5. "Terminal" means any portion of a premises listed and described in the Declarations or Schedule where Covered Property is located.

# TRANSPORTATION EQUIPMENT LOT COVERAGE

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

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

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

# A. COVERAGE

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

# 1. Covered Property

Covered Property, as used in this Coverage Form, means the following property for which an 'X' is indicated in the Declarations:

- **a.** Motor vehicles and trailers designed for highway use;
- b. Intermodal containers; and
- c. Other equipment specifically described in the Declarations:

owned or leased by you or owned by others and for which you are legally liable, while at a location(s) listed in the Schedule.

# 2. Property Not Covered

Covered Property does not include:

- **a.** Cargo or other property not permanently attached to Covered Property; or
- **b.** Property while in operation.

# 3. Covered Causes of Loss

Covered Causes of Loss means risks of the following:

- a. Fire;
- b. Lightning;
- c. Theft;
- d. Vandalism;
- e. Strikes, Riots or Civil Commotion;
- f. Aircraft;
- **g.** Explosion of fuel storage tanks and fuel pipelines;
- **h.** "Windstorm";
- i. Hail; or
- j. Partial or complete collapse of a building that has at least three walls and a roof

except when caused by "flood" or "earth movement".

# 4. Additional Coverages

# a. Debris Removal

We will pay the necessary and reasonable expenses incurred to remove debris of Covered Property resulting from a Covered Cause of Loss.

This Additional Coverage does not apply to:

- (1) Costs to extract "pollutants" from land or water; or
- (2) Costs to remove, restore or replace polluted land or water.

# b. Pollutant Cleanup and Removal

We will pay the necessary and reasonable expenses incurred to extract "pollutants" from land or water, if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property that occurs during the policy period.

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

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

# 5. Optional Coverage

The following Optional Coverage applies only when an 'X' is indicated in the Declarations.

a. Covered Causes of Loss also means risks of "earth movement" b. Covered Causes of Loss also means risks of "flood".

# **B. EXCLUSIONS**

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

# a. Governmental Action

Seizure or destruction of property by order of governmental authority.

# b. Nuclear Hazard

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

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

# c. War and Military Action

- (1) War, including undeclared or civil war:
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- 2. We will not pay for loss or damage caused by or resulting from any of the following:
  - **a.** Delay, loss of use, loss of market, loss of income or any other consequential loss.
  - **b.** Dishonest Acts committed by:
    - You, any of your partners, employees, directors, trustees, or authorized representatives;
    - (2) A manager or a member if you are a limited liability company;
    - (3) Anyone else with an interest in the property, or their employees or authorized representatives; or
    - (4) Independent Contractors or anyone else to whom the property is released for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

# C. LIMITS OF INSURANCE

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

The Limits of Insurance, if any, for "flood" or "earth movement" shown in the Flood and Earth Movement Schedule are the most we will pay for all covered occurrences of "flood" or "earth movement" in any one policy year at a covered location.

Each policy year:

- (1) Begins with the inception date or anniversary date of this policy; and
- (2) Ends at the next anniversary date or the expiration date of this policy.

#### D. DEDUCTIBLE

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

# E. AMENDED AND ADDITIONAL CONDITIONS

The Commercial Inland Marine Conditions and the Common Policy Conditions apply except as amended below.

# 1. Minimum Earned Premium

You must pay at least the Minimum Earned Premium shown in the Declarations.

This Minimum Earned Premium will only apply:

- **a.** When the computed premium for each annual policy period is less than the Minimum Premium: or
- **b.** If you cancel this Insurance after it has taken effect.

# 2. Premium and Reporting Provisions

The following applies only if Reporting is indicated in the Declarations:

# a. Reports

Within 30 days after the end of each reporting period shown in the Declarations, you must report to us the amount of the Premium Base shown in the Declarations.

#### b. Rates And Premium

(1) Premium Computation

We will compute the premium:

- (a) Using the rates and Premium Base shown in the Declarations; and
- **(b)** As of each Premium Adjustment Period shown in the Declarations.

# c. Premium Adjustment

- (1) When the Annual Premium Adjustment Period is shown in the Declarations, we will compare the total computed premium to the Deposit Premium. If it is more than the Deposit Premium, you must pay us the difference. If it is less than the Deposit Premium, we will pay you the difference.
- (2) When any other Premium Adjustment Period is shown in the Declarations, we will apply the computed premium to the Deposit Premium until it is used up. You must pay us all premiums that exceed the Deposit Premium.

The due date for any additional premium is the date shown as the due date on the bill.

# d. If This Coverage Is Cancelled:

(1) If the coverage form is cancelled, you must report the amount of the premium base up to the date of cancellation. We will compute the premium for less than a full adjustment period on a pro rata basis.

# 3. Coverage Territory

We cover property located within:

- **a.** The United States of America and its territories or possessions;
- b. Puerto Rico; and
- c. Canada.

### F. DEFINITIONS

- 1. "Earth Movement" means:
  - a. Any earth movement, other than sinkhole collapse, such as earthquake, mine subsidence, landslide or earth sinking, rising or shifting. Sinkhole Collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite but does not mean the cost of filling the sinkholes or the sinking or collapse of land into man-made underground cavities.
  - **b.** Volcanic eruption, explosion or effusion; from any source, all whether naturally occurring or due to man-made or other artificial causes.
- 2. "Flood" means the overflow of any body of water or inundation by water of land or ground that is usually dry.
- 3. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 4. "Windstorm" means a wind of sufficient violence to be capable of damaging Covered Property either by impact of its own force or by projecting some object, other than water, against the Covered Property.

# PERSONAL PROPERTY OF OTHERS COVERAGE SPECIAL FORM

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

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

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

#### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

**1. Covered Property,** as used in this Coverage Form, means personal property of others that is in your care, custody or control.

# 2. Property Not Covered

Covered Property does not include:

- Accounts, bills, currency, documents, records, deeds, evidence of debt, money, notes, securities or stamps;
- **b.** Animals, birds or fish;
- c. Automobiles, motor trucks, trailers or other vehicles that are licensed for use on public roads and are used to transport persons or property;
- d. Aircraft or watercraft;
- **e.** Jewelry, watches, precious or semiprecious stones, bullion, gold, silver, platinum or other precious metals or alloys;
- **f.** Furs, fur garments or garments trimmed with fur;
- **g.** Property while in the custody of other bailees unless the property is:
  - (1) At a premises described in the Declarations; or
  - (2) In the custody of a carrier for hire;
- h. Property while waterborne except while on ferries operating on the navigable waters of the Continental United States and Canada other than to or from Alaska;
- **i.** Contraband, or property in the course of illegal transportation or trade.

#### 3. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in the Exclusions.

# 4. Coverage Extensions

# a. Confusion of Property

We also cover "loss" resulting from confusion of the Covered Property caused by a Covered Cause of Loss.

The limit for this Coverage Extension is included within the Limit of Insurance applicable to the premises where the "loss" occurs.

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property from any location described in the Declarations caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be 180 days of the earlier of:
  - (a) The date of direct physical "loss"; or
  - **(b)** The end of the policy period.
- (2) The most we will pay under this Coverage Extensions is the lesser of:
  - (a) 25% of the applicable Limit of Insurance for direct physical "loss" to Covered Property; or
  - **(b)** \$25,000.

The limit for Debris Removal is separate from the Limit of Insurance that applies to other Causes of Loss.

(3) The Coverage Extension does not apply to cost to:

CM T1 10 12 92 Page 1 of 4

- (a) extract "pollutants" from land or water; or
- **(b)** remove, restore or replace polluted land or water.

# c. Preservation of Property

If it is necessary to move Covered Property from the described premises to preserve it from "loss" by a Covered Cause of Loss, we will pay for any direct physical "loss" to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the "loss" occurs within 30 days after the property is first moved

The limit for this Coverage Extension is included within the Limit of Insurance applicable to the premises from which the property is moved.

# **B. EXCLUSIONS**

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

# a. Earth Movement

(1) Any earth movement, such as an earthquake, landslide, or earthsinking, rising or shifting.

But we will pay for direct "loss" caused by resulting fire or explosion, if these would be covered under this Coverage Form.

**(2)** Volcanic eruption, explosion or effusion.

But we will pay for direct "loss" caused by resulting fire or volcanic action. If these causes of "loss" would be covered under this Coverage Form.

Volcanic action means direct "loss" resulting from the eruption of a volcano when the "loss" is caused by:

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

(c) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

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

This exclusion does not apply to property in transit.

# b. Government Action

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

#### c. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion: or
- (2) Nuclear reaction or radiation or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

# d. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against, 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.

#### e. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up from a sewer or drain;

Page 2 of 4 CM T1 10 12 92

- (4) Water that seeps, leaks or flows below the surface of the ground; or
- (5) Any release of water impounded by a dam.

But we will pay for direct "loss" caused by resulting fire, explosion or theft if these causes of "loss" would be covered under this Coverage Form.

This exclusion does not apply to property in transit.

- **2.** We will not pay for a "loss" caused by or resulting from any of the following:
  - **a.** Delay, loss of use, loss of market or any other consequential loss.
  - b. Dishonest acts by you, anyone else with an interest in the property, you or their employees or authorized representatives or anyone entrusted with the property, whether or not acting alone or in collusion with other persons or occurring during the hours of employment. This exclusion does not apply to property in the custody of a carrier for hire.
  - c. Unexplained disappearance.
  - **d.** Theft of property left on a delivery vehicle overnight, unless the vehicle was within a fully enclosed and locked building and there is evidence of forced entry into that building.
  - e. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by a fraudulent scheme, trick, device or false pretense.

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

- **f.** Unauthorized instructions to transfer property to any person or to any place.
- 3. We will not pay for a "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."
  - a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragragh 1. above to produce the "loss."
  - **b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or government body.

- c. Faulty, inadequate or defective:
  - (1) Planning, zoning, development, surveying, siting;
  - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
  - (3) Materials used in repair, construction, renovation or remodeling; or
  - (4) Maintenance of any part or all of any property wherever located.
- d. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation; mechanical breakdown; insects, vermin, rodents; corrosion, rust, dampness or dryness, cold or heat.

# C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

# D. DEDUCTIBLE

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

# **E. ADDITIONAL CONDITIONS**

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

# 1. Coverage Territory

We cover property while:

- **a.** At any premises described in the Declarations; and
- **b.** In transit at your risk;

whenever located within:

- The United States of America and its territories or possessions;
- (2) Puerto Rico; and
- (3) Canada.

CM T1 10 12 92 Page 3 of 4

# 2. Valuation

General Condition E. Valuation in the Commercial Inland Marine Conditions is replaced by the following:

The value of Covered Property will be the least of the following amounts:

- **a.** The amount for which you are liable.
- **b.** The actual cash value of that property.
- **c.** The cost of reasonably restoring that property to its condition immediately before "loss," or
- **d.** The cost of replacing that property with substantially identical property.

The value of Covered Property will include the actual cost of labor, materials or services furnished or arranged by you.

In the event of "loss," the value of property will be determined as of the time of "loss."

#### 3. Coinsurance

All Covered Property except property in transit, must be insured for at least 80 percent of its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the applicable Limit of Insurance shown in the Declarations for the premises at which the "loss" occurs bears to 80 percent of the total value of all Covered Property at that premises as of the time of "loss."

This penalty will not apply to property in transit.

# 4. Receipts for Property Accepted for Storage

You will issue your receipt for any property you accept from others for storage.

Your receipt will include:

- **a.** The name and address of the storer;
- **b.** the description of the property; and
- **c.** the amount of your liability for that property.

#### 5. Records

You will keep accurate records of all Covered Property.

These records will include a copy of each receipt for storage.

You will retain these records for three years after the policy ends.

# 6. Privilege To Adjust With Owner

The following is added to Commercial Inland Marine Loss Condition H. Privilege To Adjust With Owner:

If the total "loss" covered by this Coverage Form is not more than \$250 in any one occurrence, you may settle the "loss" with the owner of that property.

You will have additional duties when you settle such a "loss."

You must:

- **a.** Fully comply with all provisions of the Coverage Form in your settlement; and
- **b.** Promptly send us the properly completed statements of "loss" on the forms we have supplied to you.

We will reimburse you for any payment you make according to this condition after deduction of any applicable deductible.

We will do this within 30 days after we have received the statements of "loss" that we require.

#### F. DEFINITIONS

"Loss" means accidental loss or damage.

Page 4 of 4 CM T1 10 12 92

# BROADCASTERS EQUIPMENT AND MEDIA COVERAGE FORM

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

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

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

#### A. COVERAGE

We will pay for direct physical "loss" to Covered Property from any of the Covered Causes of Loss.

# 1. COVERED PROPERTY

Covered Property as used in this Coverage Form means the following types of property at a location shown in the Declarations and for which a Limit of Insurance is shown:

- a. Radio and television towers used for broadcasting or receiving, including above and below ground foundations, antennae, dishes, deicing equipment, guy-wiring, and other permanent attachments and connections;
- **b.** Transmitting, receiving, and studio operating equipment;
- c. Data stored on discs, films, tapes or similar electronic data processing media, the media itself, computer programs and instructions necessary to your operations:
- **d.** Scenery, costumes, theatrical property, recordings, films, and sound tracks used in your broadcasting operations;
- e. Improvements and betterments made at your expense to buildings you rent or lease but do not own;
- f. Buildings, at tower locations shown in the Declarations, used exclusively for the containment of transmitting and/or receiving equipment;
- g. Mobile or portable equipment while at or away from a location shown in the Declarations;
- **h.** Other property that is specifically described in the Declarations.

# 2. PROPERTY NOT COVERED

Covered Property does not include:

- Accounts, bills, money, securities, deeds, notes, letters of credit, evidence of debt, gold, silver or any precious metals or alloys;
- **b.** Aircraft, watercraft, satellites, vehicles licensed and designed principally for highway use;
- **c.** Animals, trees, shrubs, plants, land or water; or
- d. Jewelry, watches, precious and semiprecious stones, furs or garments trimmed with fur, unless covered under d. above, and then only up to a maximum of \$500 for any one item of Covered Property.

# 3. COVERED CAUSES OF LOSS

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property, except those causes of "loss" listed in B. EXCLUSIONS.

# 4. ADDITIONAL COVERAGES

# a. Debris Removal

We will pay your expense to remove debris of Covered Property from any location shown in the Declarations caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of the direct physical "loss."

Payment for Debris Removal is included within the applicable Limit of Insurance shown in the Declarations for the location where the "loss" occurs. The most

**CM T1 26 04 93** Page 1 of 6

we will pay under this Additional Coverage is 25% of:

- (1) The amount we pay for the direct physical "loss"; plus
- (2) The Deductible in this policy applicable to that "loss."

When the debris removal expense exceeds the 25% limitation above, or the sum of the direct physical "loss" and the expense for the removal of its debris exceed the applicable Limit of Insurance, we will then pay an additional \$10,000 of debris removal expense in any one occurrence.

This Additional Coverage does not apply to any costs to extract "pollutants" from land or water, or costs to remove, restore or replace polluted land or water.

# b. Pollutant Cleanup and Removal

We will pay your expense to extract "pollutants" from land or water at any location shown in the Declarations, if the release, discharge or dispersal of the "pollutants" is caused by or results from a Covered Cause of Loss which occurs to Covered Property:

- (1) At the described location; and
- (2) During the policy period.

The expense will be paid only if reported to us in writing within 180 days of the date of the direct physical "loss."

The most we will pay for each described location under this Additional Coverage is \$10,000 for the sum of all such expenses occurring during any one policy year commencing with inception. This amount is in addition to the Limits of Insurance.

# Valuable Papers and Records – Other Than Accounts Receivable

We will pay your expense to research, replace or restore valuable papers and written records (other than accounts receivable), that are lost or damaged by a Covered Cause of Loss. We will pay for the cost of the blank materials and the cost of reproduction.

The most we will pay under this Additional Coverage is \$10,000 in any one occur-

rence. This amount is in addition to the Limits of Insurance.

# d. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$2,500 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to "loss"; or
- (2) Required by local ordinance.

The amount payable under this Additional Coverage is in addition to the Limits of Insurance, and no deductible will be applied.

# e. Fire Protective Equipment Recharge

We will pay your expense to replace any substance discharged from an automatic fire protection system that protects Covered Property caused by or resulting from a Covered Cause of Loss. The most we will pay in any one occurrence is \$2,500. The amount payable under this Additional Coverage is in addition to the Limits of Insurance.

# f. Newly Acquired or Constructed Property

If during the policy period you acquire or construct property of the type covered by this Coverage Form, we will cover that property for up to \$ 100,000 at any location shown in the Declarations or at any new location you acquire by purchase or by lease. The amount payable under this Additional Coverage is in addition to the Limits of Insurance.

Insurance under this Additional Coverage for each newly acquired or constructed property will end when any of the following first occurs:

- (1) This policy expires;
- (2) 90 days after you acquire or begin to construct the property;
- (3) You report the values to us; or
- (4) The property is more specifically insured.

Page 2 of 6 CM T1 26 04 93

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

# g. Tower Collapse

If a Limit of Insurance is shown in the Declarations for Tower Collapse, we will pay for direct physical "loss" to the buildings shown, that are not covered elsewhere in this form, and are;

- (1) Owned by you; or
- (2) Rented, leased, or regularly occupied by you and which you are legally obligated to insure;

caused by the collapse of any tower or antenna covered by this Coverage Form.

The collapse must be caused by a Covered Cause of Loss other than fire, lightning, windstorm, hail, explosion, aircraft, vehicles, riot, civil commotion, vandalism or malicious mischief.

The most we will pay for "loss" to any one building in any one occurrence is the Limit of Insurance shown in the Declarations as applicable to that building.

# 5. COVERAGE EXTENSIONS

# a. Tuning of Towers

You may extend the insurance provided by this Coverage Form to the expenses you incur in retuning (including replumbing) covered towers that are damaged as a result of direct physical "loss" from a Covered Cause of Loss.

The most will pay for "loss" under this Coverage Extension is \$5,000 in any one occurrence.

The amount payable under this extension is included within the Limits of Insurance shown in the Declarations applicable to the tower where the "loss" occurs.

# b. Preservation of Property

If it is necessary to move Covered Property from any location shown in the Declarations to preserve it from "loss" from a Covered Cause of Loss, we will pay for any direct physical "loss" to that property:

- While it is being moved or while temporarily stored at another location;
- (2) Only if the "loss" occurs within 30 days after the property is first moved.

The amount payable under this Coverage Extension is included within the Limits of Insurance shown in the Declarations applicable to that type of property at the location from which the property is first moved.

# c. Property at a Temporary Location

We will pay up to \$50,000 for "loss" to Covered Property while temporarily at a location you do not own, lease or regularly occupy, but use for business purposes other than storage. We will cover the property at that location for a period not to exceed 30 days.

The amount payable under this Coverage Extension is included within the Limits of Insurance.

# **B. EXCLUSIONS**

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

# a. Earth Movement

- (1) Any earth movement such as an earthquake, mine subsidence, landslide or earth sinking, rising or shifting. But if "loss" by fire or explosion results, we will pay for that resulting "loss."
- (2) Volcanic eruption, explosion or effusion. But if "loss" by fire or "volcanic action" results, we will pay for that resulting "loss."

This exclusion does not apply to property in transit.

# b. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread.

CM T1 26 04 93 Page 3 of 6

#### c. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused. But if "loss" by fire results, we will pay for that resulting "loss."

# d. War and Military Action

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

#### e. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that seeps, leaks or flows below the surface of the ground; or
- (4) Any release of water impounded by a dam; or
- (5) Water that backs up from a sewer or

But if direct "loss" by fire, explosion or theft results, we will pay for that resulting "loss."

This exclusion does not apply to property in transit.

#### f. Ordinance or Law

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.
- 2. We will not pay for "loss" caused by or resulting from any of the following:

- a. Delay, loss of market, loss of use, loss of income or any other consequential "loss" including the suspension, lapse, cancellation or refusal of any licence, lease or contract;
- **b.** Unexplained "loss" or any "loss" or shortage found upon taking inventory or audit:
- c. Dishonest or criminal acts by you, anyone else with an interest in the property, your or their employees or authorized representatives or anyone entrusted with the property, whether or not acting alone or in collusion with other persons or occurring during the hours of employment. But this exclusion does not apply to a carrier for hire;
- d. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation, insects, vermin, rodents, mechanical breakdown or failure;
- Unauthorized instructions to transfer property or service(s) to any person or to any place;
- f. Any changes or alterations to any tower, antennae, dish or appurtenant devices during the policy period which may result in exceeding the design load of the property. This does not apply to temporary alterations or changes provided they are necessary and incidental to necessary repairs;
- g. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense;
- **h.** Corrosion, rust, dampness, dryness, cold or heat;
  - But we will pay for "loss" that results directly from damage to the air conditioning or heating systems that service your broadcasting or receiving equipment at a location shown in the Declarations. The damage to such systems must be caused by a Covered Cause of Loss.
- i. Discharge, dispersal, seepage, migration, release or escape of "pollutants."

Page 4 of 6 CM T1 26 04 93

- 3. We will not pay for "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."
  - a. Weather conditions. But this exclusion applies only if weather conditions contribute in any way with a cause or event excluded in B.1. above to produce the "loss":
  - **b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body;
  - **c.** Faulty inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in the repair, construction, renovation or remodeling; or
    - (4) Maintenance;

of part or all of any property wherever located.

- d. Failure, fluctuation or interruption of electrical power or any other utility service supplied to a described location, however caused, if the failure, fluctuation or interruption originates more than 1000 feet from:
  - (1) The building containing the Covered Property; or
  - (2) In the case of property in the open, the Covered Property itself.

# C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations. Except as provided in the Additional Coverages or Coverage Extensions.

# D. DEDUCTIBLE

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

# E. ADDITIONAL CONDITIONS

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

# 1. Coverage Territory

We cover property wherever located within:

- a. The United States of America: and
- **b.** Canada.

# 2. Valuation

General Condition E. in the Commercial Inland Marine Conditions is replaced by the following:

# a. Your Property (except data and media)

The value of property you own will be:

(1) When Replacement Cost is shown in the Declarations, its replacement cost (without deduction for depreciation.)

We will not pay more for any "loss" on a replacement cost basis than the lesser of:

- (a) The amount it would cost to replace the property at the time of "loss" with new property of equal performance, capacity or function and for the same use at the same location; or
- (b) The amount you actually spend in repairing or replacing the property with new property of equal performance, capacity or function.

We will only pay for "loss" on a replacement cost basis if you repair or replace the property as soon as reasonably possible after the "loss."

If you do not repair or replace the property, we will not pay more than the actual cash value of that property.

- (2) When Actual Cash Value is shown in the Declarations, the least of the following amounts:
  - (a) The actual cash value of that property;

CM T1 26 04 93 Page 5 of 6

# COMMERCIAL INLAND MARINE

- (b) The cost of reasonably restoring that property to its condition immediately before the "loss"; or
- **(c)** The cost of replacing that property with substantially identical property.

#### b. Data and Media.

The value of data and media you own will be the actual cost of reproducing the data and the cost of the media.

When the data is not or cannot be reproduced, we will not pay more than the cost of blank discs, films, tapes or similar electronic data processing media of equal performance, capacity or function, and for the same use.

# c. Property of Others.

The value of property of others in your care, custody or control will be the lesser of:

- The amount for which you are liable; or
- (2) The actual cash value of that property.

In the event of "loss," the value of property will be determined as of the time and place of "loss."

#### 3. Coinsurance

All Covered Property, except Covered Property in transit, must be insured for at least 80% of its total value as of the time of

"loss" or you will incur a penalty. The penalty is that we will pay only the proportion of any "loss" that the applicable Limit of Insurance shown in the Declarations for that property bears to 80% of the total value of that property at the time of "loss." This penalty does not apply to:

- a. Covered Property in Transit;
- b. Any of the Coverage Extensions; or
- c. Any of the Additional Coverages.

#### F. DEFINITIONS

"Loss" means accidental loss or damage.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

"Volcanic action" means direct "loss" resulting from the eruption of a volcano when the "loss" is caused by:

- (1) Airborne volcanic blast or airborne shock waves:
- (2) Ash, dust or particulate matter; or
- (3) Lava flow.

All volcanic eruptions that occur within any 168 hour period will constitute a single occurrence.

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

Page 6 of 6 CM T1 26 04 93

ISSUE DATE: 12-02-16
TRANSACTION EFFECTIVE DATE: 12-01-16

POLICY NUMBER:QT-630-1315N403-TIL-16

# IM PAK COVERAGE FORM

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

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

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

ENDORSEMENT IL T3 55 "EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES DUE TO DATES OR TIMES", IF ATTACHED TO THIS POLICY, DOES NOT APPLY TO THIS IM PAK COVERAGE PART.

# A. COVERAGE

We will pay for direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss.

# 1. Covered Property

Covered Property, as used in this Coverage Part, means:

- a. "Scheduled Property";
- b. "Contractors Equipment";
- c. "Computerized Business Equipment".

# 2. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE except those causes of loss listed in the Exclusions or for which 'No Coverage' is shown as the applicable Limit of Insurance in the Declarations.

# 3. "Extra Expense" and "Business Income"

We will pay your necessary "Extra Expense" to continue normal operations following loss or damage from a Covered Cause of Loss to:

- a. "Computerized Business Equipment";
- b. The building where "Computerized Business Equipment" is kept if you are prevented from using the "Computerized Business Equipment" as a result of the loss or damage;
- c. Any building other than the building where "Computerized Business Equipment" is kept if you are prohibited from using the "Computerized Business Equipment" by a governmental authority as a result of the loss or damage:
- d. Any temperature, climate control or electrical system needed for the operation of "Computerized Business Equipment".

CM T1 43 08 96 PAGE 1 of 19

ISSUE DATE: 12-02-16

POLICY NUMBER: OT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

We will also pay the amount by which your "Business Income" is actually reduced during the "period of restoration" if you must close all or any part of your business due to loss of or damage to "Computerized Business Equipment" from a Covered Cause of Loss.

But we will not pay more in any one loss or damage than the applicable Limit of Insurance shown in the Declarations for your combined "Extra Expense" and "Business Income".

# 4. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

# a. Newly Acquired Property

If during the policy period you acquire a financial interest in property of the type already covered by this policy and listed below, we will cover the property for the amounts indicated under this Coverage Extension for a period of up to 90 days. You will report the property within 90 days from the date acquired and pay any additional premium due. If you do not report the new property, we will not pay for loss of or damage to the new property.

(1) "Computerized Business Equipment"

The most we will pay in any one loss or damage is an amount equal to the highest "combined limits", up to \$1,000,000.

(2) "Scheduled Property"

The most we will pay in any one loss or damage is \$25,000.

# b. "Computerized Business Equipment" At Newly Acquired Premises

If you acquire new premises, we will cover "Computerized Business Equipment" at the new premises, for up to 90 days. You will report the new premises within 90 days from the date you acquire them and will pay any additional premium due. If you do not report the new premises, coverage under this extension will cease 90 days from the date you acquired the new premises.

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to \$1,000,000.

# c. "Computerized Business Equipment" In Transit Or While Not At Your Locations

We will pay for loss of or damage to "Computerized Business Equipment" while:

- (1) In transit; or
- (2) While temporarily not at your "locations".

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of \$500,000. But, if the "Computerized Business Equipment" is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.

CM T1 43 08 96 PAGE 2 of 19

POLICY NUMBER:QT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

### d. Fire Protective Systems

If your fire protective equipment discharges accidentally or to control a Covered Cause of Loss, we will pay for your expense to:

- (1) Recharge or refill your fire protective systems; and
- (2) Replace or repair faulty valves or controls which caused the discharge.

The most we will pay in any one loss or damage under this extension is \$75,000.

### e. Valuable Papers and Records

We will pay your costs to research, replace, or restore lost or damaged valuable papers and records, including those which are on computer software, for which there are no duplicates. The most we will pay for loss of or damage to this property is \$250,000.

But we will not pay for loss of or damage to accounts, bills, deeds, evidences of debt, currency, money, notes or securities.

### f. Duplicate "Software"

We will pay for loss of or damage to your duplicate or back-up "software" if it is kept at premises that are separate from where the original "software" is kept.

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of \$100,000.

### g. Incompatibility of "Software"

We will pay the cost of modifying your undamaged covered "hardware" and "software" following covered loss of or damage to Covered Property in order to achieve compatibility between the remaining undamaged "Computerized Business Equipment" and any replacement "hardware" and "software".

The most we will pay for loss or damage under this Coverage Extension is \$25,000.

## h. "Computerized Business Equipment" Expediting Expenses

We will pay your costs to expedite repair of "Computerized Business Equipment" made necessary by a Covered Cause of Loss during the "period of restoration".

The most we will pay under this Coverage Extension is \$25,000.

### i. "Replacement Items"

- (1) Rental Costs: We will pay your necessary costs to rent "replacement items". Coverage will start 24 hours after you report the loss or damage to us, and will end when one of the following first
  - (a) Your "Contractors Equipment" to which the loss or damage occurred is repaired or replaced;
  - (b) The "replacement item" is no longer needed.

CM T1 43 08 96 PAGE 3 of 19

ISSUE DATE: 12-02-16
TRANSACTION EFFECTIVE DATE: 12-01-16

### POLICY NUMBER:QT-630-1315N403-TIL-16

The most we will pay for your Rental Costs is the applicable Limit of Insurance shown in the Declarations.

(2) Loss Of or Damage To "Replacement Items": We will pay for loss of or damage to "replacement items" caused by or resulting from a Covered Cause of Loss. Coverage will start when you assume liability for "replacement items", and will end when your Rental Costs coverage for your "Contractors Equipment" to which the loss or damage occurred ends. We will also pay for loss or damage while "replacement items" are in transit to or from the owner if you are liable for the item at the time of loss or damage.

The most we will pay in any one loss of or damage to "replacement items" is the applicable Limit of Insurance shown in the Declarations.

### j. Continuing Rental Payments

In the event of loss of or damage to leased or rented "Contractors Equipment" from any of the Covered Causes of Loss, we will pay the amount for which you are legally liable for lease or rental payments, as stated in the written contract or agreement for such property, until such time as the property can be repaired or replaced.

The most we will pay under this Coverage Extension is the applicable Limit of Insurance shown in the Declarations.

### 5. Additional Coverages

### a. Debris Removal

- (1) We will pay for your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of the loss or damage.
- (2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct loss of or damage to Covered Property plus the deductible in this Coverage Part applicable to that loss or damage. Any payment is included within and will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct loss or damage and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to \$75,000 in any one occurrence as an additional amount of insurance.
- (3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.

### b. Fire Department Service Charge

We will pay your legal liability for Fire Department Service Charges when the fire department is called to save or protect Covered Property from a Covered Cause of Loss.

The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

No deductible applies to this Additional Coverage.

CM T1 43 08 96 PAGE 4 of 19

ISSUE DATE: 12-02-16 TRANSACTION EFFECTIVE DATE: 12-01-16

POLICY NUMBER:QT-630-1315N403-TIL-16

### c. Pollutant Clean Up and Removal

- (1) We will pay your expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of the loss or damage.
- (2) This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.
- (3) The most we will pay under this Additional Coverage for:
  - (a) All unlisted locations is \$25,000 for the sum of all such expenses arising out of Covered Cause of Loss to Covered Property occurring during each separate 12 month period of this policy.
  - (b) Each listed location is \$25,000 for the sum of all such expenses arising out of Covered Cause of Loss to Covered Property occurring during each separate 12 month period of this policy.

### d. Inventory, Appraisals, and Loss Adjustment Expenses

We will pay the reasonable expenses you incur at our request to assist us in determination of the amount of the covered loss or damage, including the extra wages necessarily incurred by your employees for preparing inventories and other loss or damage information for completion of your proof of loss or damage.

But we will not pay for:

- (1) Expenses to prove that the loss or damage is covered:
- (2) Expenses incurred under the Appraisal section of the Commercial Inland Marine Conditions;
- (3) Expenses incurred for examinations under oath, even if required by us;
- (4) Expenses incurred for public adjusters or any legal fees.

The most we will pay for loss or damage under this Additional Coverage is \$5,000.

### e. "Contractors Equipment" Expediting Expenses

We will pay your actual and reasonable costs resulting from a Covered Cause of Loss to "Contractors Equipment" to expedite repair or replacement of that Covered Property including, but not limited to, overtime, night work, work on public holidays, rapid transportation of people and/or materials, and extra costs of temporary repair.

This Additional Coverage will apply from the date of such loss or damage and for such time reasonably necessary to repair, replace, or rebuild the "Contractors Equipment".

The most we will pay under this Additional Coverage is \$2,500 in any one occurrence involving one or more items of "Contractors Equipment".

CM T1 43 08 96 PAGE 5 of 19

POLICY NUMBER:QT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

### f. "Expendable Supplies"

We will pay for loss or damage by a Covered Cause of Loss to "expendable supplies" for your "Contractors Equipment".

The most we will pay in any policy period for loss or damage under this Additional Coverage is \$1,000.

### g. Equipment Control Systems

If not covered by other insurance, we will cover loss or damage from a Covered Cause of Loss to the:

- (1) Air-conditioning system;
- (2) Security System;
- (3) Auxiliary power generators; and
- (4) Uninterruptible power supply:

which are used exclusively to protect or service your "Computerized Business Equipment" at or within 100 feet of a "location".

The most we will pay in any one loss or damage under this Additional Coverage is \$25,000.

### h. Charges on Stolen Cellular Telephones

We will pay the unauthorized charges for access, use, and tolls for which you are responsible following the covered theft of cellular telephones.

But this coverage will end twenty-four hours after such loss or damage is known to you.

The most we will pay for unauthorized charges under this Additional Coverage is \$5,000.

### i. Reward Coverage

We will reimburse you for reward(s) expense you have incurred leading to:

- (1) The successful return of undamaged stolen articles to a law enforcement agency; or
- (2) The arrest and conviction of any person(s) who have damaged or stolen any Covered Property.

We will pay 25% of the covered loss, prior to the application of any Deductible and recovery, up to a maximum of \$2,500 in any one occurrence for the reward payments you make. These reward payments must be documented. The amount payable is in addition to the Limits of Insurance shown in the Declarations.

No Deductible applies to this Additional Coverage.

### **B. EXCLUSIONS**

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

CM T1 43 08 96 PAGE 6 of 19

TRANSACTION EFFECTIVE DATE: 12-01-16

POLICY NUMBER:QT-630-1315N403-TIL-16

a. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

This exclusion does not apply to "Computerized Business Equipment".

### b. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

### c. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- 2. We will not pay for loss or damage caused by or resulting from any of the following:
  - a. Delay, loss of use or loss of market.

This exclusion does not apply to the "EXTRA EXPENSE" and "BUSINESS INCOME" provision of this policy.

- b. Dishonest or criminal acts by you, any of your partners, directors, trustees or officers:
  - (1) Acting alone or in collusion with others; or
  - (2) Whether or not occurring during the hours of employment.
- c. Shortage found when taking inventory.

This exclusion does not apply to "Computerized Business Equipment".

- d. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".
- e. Suspension, lapse or cancellation of any lease, license, contract, or order that applies to "Computerized Business Equipment".

CM T1 43 08 96 PAGE 7 of 19

POLICY NUMBER:QT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

- f. Programming errors, including but not limited to:
  - (1) The inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates, times or other data; or
  - (2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems due to the inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates times or other data.

But if loss or damage by "specified causes of loss" results, we will pay for that resulting loss or damage.

We will not pay for repair, replacement or modification of Covered Property to correct any deficiencies or change any features.

- 3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.
  - a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

This exclusion does not apply to "Computerized Business Equipment".

b. Corrosion, rust or dampness.

But this exclusion does not apply to "Scheduled Property" or "Computerized Business Equipment".

c. Electrical breakdown or failure.

This exclusion applies only to "Contractors Equipment" and "Scheduled Property".

d. Freezing or overheating.

This exclusion applies only to "Contractors Equipment".

- e. Wear and tear, gradual deterioration.
- f. Repair process or work on Covered Property.

This exclusion applies only to "Contractors Equipment".

- g. The failure of power or other utility service supplied to your "locations". But we will pay for loss of or damage to "Computerized Business Equipment":
  - (1) If the failure results from a Covered Cause of Loss to the power or other utility service at or within 1,000 feet of your "location".
  - (2) If the failure occurs away from your "location" and was the result of loss or damage from a Covered Cause of Loss, to any of the following which supply electricity, steam or gas to your "location":
    - (a) Utility generating plants;
    - (b) Switching stations;

CM T1 43 08 96 PAGE 8 of 19

POLICY NUMBER:oT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

- (c) Substations;
- (d) Transformers; or
- (e) Other equipment (excluding overhead power or utility transmission lines).
- (3) If the failure was the result of direct physical damage from lightning to the power or other utility service.

This exclusion applies only to "Computerized Business Equipment".

### C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

### D. DEDUCTIBLE

1. Loss Or Damage To One Type of Covered Property In Any One Occurrence

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

2. Loss Or Damage To Two Or More Types of Covered Property In Any One Occurrence

We will:

- a. Adjust separately the loss or damage to each type of Covered Property;
- b. Not pay for loss or damage to a type of Covered Property in any one occurrence until the amount of that adjusted loss or damage exceeds the applicable Deductible shown in the Declarations; and
- c. Pay the amount of each adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

If the sum of the applicable "basic deductibles" exceeds the Policy Deductible shown in the Declarations, we will not deduct more than the Policy Deductible in any one occurrence of loss or damage.

If a title for a Deductible appears in quotations in the Declarations, that Deductible has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

The applicable Deductible shown in the Declarations applies to the Coverage Extensions and Additional Coverages unless otherwise stated in the Coverage Extension or Additional Coverage.

CM T1 43 08 96 PAGE 9 of 19

ISSUE DATE: 12-02-16
TRANSACTION EFFECTIVE DATE: 12-01-16

POLICY NUMBER:QT-630-1315N403-TIL-16

## E. ADDITIONAL COVERAGE CONDITIONS

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

### 1. Where Coverage Applies

We cover property other than "laptop and portable computerized equipment" that is in:

- a. The United States of America;
- b. Puerto Rico; or
- c. Canada.

But we do not cover property that is in transit to or from Hawaii or Puerto Rico.

We cover "laptop and portable computerized equipment" while located anywhere in the world.

### 2. Coinsurance

You must maintain minimum limits of insurance on only the following types of Covered Property.

### a. "Contractors Equipment"

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 90% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others.

### b. "Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

### 3. Reporting Provisions

### a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report the Premium Base for "Contractors Equipment" - Leased or Rented Items to us in writing.

The Premium Base is your actual expense incurred (paid and owed) to lease or rent items from others during the Reporting Period.

### b. Premiums

### (1) Premium Computation and Adjustment

CM T1 43 08 96 PAGE 10 of 19

POLICY NUMBER:QT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

### (2) Cancellation

If this policy is cancelled, you will report your Premium Base for "Contractors Equipment" - Leased or Rented Items from the last Premium Adjustment Period up to and as of the date of cancellation.

#### c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

### 4. Valuation

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

### a. "Scheduled Property"

- (1) The value of Covered Property you own will be the least of the following:
  - (a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;

- (b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
- (c) The cost of replacing that property with substantially identical property.
- (2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

### b. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

(a) The actual cash value of that property;

CM T1 43 08 96 PAGE 11 of 19

POLICY NUMBER:QT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;

- (b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
- (c) The cost of replacing that property with substantially identical property.
- (2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

### c. "Computerized Business Equipment"

- (1) The value of "hardware" will be the least of the following:
  - (a) The cost to replace the "hardware" with identical unused "hardware";
  - (b) The cost to repair the "hardware";
  - (c) The amount you actually spend to repair or replace the "hardware";
  - (d) The cost to replace the "hardware" with unused property of similar quality and function if the "hardware" cannot be replaced with identical unused "hardware";
  - (e) The cost to replace the "hardware" with property of similar quality and function if you do not actually repair or replace it; or
  - (f) The amount of your legal liability, not to exceed the replacement cost.
- (2) The value of "software" will be the cost to reproduce or replace the "software". But if it is not reproduced or replaced, we will only pay the blank value of the "software".
- (3) The value of Equipment Control Systems you own or lease which are used exclusively to protect or service your "Computerized Business Equipment" will be the least of the following:
  - (a) The actual cash value of that property;
    - But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage:
  - (b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
  - (c) The cost of replacing that property with substantially identical property.
- (4) The value of Equipment Control Systems for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

POLICY NUMBER:QT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

### 5. Theft Deductible Waiver For Wireless Equipment Location And Tracking System

The following Loss Condition is added to the LOSS CONDITIONS Section of the COMMERCIAL INLAND MARINE CONDITIONS:

In the event of theft of Covered Property, the applicable deductible is waived and will not apply to any such property equipped with a wireless equipment location and tracking system.

This waiver applies only to stolen Covered Property that is not recovered within 30 days of the theft, or that is recovered in damaged condition, but only if you promptly report the theft to the police and inform them that the stolen Covered Property is equipped with a wireless equipment location and tracking system, which has been activated.

### F. DEFINITIONS

"Basic Deductible" means the Deductible applicable in any one occurrence of loss or damage unless a more specific Deductible for the applicable loss or damage is shown in the Declarations or elsewhere in the policy.

When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

- 2. "Breakdown Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "Computerized Business Equipment" from mechanical or electric breakdown or failure.
- 3. "Business Income" means:
  - a. Your net income that would have been earned had no loss or damage occurred; and
  - b. Normal payroll and expenses which are necessary for you to operate your business after loss or damage.
- 4. "Combined limits" means the sum of the limits for "Hardware", "Software" and "'Extra Expense' and 'Business Income'" at any one "location".
- 5. "Computerized Business Equipment" means:
  - a. "Hardware":
  - b. "Software"

that you own or lease, or that is in your care, custody or control and for which you are legally liable.

"Computerized Business Equipment" does not include:

- a. Property while it is not at your "locations", except as covered in the Coverage Extensions of this policy;
- b. Property leased or rented to others while it is not at your "locations";
- c. Contraband, or property in the course of illegal transit or trade;

PAGE CM T1 43 08 96 13 of 19

POLICY NUMBER: OT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

- d. Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts, or other documents unless they are in the form of "software", and then only in that form;
- e. "Software" which cannot be replaced with other of the same kind or quality, unless it is specifically listed on a schedule attached to this policy.
- 6. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:
  - a. Unlisted Items Items you own or that are in your care, custody or control under a "long term lease or rental agreement" or that you have borrowed from others. The Limit of Insurance for this property is shown in the Declarations.
  - b. Leased or Rented Items Items in your care, custody or control under a "short term lease or rental agreement". The limit of insurance for this property is shown in the Declarations.

"Contractors Equipment" does not include:

- a. Contraband, or property in the course of illegal transit or trade;
- b. Vehicles designed and principally used to transport property or persons over public roads;
- c. Aircraft or watercraft;
- d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use.
- 7. "Earth movement" means any movement of the earth (other than "sinkhole collapse"), including but not limited to:
  - a. Earthquake;
  - b. Landslide;
  - c. Earth sinking, rising or shifting; or
  - d. Volcanic eruption, explosion or effusion;

all whether naturally occurring or due to man-made or other artificial causes.

8. "Earth Movement Annual Aggregate Limit of Insurance" means the most we will pay for all covered "earth movement" occurrences in any one policy year.

Each policy year:

- a. Begins with the inception date or anniversary date of this policy, and
- b. Ends at the next anniversary date or the expiration date of this policy.
- 9. "Earth Movement Deductible" means the Deductible applicable in any one occurrence of loss or damage from "earth movement".

CM T1 43 08 96 PAGE 14 of 19

COMMERCIAL INLAND MARINE

ISSUE DATE: 12-02-16
TRANSACTION EFFECTIVE DATE: 12-01-16

### POLICY NUMBER:QT-630-1315N403-TIL-16

- a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.
- b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

10. "Earth Movement Limit of Insurance" means the most we will pay for loss or damage in any one occurrence caused directly or indirectly by "earth movement", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

But if loss or damage by fire, explosion or "volcanic action" results from "earth movement", the "Earth Movement Limit of Insurance" will not apply to the resulting loss or damage. Instead, we will pay up to the applicable Limit of Insurance shown in the Declarations that would otherwise apply to loss or damage by fire, explosion or "volcanic action". We will also pay up to such applicable Limit of Insurance for loss or damage by building glass breakage resulting from volcanic eruption, explosion or effusion.

All "earth movement" that occurs within any 168 - hour period will constitute a single occurrence. The expiration of this policy will not reduce the 168 - hour period.

Any payment under the "Earth Movement Limit of Insurance" is included within and will not increase the applicable Limit of Insurance shown elsewhere in this policy.

- 11. "Expendable supplies" means consumable and periodic maintenance items, held exclusively for the servicing of "Contractors Equipment", including, but not limited to, oil, grease, fuel, filters, and spark plugs.
- 12. "Extra Expense" means expense you incur in order to continue your business operations after loss or damage that you would not have incurred had there been no loss or damage.
- 13. "Extra Expense and Business Income Limit of Insurance" means the most we will pay for loss of or damage to "Extra Expense" and "Business Income" in any one occurrence unless a separate Limit of Insurance for the applicable loss or damage is shown in the Declarations or elsewhere in the policy.

But if the wording 'No Coverage' is shown in the Declaration as the "Extra Expense and Business Income Limit of Insurance", we will not pay for any of your "Extra Expense" or "Business Income", regardless of the applicable Covered Cause of Loss.

### 14. "Flood" means:

- a. Surface water, waves, tides, tidal waves, tsunami, overflow of any body of water, or their spray, all whether driven by wind or not;
- b. Mudslide or mudflow;
- c. Water that backs up from a sewer or drain; or
- d. Water under the ground surface pressing on, or flowing or seeping through:
  - (1) Foundations, walls, floors or paved surfaces;

CM T1 43 08 96 PAGE 15 of 19

### **COMMERCIAL INLAND MARINE**

ISSUE DATE: 12-02-16
TRANSACTION EFFECTIVE DATE: 12-01-16

### POLICY NUMBER:QT-630-1315N403-TIL-16

- (2) Basements, whether paved or not; or
- (3) Doors, windows or other openings;

all whether naturally occurring or due to man-made or other artificial causes.

15. "Flood Annual Aggregate Limit of Insurance" means the most we will pay for all covered "flood" occurrences in any one policy year.

Each policy year:

- a. Begins with the inception date or anniversary date of this policy, and
- b. Ends at the next anniversary date or the expiration date of this policy.
- 16. "Flood Deductible" means the Deductible applicable in any one occurrence of loss or damage from "flood".
  - a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.
  - b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

17. "Flood Limit of Insurance" means the most we will pay for loss or damage in any one occurrence caused directly or indirectly by "flood", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

But if loss or damage by fire, explosion, or leakage or discharge from an automatic sprinkler system results from "flood", the "Flood Limit of Insurance" will not apply to the resulting loss or damage. Instead, we will pay up to the applicable Limit of Insurance shown in the Declarations that would otherwise apply to loss or damage by fire, explosion, or leakage or discharge from an automatic sprinkler system.

Any payment under the "Flood Limit of Insurance" is included within and will not increase the applicable Limit of Insurance shown elsewhere in this policy.

- 18. "Hardware" means machines which can accept data and process it. But it does not include "Software".
- 19. "Hardware Limit of Insurance" means the most we will pay for loss of or damage to "Hardware" in any one occurrence unless a separate Limit of Insurance for the applicable loss or damage is shown in the Declarations or elsewhere in the policy.
  - But if the wording 'No Coverage' is shown in the Declarations as the "Hardware Limit of Insurance", we will not pay for any of your "Hardware", regardless of the applicable Covered Cause of Loss.
- 20. "Laptop and portable computerized equipment" are "hardware" devices that can be easily carried by one person and that have been specifically designed by the manufacturer to be regularly transported without incurring damage under normal circumstances.

CM T1 43 08 96 PAGE 16 of 19

POLICY NUMBER: OT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

- 21. "Location" means that interior portion of the building at the address shown in the Declarations that you occupy for your business.
- 22. "Long term lease or rental agreement" means a written agreement that requires you to lease or rent mobile machinery or equipment for a period of 90 consecutive days or more.
- 23. "Maximum Amount of Payment" means the most we will pay in any one occurrence of loss or damage.
- 24. "Minimum Earned Premium" means the minimum amount of premium you must pay as specified in the Declarations whether you cancel or make other premium adjustments under this Coverage Part.
- 25. "Period of Restoration" means the period of time that:
  - a. Begins with the date of loss of or damage to Covered Property caused by or resulting from any Covered Cause of Loss; and
  - b. Ends on the date when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality.
  - "Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:
  - a. Regulates the construction, use or repair, or requires the tearing down of any property; or
  - b. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "pollutants".

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

- 26. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 27. "Replacement items" means equipment similar to the "Contractors Equipment" used in your business operations that you must rent due to loss or damage caused by or resulting from a Covered Cause of Loss to your "Contractors Equipment". "Replacement items" are only those items which are:
  - a. Necessary to continue your normal business operations; and
  - b. Needed because you do not have idle "Contractors Equipment" which can do the same work.
- 28. "Scheduled Property" means items listed in the Declarations owned by you or for which you are legally liable.
  - "Scheduled Property" does not mean contraband, or property in the course of illegal transit or trade.
- 29. "Short term lease or rental agreement" means a written agreement that requires you to lease or rent mobile machinery or equipment for a period less than 90 consecutive days.
- 30. "Sinkhole collapse" means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. "Sinkhole collapse" does not mean the cost of filling sinkholes or the sinking or collapse of land into man-made underground cavities.
- 31. "Software" means:

CM T1 43 08 96 PAGE 17 of 19

### **COMMERCIAL INLAND MARINE**

ISSUE DATE: 12-02-16

POLICY NUMBER: OT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

- a. Data, if it is in a format that can be read directly by your "hardware";
- b. Computer programs;
- c. Instructional materials for computer programs;
- d. Data storage media of all types, provided they are not an integral part of "hardware".
- 32. "Software Limit of Insurance" means the most we will pay for loss of or damage to "Software" in any one occurrence unless a separate Limit of Insurance for the applicable loss or damage is shown in the Declarations or elsewhere in the policy.

But if the wording 'No Coverage' is shown in the Declarations as the "Software Limit of Insurance", we will not pay for any of your "Software", regardless of the applicable Covered Cause of Loss.

- 33. "Specified causes of loss" means fire; lightning; explosion; "windstorm"; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; "volcanic action"; falling objects; weight of snow, ice or sleet; "water damage".
  - a. Falling objects does not include loss or damage to:
    - (1) Personal property in the open; or
    - (2) The interior of a building or structure or personal property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
  - b. "Water damage" means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.
- 34. "Volcanic action" means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:
  - a. Airborne volcanic blast or airborne shock waves;
  - b. Ash, dust or particulate matter; or
  - c. Lava flow.

"Volcanic action" does not mean the cost to remove ash, dust or particles that do not cause direct physical loss or damage.

All volcanic eruptions that occur within any 168 - hour period will constitute a single occurrence.

- 35. "Windstorm" means wind or hail.
- 36. "Windstorm Deductible" means the Deductible applicable in any one occurrence of loss or damage caused directly or indirectly by "windstorm".

If loss or damage by rain, snow, sand or dust occurs and that loss or damage would not have occurred but for the "windstorm", such loss or damage will be considered to be caused by a "windstorm" occurrence.

a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.

CM T1 43 08 96 PAGE 18 of 19

**COMMERCIAL INLAND MARINE** 

ISSUE DATE: 12-02-16

POLICY NUMBER:QT-630-1315N403-TIL-16

TRANSACTION EFFECTIVE DATE: 12-01-16

b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

The "Windstorm Deductible" does not apply to property in transit.

CM T1 43 08 96 PAGE 19 of 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

"CONTRACTORS EQUIPMENT" - Replacement Cost Coverage on Certain Items

This endorsement modifies insurance provided under the IM PAK COVERAGE FORM.

A. The following is added to E. Additional Coverage Conditions - Valuation -

### Contractors Equipment:

- (1) The value of Covered Property shown below will be the least of the following:
  - (a) The cost to replace Covered Property (without Deduction for depreciation) with other property:
    - (i) Of comparable material and quality; and
    - (ii) Used for the same purpose;
  - (b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage;
  - (c) The amount you actually spend that is necessary to repair or replace the property; or,
  - (d) At your option, the actual cash value of the property.

If you decide to have the property valued on an actual cash value basis, you may still make a claim on a replacement cost basis, as described in paragraphs (a), (b) and (c) above, if you notify us of your intent to do so within 180 days of the loss or damage.

B. Items with Replacement Cost Coverage
1995 Caterpillar Model D8N Crawler Dozer, S/N 5TJ02467
Replacement Cost Value \$275,000
1999 Caterpillar Model D6MXL Crawler Dozer, S/N 3WN1402
Replacement Cost Value \$170,000
1999 Cat D6M XL Dozer (rebuild from 708) 3WN01727
Replacement Cost Value \$130,000

Copyright 2012 The Travelers Indemnity Company. All rights reserved. Includes the copyrighted material of Insurance Services Office, Inc. with its permission.

CM T8 00 Page 1

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

### "COMPUTERIZED BUSINESS EQUIPMENT" BLANKET LIMITS OF INSURANCE

This endorsement modifies insurance provided under the IM PAK COVERAGE Section of the COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS.

The Limits Of Insurance shown under "Computerized Business Equipment" are replaced by the following for the "locations" shown below:

### "COMPUTERIZED BUSINESS EQUIPMENT"

Blanket	"Hardware Limit of Insurance"	\$ 3,000,000
Blanket	"Software Limit of Insurance"	Included
Blanket	"Extra Expense and Business Income Limit of Insurance"	\$ 275,000
Blanket	"Earth Movement Limit of Insurance"	\$ 3,275,000
	"Earth Movement Annual Aggregate Limit of Insurance"	\$ 3,275,000
Blanket	"Flood Limit of Insurance"	\$ 3,275,000
Blanket	"Flood Annual Aggregate Limit of Insurance"	\$ 3,275,000

The above Limits of Insurance apply on a blanket basis to the following "locations":

### Location # x Building # x

Address

All locations per schedule, unscheduled locations, job sites and jobsite trailers

Copyright 2013 The Travelers Indemnity Company. All rights reserved. Includes the copyrighted material of Insurance Services Office, Inc. with its permission.

CM T8 01 Page 1

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

### EMPLOYEE TOOLS AND BORROWED ITEMS

This endorsement modifies insurance provided under the IM PAK COVERAGE FORM.

The "Contractors Equipment" Definition in Section F - DEFINITIONS is replaced by the following:

"Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

- a. Listed Items Items listed in the Declarations;
- b. Unlisted Items Items:
  - (1) You own;
  - (2) Your employees own;

that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;

c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased, rented or borrowed from others.

"Contractors Equipment" does not include:

- a. Contraband, or property in the course of illegal transit or trade;
- b. Vehicles designed and principally used to transport property or persons over public roads;
- c. Aircraft or watercraft;
- d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use.

Copyright 2011 The Travelers Indemnity Company. All rights reserved. Includes the copyrighted material of Insurance Services Office, Inc. with its permission.

CM T8 02 Page 1

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TELECOMMUNICATIONS EQUIPMENT - NO COINSURANCE

This endorsement modifies insurance provided under the TELECOMMUNICATIONS EQUIPMENT AND MEDIA COVERAGE FORM.

Coinsurance in Section E. Additional Conditions is deleted

Copyright 2012 The Travelers Indemnity Company. All rights reserved. Includes the copyrighted material of Insurance Services Office, Inc. with its permission.

CM T8 04 Page 1

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

## MISSOURI CHANGES – ADDITIONAL COVERAGES REPORTING EXPENSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

### **PROVISIONS**

When a Commercial Inland Marine Coverage Form attached to this policy provides an Additional Coverage for Debris Removal or Pollutant Clean Up And Removal, the following is added with respect to such Additional Coverage and relates only to the require-

ment to report expenses to us within 180 days of the specified occurrence:

If you fail to report the expenses to us within the 180 day timeframe, such failure will not invalidate a claim under this Additional Coverage unless such failure operates to prejudice our rights.

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

## MISSOURI CHANGES – ADDITIONAL COVERAGES REPORTING EXPENSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

### **PROVISIONS**

When a Commercial Inland Marine Coverage Form attached to this policy provides an Additional Coverage for Debris Removal or Pollutant Clean Up And Removal, the following is added with respect to such Additional Coverage and relates only to the require-

ment to report expenses to us within 180 days of the specified occurrence:

If you fail to report the expenses to us within the 180 day timeframe, such failure will not invalidate a claim under this Additional Coverage unless such failure operates to prejudice our rights.

COMMERCIAL INLAND MARINE

ISSUE DATE: 12-02-16

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

## **EARTHQUAKE**

This endorsement modifies insurance provided under the following:

BROADCASTERS EQUIP & MEDIA FORM

### A. SCHEDULE

Premises Loc. No.	Bldg. No.	Description of Property	Limit of Insurance Any One Loss	Annual Aggregate Limit
1	1	ANTENNAE, TRANSMITTING, RECEIVING AND	\$ 690,000	\$690,000
		HEAD END EQUIPMENT		

Deductible: \$ 25,000

Premises Loc. No.	Bldg. No.	Description of Property	Limit of Insurance Any One Loss	Annual Aggregate Limit
			\$	\$

Deductible: \$

Premises Loc. No.	Bldg. No.	Description of Property	Limit of Insurance Any One Loss	Annual Aggregate Limit
			Ś	\$

### Deductible: \$

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

### **B. PROVISIONS**

- 1. The following is added to Covered Causes of Loss:
  - a. Earthquake.
  - **b. Volcanic Eruption,** meaning the eruption, explosion or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period.

But we will only pay for "loss" caused directly by these added Covered Causes of Loss to that type of Covered Property described, and at the locations shown, in the Schedule.

- 2. When any of the following Coverage Extensions are found in any Coverage Form modified by this endorsement, or in any endorsement applicable to that Coverage Form, they are changed as follows:
  - a. Only the Fire Department Service Charge and Preservation of Property Coverage Extensions apply to coverage provided by this endorsement.
  - **b.** The Debris Removal Coverage Extension is replaced by the following:

### **Debris Removal**

We will pay your expense to remove debris of Covered Property from any location described in the Schedule caused by or resulting from Earthquake or Volcanic Eruption as covered by this endorsement.

Payment for Debris Removal will not increase the Limit of Insurance shown in the Schedule.

### 3. Additional Exclusions

The following are added to the EXCLUSIONS section:

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

a. Fire, explosion (other than volcanic explosion), landslide, flood, tidal wave, overflow of any body of water, mudslide

- or mudflow, even if attributable to an Earthquake or Volcanic Eruption.
- **b.** Any Earthquake or Volcanic Eruption that begins before the inception of this insurance.
- **4.** The LIMITS OF INSURANCE section is replaced by the following:

### LIMITS OF INSURANCE

The most we will pay under this endorsement is:

- a. The Limit of Insurance that applies to any one "loss"; or
- **b.** The Annual Aggregate Limit for all losses occurring in any one year beginning with the inception or anniversary date of this policy.
- **5.** The following is added to the DEDUCTIBLE section:

The Deductible amount shown in the Schedule applies to any "loss" covered by this endorsement.

- 6. The ADDITIONAL CONDITIONS section is modified as follows:
  - **a.** The Coinsurance Additional condition does not apply to the coverage provided by this endorsement.
  - **b.** The following is added:

### Cancellation

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

Page 2 of 2 CM T3 08 02 89

COMMERCIAL INLAND MARINE ISSUE DATE: 12-02-16

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

## **FLOOD**

This endorsement modifies insurance provided under the following:

BROADCASTERS EQUIP & MEDIA FORM

### A. SCHEDULE

Premises Loc. No.	Bldg. No.	Description of Property	Limit of Insurance Any One Loss	Annual Aggregate Limit
1	1	ANTENNAE, TRANSMITTING, RECEIVING AND	\$ 690,000	ģ690 <b>,</b> 000
		HEAD END EQUIPMENT	4 030/000	т

Deductible: \$ 50,000

Premises Loc. No.	Bldg. No.	Description of Property	Limit of Insurance Any One Loss	Annual Aggregate Limit
			\$	\$

Deductible: \$

Premises Loc. No.	Bldg. No.	Description of Property	Limit of Insurance Any One Loss	Annual Aggregate Limit
			<b>A</b>	<b>A</b>

### Deductible: \$

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

### **B. PROVISIONS**

- The following is added to Covered Causes of Loss:
  - **Flood**, meaning "loss," but only to that type of Covered Property described and at the locations shown in the Schedule, caused directly by:
  - a. The overflow of any body of water;

- **b.** The release of water impounded by a dam;
- **c.** Any rapid accumulation or runoff of surface water; or
- **d.** Mudslide or mudflow which is caused by accumulation of water on or below ground.

**CM T3 09 02 89** Page 1 of 2

- 2. When any of the following Coverage Extensions are found in any Coverage Form modified by this endorsement, or in any endorsement applicable to that Coverage Form, they are changed as follows:
  - a. Only the Fire Department Service Charge and Preservation of Property Coverage Extensions apply to coverage provided by this endorsement.
  - **b.** The Debris Removal Coverage Extension is replaced by the following:

### **Debris Removal**

(1) We will pay your expense to remove debris of Covered Property from any location described in the Schedule caused by or resulting from Flood, as covered by this endorsement, which occurs during the policy period.

The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

- (a) The date of direct physical "loss"; or
- (b) The end of the policy period.
- (2) Payment for Debris Removal is included within and will not increase the Limit of Insurance shown in the Schedule.
- (3) This Coverage Extension does not apply to costs to:
  - (a) Extract "pollutants" from land or water; or
  - **(b)** Remove, restore or replace polluted land or water.
- **c.** The following Pollution Cleanup and Removal Coverage Extension is added:

### **Pollutant Cleanup and Removal**

We will pay your expense to extract "pollutants" from land or water at any location described in the Schedule if the release, discharge or dispersal of the "pollutants" is caused by or results from Flood, as covered by this endorsement, which occurs during the policy period.

The expenses will be paid only if reported to us in writing within 180 days of the earlier of:

(1) The date of direct physical "loss"; or

(2) The end of the policy period.

The most we will pay for each location under this Coverage Extension is \$10,000 in any one year commencing with policy inception.

The limit for this Coverage Extension is in addition to the applicable Limit of Insurance shown in the Schedule.

### 3. Additional Exclusions

The following are added to the EXCLUSIONS section:

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

- **a.** Fire, explosion, theft or looting;
- Any earth movement (other than mudslide or mudflow which is caused by accumulation of water on or below ground); or
- **c.** Volcanic action, eruption, explosion or effusion:

even if attributable to a Flood.

**4.** The LIMITS OF INSURANCE section is replaced by the following:

### LIMITS OF INSURANCE

The most we will pay under this endorsement is:

- a. The Limit of Insurance that applies to any one "loss"; or
- **b.** The Annual Aggregate Limit for all losses occurring in any one year beginning with the inception or anniversary date of this policy.
- 5. The following is added to the DEDUCTIBLE section:

The Deductible amount shown in the Schedule applies to any "loss" covered by this endorsement.

- **6.** The ADDITIONAL CONDITIONS section is modified as follows:
  - **a.** The Coinsurance Additional Condition does not apply to the coverage provided by this endorsement.
  - **b.** The following is added:

### Cancellation

We or you may cancel this endorsement as provided by the Common Policy Conditions without cancelling the entire Coverage Part.

Page 2 of 2 CM T3 09 02 89

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

## FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean 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 certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

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

1% of your total Commercial Inland Marine Coverage Part premium.

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

## FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean 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 certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

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

1% of your total Commercial Inland Marine Coverage Part premium.

COMMERCIAL INLAND MARINE ISSUE DATE: 12-02-16

POLICY NUMBER: QT-630-1315N403-TIL-16

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

## CARGO THEFT AND DISHONEST ACTS EXCLUSIONS

This endorsement modifies insurance provided under the following:

CARRIERS CARGO PAK CARGO AND LOGISTICS PAK SHIPPERS CARGO PAK

The following exclusions apply when an 'X' is indicated in the applicable box below. The following is added to Part 2., Property Not This exclusion does not apply to acts of destruc-Covered, in Section A – Coverage: tion by your employees. But theft by employees is not covered. Property in or on a vehicle, trailer or container at any location for more than twenty-four hours from ☐ The following is added to Paragraph 2. in Section the time it arrived at that location, including Prop-B - Exclusions: erty in or on a vehicle, trailer or container if we We will not pay for loss caused by or resulting are unable to determine the time of loss necesfrom theft from any unattended vehicle, trailer or sary to this clause. This exclusion does not apply container unless at the time of theft all windows, to Covered Property located at a "Terminal" or doors and compartments were closed and locked "Facility" listed in the Declarations. and there are visible signs that the theft was the x Paragraph 2.b. in Section B - Exclusions is reresult of forced entry. If there is no vehicle, trailer placed by the following: or container to inspect, this exclusion does not Dishonest Acts committed by: (1) You, any of your partners, employees, direc-☐ The following is added to Paragraph 2. in Section tors, trustees, or authorized representatives; B – Exclusions: (2) A manager or a member if you are a limited We will not pay for loss caused by or resulting liability company; from voluntary parting with any property by you or (3) Anyone else with an interest in the property, anyone to whom you released the property if inor their employees or authorized representaduced to do so by any fraudulent scheme, trick, tives: or device or false pretense. (4) Independent Contractors or anyone else to The following is added to Paragraph 2. in Section whom the property is released for any pur-B - Exclusions: We will not pay for loss caused by or resulting This exclusion applies whether or not such perfrom unauthorized instructions to transfer property sons are acting alone or in collusion with other to any person or to any place. persons or such acts occur during the hours of employment.

COMMERCIAL INLAND MARINE ISSUE DATE: 12-02-16

POLICY NUMBER: QT-630-1315N403-TIL-16

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

# TEMPERATURE, SPOILAGE AND BREAKDOWN COVERAGE CHANGES

This endorsement modifies insurance provided under the following:

CARRIERS CARGO PAK CARGO AND LOGISTICS PAK SHIPPERS CARGO PAK

### A. SCHEDULE

Covered Property at the "Terminal" or "Facility" located: 1.	Breakdown Limit of Insurance \$ Not Covered
2.	\$
3.	\$
4.	\$
Covered Property In Or On A Covered Conveyance: Covered Property At Other Locations:	<pre>\$ Not Covered \$ Not Covered</pre>

Covered Property In Or On A Covered Conveyance: \$ Not Covered Covered Property At Other Locations: \$ Not Covered Deductible: \$ Not Covered

B. The following is added to Section B – EXCLU-SIONS:

### Temperature, Spoilage and Breakdown

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

- **a.** Heat, cold, change or extremes in temperature;
- b. Spoilage; or
- **c.** Breakdown or failure of temperature control equipment.

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

However, this exclusion does not apply to fire or collision, upset or overturn of a Covered Conveyance in or on which Covered Property is located.

This exclusion does not apply to the extent coverage is provided under Paragraph C. of this endorsement.

C. Sudden and accidental mechanical or electrical breakdown to temperature control equipment is added as a Covered Cause of Loss to Covered Property as described below, if a Limit of Insurance is shown for such property in the Schedule above for:

- 1. Covered Property at a "Terminal" or "Facility";
- Covered Property In Or On A Covered Conveyance; or
- 3. Covered Property At Other Locations.

Lack of fuel or power or the incorrect setting of switches or controls is not sudden or accidental mechanical or electrical breakdown.

The most we will pay in any one occurrence for sudden and accidental mechanical or electrical breakdown to temperature control equipment is the applicable Limit of Insurance shown in the Schedule above. This limit is included within, and does not increase, the applicable Breakdown Limit of Insurance shown in the Declarations or elsewhere in the Coverage Form.

We will not pay for loss or damage in any one occurrence for sudden and accidental mechanical or electrical breakdown to temperature control equipment until the total amount of adjusted loss or damage exceeds the Deductible shown in the Schedule above. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance.

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

## PROCESSING DAMAGE EXCLUSION

This endorsement modifies insurance provided under the following:

CARRIERS CARGO PAK CARGO AND LOGISTICS PAK SHIPPERS CARGO PAK

A. The following is added to Part 2., in Section B – EXCLUSIONS:

We will not pay for loss or damage caused by or resulting from "your work" arising out of it or any part of it or any processing or work upon the property.

However, this exclusion does not apply to fire or collision, upset or overturn of a conveyance in or on which Covered Property is located.

B. The following is added to Section F – DEFINITIONS:

"Your work" means:

- **1.** Work or operations performed by you or on your behalf by anyone else; and
- **2.** Materials, parts or equipment furnished in connection with such work or operations to the property; including:
  - a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
  - **b.** The providing of or failure to provide warnings or instructions.

COMMERCIAL INLAND MARINE ISSUE DATE: 12-02-16

POLICY NUMBER: QT-630-1315N403-TIL-16

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

## "BUSINESS INCOME"

This endorsement modifies insurance provided under the following:

IM PAK COVERAGE FORM "Contractors Equipment"

### A. Schedule:

Description of Covered Property:  1. Batch Plant facilites	Limit of Insurance \$ 500,000	ce:
2.	\$	
3.	\$	
4.	\$	
5.	\$	
"Business Income" Deductible: \$	or <b>72</b>	hours.

**B.** The following Additional Coverage is added to Section A – COVERAGE: "Business Income"

We will pay for the actual loss of "business income" you sustain due to the necessary "suspension" of your business operations during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to Covered Property described in the Schedule of this endorsement. The loss or damage must be caused by or result from a Covered Cause of Loss.

We will also pay the reasonable and necessary expenses you incur to reduce the amount of the actual loss of "business income" sustained. We will pay for such expenses only to the extent that they reduce the amount of the actual loss of "business income" that we would have otherwise paid.

The most we will pay in any one occurrence under this Additional Coverage is the applicable Limit of Insurance shown in the Schedule of this endorsement.

C. The following Exclusions are added to Section B – EXCLUSIONS:

We will not pay the amount of the actual loss of "business income" caused by or resulting from any of the following:

- a. Delay in repairing or replacing the damaged Covered Property or resuming business operations due to interference by strikers or other persons at any location;
- **b.** Suspension, lapse or cancellation of any lease, license, contract or order; or
- **c.** Any other consequential loss.

D. The following Deductible is added to Section D – DEDUCTIBLE:

We will not pay for loss of "Business Income" in any one occurrence until the amount of the adjusted loss before applying the applicable Limit of Insurance exceeds the deductible shown in the Schedule of this endorsement.

- E. The following Additional Coverage Conditions are added to Section E – ADDITIONAL COVERAGE CONDITIONS:
  - 1. Resumption of Operations

We will reduce the amount of the loss of "business income" to the extent that business operations can be resumed, in whole or in part, by:

- **a.** Using damaged or undamaged property; or
- **b.** Making use of temporary or substitute facilities or services where practical.

If business operations are not resumed as quickly as possible, we will pay based on the length of time it would have taken to resume business operations as quickly as possible.

2. Loss Determination

The amount of "Business Income" loss will be determined based on:

- The Net Income of the business before the direct physical loss or damage occurred;
- b. The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- c. The operating expenses, including payroll expenses, necessary to resume business operations with the same quality of service that existed just before the direct physical loss or damage; and
- **d.** Other relevant sources of information, including:

- (1) Financial records and accounting procedures;
- (2) Bills, invoices and other vouchers; and
- (3) Deeds, liens or contracts.
- **F.** The following Definitions are added to Section F DEFINITIONS:
  - 1. "Business Income" means the:
    - Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred had no loss or damage occurred; and
    - **b.** Continuing normal operating expenses incurred, including payroll.
  - **2.** "Period of Restoration" means the period of time that:
    - Begins immediately following the direct physical loss or damage to Covered Property from a Covered Cause of Loss; and
    - b. Ends on the earlier of:
      - (1) The date when the Covered Property should be repaired or replaced with reasonable speed and similar quality; or
      - (2) The date when business operations are resumed.

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

- **a.** Regulates the construction, use, repair, replacement, or requires the tearing down of any property;
- **b.** Regulates the prevention, control, repair, cleanup or restoration of environmental damage; or
- **c.** Requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

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

**3.** "Suspension" means the slowdown or cessation of business activities.

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

## **BLANKET LOSS PAYEES**

This endorsement modifies insurance provided under the IM PAK COVERAGE FORM.

The following is added to Section E – ADDITIONAL COVERAGE CONDITIONS:

Loss Payable Provision

In the event of a Covered Cause of Loss to Covered Property in which both you and a Loss Payee share an insurable interest, we will:

a. Adjust the loss or damage with you; and

**b.** Pay any claim for loss or damage jointly to you and the Loss Payee as your interests may appear.

This endorsement applies to all Covered Property for which a Loss Payee is on file with us or your insurance agent or insurance broker.

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

## MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. If partial loss or damage to Covered Property is caused by or results from fire, any Valuation condition involving actual cash value in the Commercial Inland Marine Coverage Part is replaced by the following:

In the event of partial loss or damage covered by this Coverage Form, at your option, we will either:

- **1.** Pay you an amount of money equal to the damage done; or
- **2.** Repair the damage, so that the property is in as good a condition as before the fire.

But we will not pay more than the Limit of Insurance.

**B.** Loss Condition **B. Appraisal** in the Commercial Inland Marine Conditions is replaced by the following:

### B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an umpire shall be selected by a judge of a court of record in the state and county (or city if the city is not within a county) in which the property covered is located. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

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

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

- **C.** Paragraph **1.** of Loss Condition **E. Loss Payment** in the Commercial Inland Marine Conditions is replaced by the following:
  - 1. In the event of loss or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:
    - a. Accept your claim;
    - b. Deny your claim; or
    - **c**. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent as provided in Paragraph **c.** above, and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

**D.** General Condition **C.** Legal Action Against Us in the Commercial Inland Marine Conditions is replaced by the following:

### C. Legal Action Against Us

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

- 1. There has been full compliance with all the terms of this Coverage Part; and
- 2. The action is brought within 10 years after you first have knowledge of the direct loss or damage.

### E. Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

- 1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
- 2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply, subject to all other provisions of the Act:
  - a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December thirty-first of the year next preceding the date the insurer becomes insolvent, provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all of its affiliates as calculated on a consolidated basis.
  - **b.** Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable Limit of Insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

- F. The following exclusion is added:
  - 1. We will not pay for loss or damage arising out of any act committed:
    - **a.** By or at the direction of any insured; and
    - **b.** With the intent to cause a loss.
  - 2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this policy and the loss arose out of domestic violence. Such coverage will

be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating both:

- a. The cause of the loss; and
- **b.** A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.
- 3. If we pay a claim pursuant to Paragraph F.2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.
- G. The following is added to Loss Condition J. Transfer Of Rights Of Recovery Against Others To Us in the Commercial Inland Marine Conditions:

If we pay an innocent co-insured for loss arising out of an act of domestic violence by another insured, the rights of the innocent co-insured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent co-insured may not waive such rights to recover against the abuser.

- H. When Equipment Dealers Coverage Form CM 00 22 is attached to this policy, the following is added with respect to the Additional Coverages of Debris Removal and Pollutant Cleanup And Removal and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:
  - If you fail to report the expenses to us within the 180-day timeframe, such failure will not invalidate a claim under Debris Removal or Pollutant Cleanup And Removal unless such failure operates to prejudice our rights.
- . When Accounts Receivable Coverage Form CM 00 66 or Valuable Papers And Records Coverage Form CM 00 67 is attached to this policy, the following is added with respect to the Coverage Extension of Removal and relates only to the requirement to provide written notice within 10 days of the removal of property covered under those Coverage Forms:

If you fail to provide written notice to us within the 10-day timeframe, such failure will not invalidate a claim under Removal unless such failure operates to prejudice our rights.

#### MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. If partial loss or damage to Covered Property is caused by or results from fire, any Valuation condition involving actual cash value in the Commercial Inland Marine Coverage Part is replaced by the following:

In the event of partial loss or damage covered by this Coverage Form, at your option, we will either:

- **1.** Pay you an amount of money equal to the damage done; or
- **2.** Repair the damage, so that the property is in as good a condition as before the fire.

But we will not pay more than the Limit of Insurance.

**B.** Loss Condition **B. Appraisal** in the Commercial Inland Marine Conditions is replaced by the following:

#### B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an umpire shall be selected by a judge of a court of record in the state and county (or city if the city is not within a county) in which the property covered is located. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

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

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

- **C.** Paragraph **1.** of Loss Condition **E. Loss Payment** in the Commercial Inland Marine Conditions is replaced by the following:
  - 1. In the event of loss or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:
    - a. Accept your claim;
    - b. Deny your claim; or
    - **c**. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent as provided in Paragraph **c.** above, and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

**D.** General Condition **C.** Legal Action Against Us in the Commercial Inland Marine Conditions is replaced by the following:

#### C. Legal Action Against Us

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

- 1. There has been full compliance with all the terms of this Coverage Part; and
- 2. The action is brought within 10 years after you first have knowledge of the direct loss or damage.

### E. Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

- 1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
- 2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply, subject to all other provisions of the Act:
  - a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December thirty-first of the year next preceding the date the insurer becomes insolvent, provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all of its affiliates as calculated on a consolidated basis.
  - **b.** Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable Limit of Insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

- F. The following exclusion is added:
  - 1. We will not pay for loss or damage arising out of any act committed:
    - **a.** By or at the direction of any insured; and
    - **b.** With the intent to cause a loss.
  - 2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this policy and the loss arose out of domestic violence. Such coverage will

be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating both:

- a. The cause of the loss; and
- **b.** A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.
- 3. If we pay a claim pursuant to Paragraph F.2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.
- G. The following is added to Loss Condition J. Transfer Of Rights Of Recovery Against Others To Us in the Commercial Inland Marine Conditions:

If we pay an innocent co-insured for loss arising out of an act of domestic violence by another insured, the rights of the innocent co-insured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent co-insured may not waive such rights to recover against the abuser.

- H. When Equipment Dealers Coverage Form CM 00 22 is attached to this policy, the following is added with respect to the Additional Coverages of Debris Removal and Pollutant Cleanup And Removal and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:
  - If you fail to report the expenses to us within the 180-day timeframe, such failure will not invalidate a claim under Debris Removal or Pollutant Cleanup And Removal unless such failure operates to prejudice our rights.
- . When Accounts Receivable Coverage Form CM 00 66 or Valuable Papers And Records Coverage Form CM 00 67 is attached to this policy, the following is added with respect to the Coverage Extension of Removal and relates only to the requirement to provide written notice within 10 days of the removal of property covered under those Coverage Forms:

If you fail to provide written notice to us within the 10-day timeframe, such failure will not invalidate a claim under Removal unless such failure operates to prejudice our rights.

## INTERLINE ENDORSEMENTS

INTERLINE ENDORSEMENTS

# AMENDMENT OF COMMON POLICY CONDITIONS – PROHIBITED COVERAGE – UNLICENSED INSURANCE AND TRADE OR ECONOMIC SANCTIONS

This endorsement modifies insurance provided under the following:

ALL COVERAGES INCLUDED IN THIS POLICY

The following is added to the Common Policy Conditions:

#### **Prohibited Coverage – Unlicensed Insurance**

- With respect to loss sustained by any insured, or loss to any property, located in a country or jurisdiction in which we are not licensed to provide this insurance, this insurance does not apply to the extent that insuring such loss would violate the laws or regulations of such country or jurisdiction.
- 2. We do not assume responsibility for:
  - a. The payment of any fine, fee, penalty or other charge that may be imposed on any person or organization in any country or jurisdiction because we are not licensed to provide insurance in such country or jurisdiction; or

**b.** The furnishing of certificates or other evidence of insurance in any country or jurisdiction in which we are not licensed to provide insurance.

### Prohibited Coverage – Trade Or Economic Sanctions

We will provide coverage for any loss, or otherwise will provide any benefit, only to the extent that providing such coverage or benefit does not expose us or any of our affiliated or parent companies to:

- 1. Any trade or economic sanction under any law or regulation of the United States of America; or
- **2.** Any other applicable trade or economic sanction, prohibition or restriction.

#### CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

**BOILER AND MACHINERY COVERAGE PART** 

COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COMMERCIAL INLAND MARINE COVERAGE PART

COMMERCIAL PROPERTY COVERAGE PART

CYBERFIRST ESSENTIALS LIABILITY COVERAGE PART

CYBERFIRST LIABILITY COVERAGE

DELUXE PROPERTY COVERAGE PART

EMPLOYEE BENEFITS LIABILITY COVERAGE PART

EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

EMPLOYMENT PRACTICES LIABILITY+ WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT COVERAGE PART

**ENVIRONMENTAL HAZARD POLICY** 

**EQUIPMENT BREAKDOWN COVERAGE PART** 

EXCESS (FOLLOWING FORM) LIABILITY INSURANCE

LAW ENFORCEMENT LIABILITY COVERAGE PART

LIMITED ABOVE GROUND POLLUTION LIABILITY COVERAGE PART

LIQUOR LIABILITY COVERAGE PART

MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND

INFORMATION SECURITY LIABILITY COVERAGE FORM

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART

RAILROAD PROTECTIVE LIABILITY COVERAGE PART

SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF TRANSPORTATION

TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART

Any other Coverage Part or Coverage Form included in this policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended

The following is added to this policy. This provision can limit coverage for any loss arising out of a "certified act of terrorism" if such loss is otherwise covered by this policy. This provision does not apply if and to the extent that coverage for the loss is excluded or limited by an exclusion or other coverage limitation for losses arising out of "certified acts of terrorism" in another endorsement to this policy.

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

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

- The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to "TRIA"; 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.

"TRIA" means the federal Terrorism Risk Insurance Act of 2002 as amended.

#### **EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART COMMERCIAL INLAND MARINE COVERAGE PART FARM COVERAGE PART

- A. The exclusion set forth in Paragraph B. applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense, rental value or action of civil authority.
- **B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other mi-

- croorganism that induces or is capable of inducing physical distress, illness or disease.
- **C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- **D.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

#### MISSOURI CHANGES – DEFINITION OF POLLUTANTS

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART COMMERCIAL PROPERTY COVERAGE PART DELUXE PROPERTY COVERAGE PART FARM COVERAGE PART

#### **PROVISIONS**

The definition of "pollutants" in this Coverage Part or in any endorsement to this Coverage Part is deleted and replaced by the following:

- "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. "Pollutants" includes:
  - a. Petroleum or petroleum derivatives, gasoline, fuels, lubricants, and their respective additives and individual chemical components, including benzene and toluene;
  - b. Chlorinated and halogenated solvents, including tetrachloroethylene (PCE or PERC), trichloroethylene (TCE), trichloroethane (TCA) and vinyl chloride, and their degradation products;
  - c. Coal tar, manufactured gas plant (MGP) byproducts and polynuclear aromatic hydrocarbons (PAHs), phenols and polychlorinated biphenyls (PCBs); and
  - **d.** Organic and inorganic pesticides, and inorganic contaminants, including arsenic, barium, beryllium, lead cadmium, chromium and mercury.

- This definition of "pollutants" applies regardless of whether:
  - a. The irritant or contaminant, or the particular form, type or source of the irritant or contaminant, involved in the loss or damage is specifically identified or described in this definition, such as waste from manufacturing operations;
  - b. The irritant or contaminant has or had any function in any of the insured's business, operations, premises, sites or locations, such as:
    - (i) PERC for a dry cleaning business; or
    - (ii) TCE or any of the other items included as examples of "pollutants" in 1.b. above for degreasing operations;
  - c. The irritant or contaminant represents a major source of potential loss or damage for the insured, such as gasoline, or any of the other items included as examples of "pollutants" in 1.a. above for a gasoline station; or
  - **d.** The insured expects or considers the irritant or contaminant to be a pollutant.

Waste includes materials to be recycled, reconditioned or reclaimed.

#### ALABAMA CHANGES – ACTUAL CASH VALUE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
DELUXE PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART

The following is added to any provision which uses the term actual cash value:

Actual cash value is calculated as the amount it would cost to repair or replace Covered Property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for depreciation.

However, if Covered Property, at the time of loss or damage, has nominal or no economic value, or a value disproportionate to replacement cost less depreciation, the determination of actual cash value as set forth above is not required.

Actual cash value applies to valuation of Covered Property regardless of whether that property has sustained partial or total loss or damage.

The actual cash value of the lost or damaged property may be significantly less than its replacement cost.

#### **MISSOURI CHANGES – POLLUTION**

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

In this Coverage Part, any exclusion, limitation or other provision relating to pollutants ("pollutants"), or any amendment to or replacement of such exclusions, limitations or other provisions, applies even if the irritant or contaminant has a function in your business, operations, premises, site or location.

## KANSAS CHANGES – CONCEALMENT, MISREPRESENTATION OR FRAUD

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART CRIME AND FIDELITY COVERAGE PART DELUXE PROPERTY COVERAGE PART EQUIPMENT BREAKDOWN COVERAGE PART

The CONCEALMENT, MISREPRESENTATION OR FRAUD Condition is replaced by the following:

## CONCEALMENT, MISREPRESENTATION OR FRAUD

We will not pay for any loss or damage under this Coverage Part if you or any other insured in relation to an insurance application, rating, claim or coverage under this policy knowingly and with intent to defraud:

- Presents, causes to be presented or prepares with the knowledge or belief that it will be presented by an insurer, purported insurer, broker or any agent thereof, any written, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement which such person knows to contain materially false information concerning any material fact;
- **2.** Conceals information concerning any material fact for the purpose of misleading.

## MISSOURI CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

CRIME AND FIDELITY COVERAGE PART

DELUXE PROPERTY COVERAGE PART

EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

**EQUIPMENT BREAKDOWN COVERAGE PART** 

LIQUOR LIABILITY COVERAGE PART

MEDICAL PROFESSIONAL LIABILITY COVERAGE PART

POLLUTION LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

#### A. With respect to the:

Commercial General Liability Coverage Part

Deluxe Property Coverage Part – Legal Liability Coverage Endorsement **DX T3 90** 

Crime And Fidelity Coverage Part

Employment-Related Practices Liability Coverage Part

Equipment Breakdown Coverage Part

Liquor Liability Coverage Part

Pollution Liability Coverage Part

Products/Completed Operations Liability Coverage Part

Medical Professional Liability Coverage Part;

the following **CANCELLATION** and **NONRE-NEWAL** Provisions apply:

Paragraph **2.** of the **CANCELLATION** Common Policy Conditions – Deluxe is replaced by the following:

- 2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the actual reason for cancellation, at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
  - **b.** 60 days before the effective date of cancellation if cancellation is for one or more of the following reasons:
    - (1) Fraud or material misrepresentation affecting this policy or a claim filed under this policy or a violation of any

of the terms or conditions of this policy:

- (2) Changes in conditions after the effective date of this policy which have materially increased the risk assumed:
- (3) We become insolvent; or
- **(4)** We involuntarily lose reinsurance for this policy.
- c. 60 days before the effective date of cancellation if we cancel for any other reason

#### **Nonrenewal**

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

- a. We may elect not to renew this policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the actual reason for nonrenewal, at least 60 days prior to the effective date of the nonrenewal.
- **b.** If notice is mailed, proof of mailing will be sufficient proof of notice.
- **B.** With respect to the Deluxe Property Coverage Part the **CANCELLATION** Common Policy Conditions Deluxe is replaced by the following:

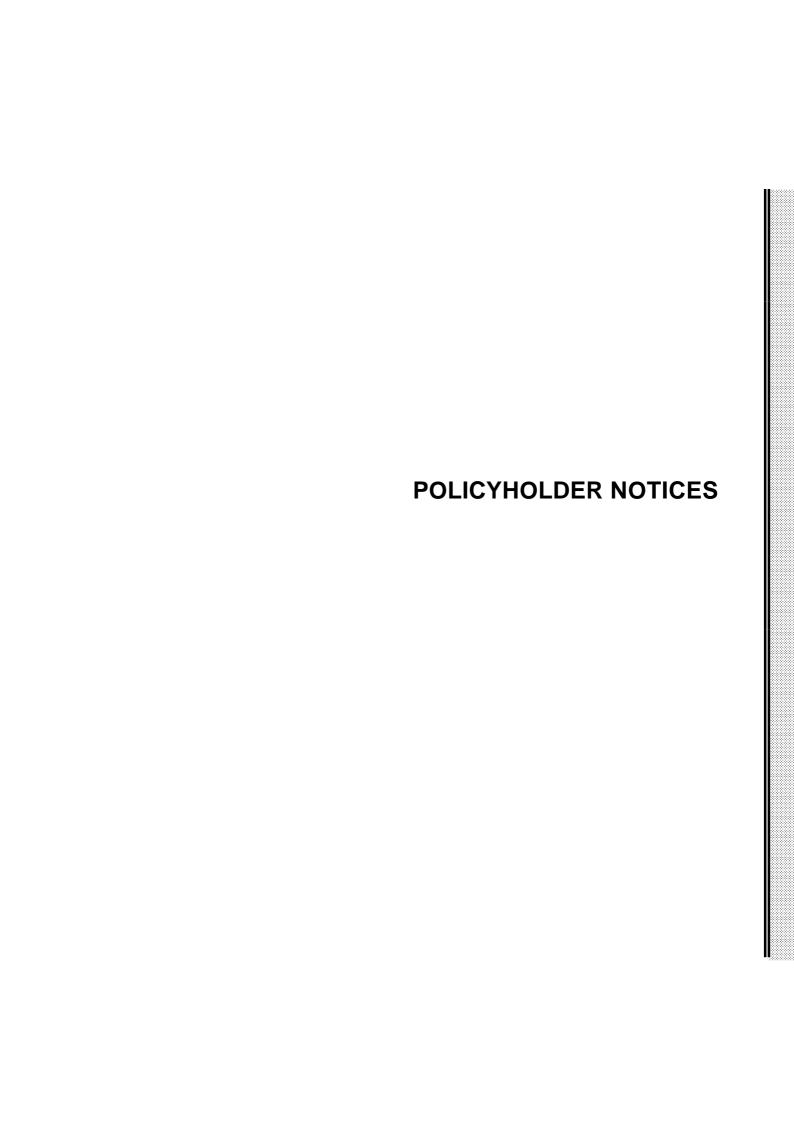
## Cancellation, Nonrenewal And Decreases In Coverage

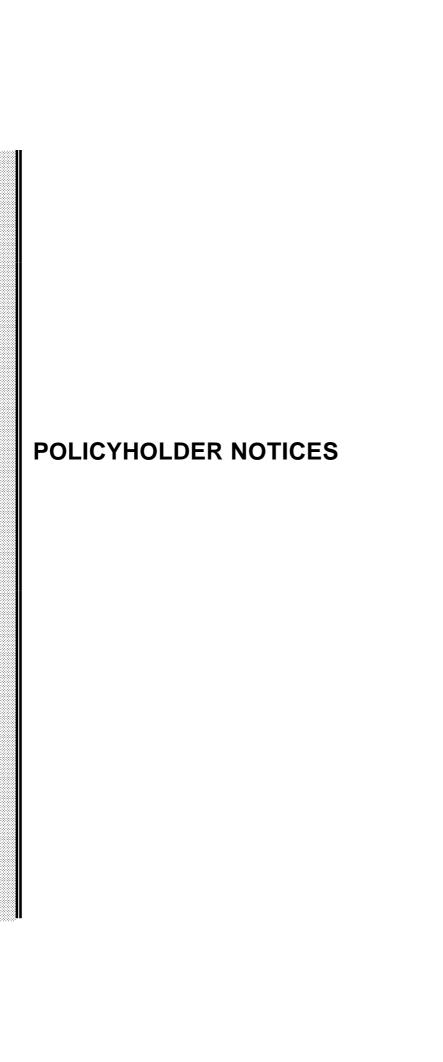
The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

- We may cancel, nonrenew, reduce in amount or adversely modify this policy by mailing or delivering to the first Named Insured written notice of this action at least:
  - **a.** 10 days before the effective date of this action if due to nonpayment of premium or evidence of incendiarism; or
  - **b.** 60 days before the effective date of this action if for any other reason.
- We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- 4. Notice of:
  - a. Cancellation will state the effective date of cancellation. The policy period will end on that date.
  - **b.** Any other action will state the effective date of that action.
- **5.** If notice is mailed, proof of mailing will be sufficient proof of notice.
- C. With respect to all Coverage Parts addressed in this endorsement, Paragraph 5. of the Cancellation Common Policy Condition is replaced by the following:
  - 5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:

- **a.** We will compute return premium pro rata and round to the next higher whole dollar when this policy is:
  - (1) Cancelled by us or at our request;
  - (2) Cancelled because you no longer have a financial or insurable interest in the property or business operation that is the subject of this insurance;
  - (3) Cancelled but rewritten with us or in our company group; or
  - (4) Cancelled after the first year, if it is a prepaid policy written for a term of more than one year.
- b. When this policy is cancelled at the request of the first Named Insured (except when Paragraph a.(2), a.(3) or a.(4) applies), we will return 90% of the pro rata unearned premium (or 75% of the pro rata unearned premium for the Equipment Breakdown Coverage Part) rounded to the next higher dollar. However, when such cancellation takes place during the first year of a multiyear prepaid policy, we will return the full annual premium for the subsequent years.

The refund will be less than 90% of the pro rata unearned premium (or less than 75% of the pro rata unearned premium for the Equipment Breakdown Coverage Part) if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this policy.





## IMPORTANT NOTICE – INDEPENDENT AGENT AND BROKER COMPENSATION

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

For information about how Travelers compensates independent agents and brokers, please visit www.travelers.com, call our toll-free telephone number 1-866-904-8348, or request a written copy from Marketing at One Tower Square, 2GSA, Hartford, CT 06183.

**PN T4 54 01 08** Page 1 of 1

#### To Our Valued Customer,

Each year, homeowners and business owners across the nation sustain significant weather-related property damage due to floods. These can include losses caused by waves, tidal waters, the overflow of a body of water, the rapid accumulation or runoff of surface water, and mudslide. In nearly all cases, these flood losses cannot be prevented or even anticipated. And, in many instances, the losses are devastating.

Most standard property insurance policies, including most of our policies, do <u>not</u> provide coverage for flood losses. While flood coverage is often available – primarily through the <u>National Flood Insurance Program</u> – it is rarely purchased. Unfortunately, each year we find that some policyholders are surprised and disappointed to learn that damages they have suffered as a direct result of flood are not covered under the policies they have purchased.

Please review your insurance coverage with your agent or Company representative. As you consider the need for flood insurance, keep in mind that floods can, and do, occur in locations all over the country. They are not limited to coastal areas or locations with nearby rivers or streams. Several inches of rain falling over a short period of time can cause flood damage, even in normally dry areas that are not prone to flooding.

For further information about Flood Insurance, contact your agent or company representative, or contact the National Flood Insurance Program directly.

**PN T0 53 12 13** Page 1 of 1

#### **IMPORTANT NOTICE - CONTACT INFORMATION - MISSOURI**

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

Questions regarding your policy or coverage should be directed to your agent or us at:

Travelers
One Tower Square
Hartford, CT 06183
(800) 328-2189
Travelers.com

PN T2 04 05 10 Page 1 of 1

POLICY OVERPRINT PAGE 1 OF 1

POLICY NUMBER: QT-630-1315N403-TIL-16

RATER: BSE4 ISSUE DATE: 12/02/16

COMMERCIAL INLAND MARINE

EFFECTIVE DATE: 12/01/16 EXPIRATION DATE: 12/01/17

INSUREDS NAME: CLARKSON CONSTRUCTION

COMPANY

NEW/RENEWAL: R PAYMODE: M

SOLICITOR CODE: AUDIT FREQUENCY: N

SAI: 6113V1100 RESPONSIBILITY: Q

MSI: K WATCH FILE: 0

RATING MODE: G SURVEY CODE: 2

SPECIAL CODE: REINSURANCE: N

PROGRAM CODE: M59 AUTO FILINGS:

FEDERAL TAX ID:

#### PREMIUM SUMMARY

S.B.	ACCOUNT MONTH	r EFF.	PREMIUM	NON PREMIUM	TOTAL
ъ.в.	MONTH	DAIE	PREMIUM	PREMIUM	TOTAL
	1216	12/01/16	33,024.00	0.00	33,024.00
	0117	01/01/17	33,017.00	0.00	33,017.00
	0217	02/01/17	33,017.00	0.00	33,017.00
	0317	03/01/17	33,017.00	0.00	33,017.00
	0417	04/01/17	33,017.00	0.00	33,017.00
	0517	05/01/17	33,017.00	0.00	33,017.00
	0617	06/01/17	33,017.00	0.00	33,017.00
	0717	07/01/17	33,017.00	0.00	33,017.00
	0817	08/01/17	33,017.00	0.00	33,017.00
	0917	09/01/17	33,017.00	0.00	33,017.00
		TOTAL:	330,177.00	0.00	330,177.00

OFFICE: ST LOUIS 184



PREMIUM SPLIT FORM PAGE 1 OF 1

POLICY NUMBER: QT-630-1315N403-TIL-16

RATER: BSE4 ISSUE DATE: 12/02/16

		COMM ITEM NC PREM	COMM ITEM	COMM ITEM	COMM ITEM
ACCOUNT MONTH	EFFECTIVE DATE	PREMIUM	PREMIUM	PREMIUM	PREMIUM
1216	12/01/16	33024			
0117	01/01/17	33017			
0217	02/01/17	33017			
0317	03/01/17	33017			
0417	04/01/17	33017			
0517	05/01/17	33017			
0617	06/01/17	33017			
0717	07/01/17	33017			
0817	08/01/17	33017			
0917	09/01/17	33017			
	TOTAL:	330177			

OFFICE: ST LOUIS 184

PRODUCER NAME: SRA INSURANCE AGENCY LLC

HE349



#### One Tower Square, Hartford, Connecticut 06183

#### CHANGE ENDORSEMENT

Named Insured: CLARKSON CONSTRUCTION COMPANY

INSURING COMPANY:

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

Effective from 12/01/16 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

AMENDING IL TO 03 04 96 - LOCATION SCHEDULE AS FOLLOWS:

DELETING LOCATION 10, BUILDING 65:

7219 E. 17TH STREET KANSAS CITY, MO 64108

THE DELUXE PROPERTY COVERAGE PART IS AMENDED AS FOLLOWS:

AMENDING BLANKET YOUR BUSINESS PERSONAL PROPERTY LIMIT TO \$3,522,757

DELETING CAUSES OF LOSS - EARTHQUAKE AT THE FOLLOWING BUILDING(S) NUMBERED: 65

DELETING CAUSES OF LOSS - BROAD FORM FLOOD AT THE FOLLOWING BUILDING(S) NUMBERED: 65

PREMIUM IS PAYABLE AS FOLLOWS:

DUE ON 12/01/16 \$ 290 CR

NAME AND ADDRESS OF AGENT OR BROKER: SRA INSURANCE AGENCY LLC (HE349) 5201 JOHNSON DR STE 500 MISSION, KS 662052920

IL T0 07 09 87 PAGE 1 OF 1 OFFICE: ST LOUIS

CO	U١	ΛTΕ	RSI	GN	ED	BY:

Authorized Representative	
DATE:	

OVERPRINT/CHANGE SLIP PAGE 1 OF 1

POLICY NUMBER: QT-630-1315N403-TIL-16

RATER: BSE4 ISSUE DATE: 12/06/16

COMMERCIAL INLAND MARINE

EFFECTIVE DATE: 12/01/16 EXPIRATION DATE: 12/01/17

CHANGE EFFECTIVE DATE: 12/01/16

INSUREDS NAME: CLARKSON CONSTRUCTION

COMPANY

PRORATA FACTOR: 1.000 SHORT RATE FACTOR: 1.000

NEW/RENEWAL: R PAYMODE: M

SOLICITOR CODE: AUDIT FREQUENCY: N

SAI: 6113V1100 RESPONSIBILITY: Q

MSI: K WATCH FILE: 0

RATING MODE: G SURVEY CODE: 2

SPECIAL CODE: REINSURANCE: N

PROGRAM CODE: M59 AUTO FILINGS:

FEDERAL TAX ID:

PREMIUM SUMMARY

ACCOUNT EFF. NON
S.B. MONTH DATE PREMIUM PREMIUM TOTAL
1216 12/01/16 290.00 CR 0.00 290.00 CR

TOTAL: 290.00 CR 0.00 290.00 CR

OFFICE: ST LOUIS 184



PREMIUM SPLIT FORM PAGE 1 OF 1

POLICY NUMBER: QT-630-1315N403-TIL-16

RATER: BSE4 ISSUE DATE: 12/06/16

COMM ITEM COMM ITEM COMM ITEM

NC PREM

ACCOUNT EFFECTIVE
MONTH DATE PREMIUM PREMIUM PREMIUM PREMIUM

1216 12/01/16 290 CR

TOTAL: 290 CR

OFFICE: ST LOUIS 184



#### One Tower Square, Hartford, Connecticut 06183

#### CHANGE ENDORSEMENT

Named Insured: CLARKSON CONSTRUCTION COMPANY

INSURING COMPANY:

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

Effective from 12/01/16 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

AMENDING CONTRACTORS EQUIPMENT AS FOLLOWS:

"CONTRACTORS EQUIPMENT"

COVERED ITEMS LISTED ITEMS UNLISTED ITEMS NOT TO EXCEED:	LIMITS OF INSURANCE NO COVERAGE \$57,783,500 \$10,000,000 PER ITEM
"MAXIMUM AMOUNT OF PAYMENT"	\$58,783,500
"FLOOD LIMIT OF INSURANCE" "FLOOD ANNUAL AGGREGATE	\$58,783,500
LIMIT OF INSURANCE" "EARTH MOVEMENT LIMIT OF INSURANCE"	\$58,783,500 \$58,783,500
"EARTH MOVEMENT ANNUAL AGGREGATE LIMIT OF INSURANCE"	\$58,783,500

PREMIUM IS PAYABLE AS FOLLOWS:

DUE ON 12/01/16 \$ 18,987

NAME AND ADDRESS OF AGENT OR BROKER: SRA INSURANCE AGENCY LLC (HE349) 5201 JOHNSON DR STE 500 MISSION, KS 662052920

IL	T0	07	09	87	PAGE	1	OF	1
OFI	FICE	G: S	ST :	LOUIS				

CO	U١	ΛTΕ	RSI	GN	ED	BY:

Authorized Representative
DATE:

OVERPRINT/CHANGE SLIP PAGE 1 OF 1

POLICY NUMBER: QT-630-1315N403-TIL-16

RATER: BSE4 ISSUE DATE: 12/14/16

COMMERCIAL INLAND MARINE

EFFECTIVE DATE: 12/01/16 EXPIRATION DATE: 12/01/17

CHANGE EFFECTIVE DATE: 12/01/16

INSUREDS NAME: CLARKSON CONSTRUCTION

COMPANY

PRORATA FACTOR: 1.000 SHORT RATE FACTOR: 1.000

NEW/RENEWAL: R PAYMODE: M

SOLICITOR CODE: AUDIT FREQUENCY: N

SAI: 6113V1100 RESPONSIBILITY: Q

MSI: K WATCH FILE: 0

RATING MODE: G SURVEY CODE: 2

SPECIAL CODE: REINSURANCE: N

PROGRAM CODE: M59 AUTO FILINGS:

FEDERAL TAX ID:

PREMIUM SUMMARY

ACCOUNT EFF. NON
S.B. MONTH DATE PREMIUM PREMIUM TOTAL
1216 12/01/16 18,987.00 0.00 18,987.00

TOTAL: 18,987.00 0.00 18,987.00

OFFICE: ST LOUIS 184



PREMIUM SPLIT FORM PAGE 1 OF 1

POLICY NUMBER: QT-630-1315N403-TIL-16

RATER: BSE4 ISSUE DATE: 12/14/16

COMM ITEM COMM ITEM COMM ITEM

NC PREM

ACCOUNT EFFECTIVE
MONTH DATE PREMIUM PREMIUM PREMIUM PREMIUM

1216 12/01/16 18987

TOTAL: 18987

OFFICE: ST LOUIS 184

OVERPRINT/CHANGE SLIP PAGE 1 OF 1

POLICY NUMBER: QT-630-1315N403-TIL-16

RATER: BSE4 ISSUE DATE: 01/11/17

COMMERCIAL INLAND MARINE

EFFECTIVE DATE: 12/01/16 EXPIRATION DATE: 12/01/17

CHANGE EFFECTIVE DATE: 12/01/16

INSUREDS NAME: CLARKSON CONSTRUCTION

COMPANY

PRORATA FACTOR: 1.000 SHORT RATE FACTOR: 1.000

NEW/RENEWAL: R PAYMODE: M

SOLICITOR CODE: AUDIT FREQUENCY: N

SAI: 6113V1100 RESPONSIBILITY: Q

MSI: K WATCH FILE: 0

RATING MODE: G SURVEY CODE: 2

SPECIAL CODE: REINSURANCE: N

PROGRAM CODE: M59 AUTO FILINGS:

FEDERAL TAX ID:

PREMIUM SUMMARY

ACCOUNT EFF. NON
S.B. MONTH DATE PREMIUM PREMIUM TOTAL
0117 12/01/16 18,987.00 CR 0.00 18,987.00 CR

TOTAL: 18,987.00 CR 0.00 18,987.00 CR

OPPICE. OF LOUIS 104

with Additional Premium of \$18,987 Returned Not Taken.

OFFICE: ST LOUIS 184



PREMIUM SPLIT FORM PAGE 1 OF 1

POLICY NUMBER: QT-630-1315N403-TIL-16

RATER: BSE4 ISSUE DATE: 01/11/17

COMM ITEM COMM ITEM COMM ITEM

NC PREM

ACCOUNT EFFECTIVE
MONTH DATE PREMIUM PREMIUM PREMIUM PREMIUM

0117 12/01/16 18987 CR

TOTAL: 18987 CR

OFFICE: ST LOUIS 184