

What to Expect Once ICAT Protects



Thank you for placing your business—and trust—with ICAT. Here's what you can expect as an ICAT policyholder, including important claims and inspections information.

Security

ICAT policies are backed by a wide range of financial partners who ensure that in the event of a catastrophe we can pay out claims quickly and fairly. All of our policies are backed by AM Best "A" rated carriers. These strong, stable partnerships will allow us to help you get back on your feet.

We are here for one simple reason; to help you recover after a catastrophe.

Service

We are here for one simple reason: to help you recover after a catastrophe. Superior service is our promise to you. By inspecting every property, we are able to ensure that we are providing the best coverage. You can expect to have an inspector at your property within the first 30 days after your policy is bound. Please be sure the contact information on the policy is accurate—the contact information given determines who the inspector will reach out to. Our inspections process ensures there are no surprises during the life of your policy. For more information about inspections visit [info.icat.com/for-customers/commercial-inspections](https://www.icat.com/for-customers/commercial-inspections).

Recovery

We pride ourselves on the service provided by our in-house claims' subsidiary. Boulder Claims works to ensure fast quick turnaround time for questions about your claims and fair and timely payment for claims. You can rest assured that in the event of a catastrophe, your property is in good hands with ICAT.

Easily submit a claim 24 hours a day, 7 days a week for policy number **04-7500173657-S-00** online or by phone, fax or email. Submit your claim whenever, wherever.

Online: <https://www.icat.com/claims/report-a-claim>

Phone: 1-866-789-4228

Fax: 1-866-325-2142

Email: newclaims@icat.com

During and after a catastrophe visit the ICAT Cat Info Center on our website (or follow us on **Facebook**, **Instagram**, **Twitter** or **LinkedIn**) to stay ahead of predicted storm paths, ICAT's response plan and the subsequent impact.

Stay insured with ICAT! When your policy is up for renewal, let your insurance agent know you want to keep choosing coverage with ICAT.

Thank you for partnering with ICAT.

IMPORTANT NOTICE:

- 1. The insurance policy that you have purchased is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website www.insurance.ca.gov. Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC’s internet website at www.naic.org. The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state’s department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: https://naic.org/state_web_map.htm.**
- 6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on**

the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or "surplus line" broker to obtain more information about that insurer.

7. California maintains a "List of Approved Surplus Line Insurers (LASLI)." Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm.

8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker's fee charged for this insurance will be returned to you.

Difference in Conditions Policy

Named Insured:

Scn_33_Q_CA_RY0329a
Mountain View Road
Arvada, CO 80004

Grand Total:

\$24,444.00

Premium:

\$23,362.00

From:

12/24/2021 at 12:01 AM local time*

To:

12/24/2022 at 12:01 AM local time*

Insurer Policy Fee:

\$410.00

Policy Period:

12 Months

Issued On:

03/29/2022

Insurer Inspection Fee:

\$490.00

Producer Name:

Watir Test
1230 Main St
Boulder, CO 80301

TRIA:

\$182.00

*At the Named Insured Mailing Address shown above.

This insurance policy is issued by International Catastrophe Insurance Managers, LLC ("ICAT"), on behalf of the insurers identified within the policy and in accordance with the limited authorization granted to ICAT as Correspondent / Program Administrator for such insurers. The identified insurers bind themselves severally and not jointly, each for its own part and not one for another, their Executors and Administrators. ICAT is not an insurer under this policy and is not liable to indemnify the insured under the terms of this policy.

Any inquiries regarding this policy should be addressed to ICAT at the following address:

International Catastrophe Insurance Managers, LLC
385 Interlocken Crescent, Suite 1100
Broomfield, CO 80021

COMMON POLICY CONDITIONS

In return for the payment of the premium and fees, and subject to all the terms of this Policy, We agree with You to provide the insurance as stated in this Policy.

Easily submit a claim 24 hours a day, 7 days a week for policy number 04-7500173657-S-00 using the information below:

Online: **www.icat.com/claims/report-a-claim**

Phone: 1-866-789-4228

Fax: 1-866-325-2142

Email: **newclaims@icat.com**

Policy Forms and Endorsements

This policy is comprised of the following Forms and Endorsements:

| | | | |
|----------------------------|--|---------------------------|---|
| D-2 (01 20) | California Notice | ICAT DICNA 302 (10 06) | Ordinance or Law Coverage |
| ICAT DICNA 50(d) (01 20) | Declarations Page | ICAT DICNA 303 (01 07) | Electronic Data Processing Endorsement |
| ICAT 50AI (01 20) | Additional Interests | ICAT DICNA 309 (10 06) | Foundations Extension |
| ICAT 50SCH (01 20) | Insurer Participation Schedule | ICAT DICNA 404(a) (10 07) | Earthquake and Flood Deductible by Line of Coverage |
| LMA5096 (03 08) | Several Liability Clause | ICAT DICNA 500 (10 06) | Replacement Cost Endorsement |
| ICAT 51 SUBNOT (01 22) | Subscription Policy Notice | ICAT DICNA 600 (06 14) | Cancellation Provisions |
| ICAT DICNA 100 (07 18) | Difference in Conditions Coverage | ICAT DICNA 601 (10 06) | Minimum Earned Fees |
| ICAT DICNA 200 (10 08) | Earthquake Coverage | ICAT DICNA 602 (10 06) | Minimum Earned Premium |
| ICAT DICNA 201 (10 08) | Earthquake Sprinkler Leakage Coverage | ICAT DICNA 603 (01 07) | Electronic Date Recognition |
| ICAT DICNA 201(WL) (07 18) | Earthquake Water Loss | ICAT DICNA 700AI (10 06) | Loss Payable Endorsement |
| ICAT DICNA 205(b) (03 17) | Flood Endorsement | ICAT NMA 2920 (01 20) | Terrorism Exclusion |
| ICAT DICNA 207 (01 09) | Pollutant Clean Up Coverage | ICAT TRIA-2 (01 20) | TRIA Coverage Endorsement |
| ICAT DICNA 208 (09 19) | Mold Clean Up Coverage | ICAT SS (12 19) | Authorized Signatures, Service of Process, and Consumer Service |
| ICAT DICNA 221 (07 18) | Coverage Extension for Unscheduled Additional Property | PG-IC-SER (03 20) | National Fire & Marine Service of Process and Signature Page |
| ICAT DICNA 241 (10 19) | Cyber Event Exclusion | RSUSL SOS (04 21) | RenaissanceRe Specialty Signature and Service of Suit |
| ICAT DICNA 300 (05 18) | Loss of Business Income Coverage | IL P 001 01 04 | Office of Foreign Assets Control Advisory to Policyholders |
| ICAT DICNA 300(b) (05 18) | Monthly Limit of Indemnity | | |
| ICAT DICNA 300(h) (10 06) | Extended Business Income and Rental Value | | |

Schedule A: Coverages, Limits and Deductibles

| Your Deductibles | | | | |
|---|---------------------|--------------------|-----------------------|--|
| 10% Earthquake Deductible by building*, by line of coverage | | | | |
| 2% Flood Deductible by building*, by line of coverage, minimum of \$50,000 | | | | |
| \$25,000 All Other Causes of Loss Deductible by building*, by line of coverage | | | | |
| *Additional Property Coverage Deductible is by location, by line of coverage. Deductible varies by cause of loss. | | | | |
| *Business Income/Extra Expense Coverage Deductible is by location, by line of coverage. Deductible varies by cause of loss. | | | | |
| Location 1 – Building 1 23224 Dalbey Dr L1 B1 Santa Clarita, CA 91355 | Total Insured Value | Limit of Insurance | Earthquake Deductible | Flood Deductible |
| Coverage A: Building | \$2,000,000 | \$2,000,000 | 10% (\$200,000) | 2% (\$50,000) minimum deductible |
| Coverage B: Business Personal Property (BPP) | \$100,000 | \$100,000 | 10% (\$10,000) | 2% (\$50,000) minimum deductible |
| Coverage C: Tenant's Improvements and Betterments (TIB) | | | | |
| Location 1 – Building 2 23224 Dalbey Dr L1 B2 Santa Clarita, CA 91355 | Total Insured Value | Limit of Insurance | Earthquake Deductible | Flood Deductible |
| Coverage A: Building | \$2,000,000 | \$2,000,000 | 10% (\$200,000) | 2% (\$50,000) minimum deductible |
| Coverage B: Business Personal Property (BPP) | \$100,000 | \$100,000 | 10% (\$10,000) | 2% (\$50,000) minimum deductible |
| Coverage C: Tenant's Improvements and Betterments (TIB) | | | | |
| Location 1 Covered Property | Total Insured Value | Limit of Insurance | Earthquake Deductible | Flood Deductible |
| Coverage D: Additional Property Coverage (APC) | | | 10% (\$2,000) | 2% (\$50,000) minimum deductible |
| Light Poles and Unattached Signs | \$10,000 | \$10,000 | | |
| Underground Utilities | \$10,000 | \$10,000 | | |
| Total of All Additional Covered Property Limits of Insurance | \$20,000 | \$20,000 | | |
| Location 1 | Total Insured Value | Limit of Insurance | Earthquake Deductible | Flood Deductible |
| Coverage E: Business Income and Extra Expense including Rental Value (BI) | | | 10% (\$20,000) | 2% (\$50,000) minimum deductible |
| Monthly Limit of Indemnity: 50.00% | \$200,000 | \$200,000 | | |

Schedule A: Coverages, Limits and Deductibles

Continued

| Location 2 – Building 1 728 S G ST L2 B1 Oxnard, CA 93030 | Total Insured Value | Limit of Insurance | Earthquake Deductible | Flood Deductible |
|---|---------------------|--------------------|-----------------------|--|
| Coverage A: Building | \$1,250,000 | \$1,250,000 | 10% (\$125,000) | 2% (\$50,000) minimum deductible |
| Coverage B: Business Personal Property (BPP) | \$100,000 | \$100,000 | 10% (\$10,000) | 2% (\$50,000) minimum deductible |
| Coverage C: Tenant's Improvements and Betterments (TIB) | | | | |
| Location 2 Covered Property | Total Insured Value | Limit of Insurance | Earthquake Deductible | Flood Deductible |
| Coverage D: Additional Property Coverage (APC) | | | 10% (\$1,000) | 2% (\$50,000) minimum deductible |
| Driveways, Courts, Pads and Paved Surfaces | \$10,000 | \$10,000 | | |
| Total of All Additional Covered Property Limits of Insurance | \$10,000 | \$10,000 | | |
| Location 2 | Total Insured Value | Limit of Insurance | Earthquake Deductible | Flood Deductible |
| Coverage E: Business Income and Extra Expense including Rental Value (BI) | | | 10% (\$20,000) | 2% (\$50,000) minimum deductible |
| Monthly Limit of Indemnity: 50.00% | \$200,000 | \$200,000 | | |
| Total Limit of Insurance | | \$5,980,000 | | |

Schedule A: Coverages, Limits and Deductibles

continued

| | |
|---|--|
| Coinurance | Waived |
| Coverage Basis | Replacement Cost |
| | Location 1 : Full Coverage A, 20% Coverage B & C. Location 2 : Full Coverage A, 20% Coverage B & C. |
| Ordinance or Law | Coverage only available after the Building deductible has been met and a claim payment is due under Building Coverage. |
| Earthquake Sprinkler Leakage | Included |
| Flood | Included |
| Mold Clean Up & Removal | Subject to a building sublimit of \$10,000 |
| Coverage Extensions | Sublimit |
| Debris Removal | 25% of loss within limit, up to an additional \$10,000 per location in addition to limit |
| Preservation of Property | 30 Days |
| Earthquake-Induced Water Loss | Included |
| Pollutant Clean-up And Removal | \$10,000 |
| Unscheduled Additional Property | \$10,000, subject to a \$2,500 deductible |
| Foundations | Included in Building Limit |
| The following coverages apply only if a Limit for BI is shown. These coverages are limited by policy to the lesser of the sublimit listed below or the total Limit of Insurance shown for BI. | |
| Extended Period of Indemnity | 180 days |
| Extra Expense | Included |
| Payroll | Included |
| Civil Authority | 21 days |
| Extended Business Income | Included (30 Days) |
| Extended Rental Value | Included (30 Days) |

General Provisions

1. Correspondent / Program Administrator Not Insurer. ICAT is the Correspondent / Program Administrator issuing this insurance policy. ICAT is not an insurer of the insurance described herein and neither is nor shall be liable for any loss or claim whatsoever. The insurers of this policy are identified on the Insurer Participation Schedule (ICAT 50 SCH) attached to and part of this policy. Where such insurers are identified or referred to as "Underwriters at Lloyd's, London," the term includes incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.
2. Insurer(s) Policy and Inspection Fees. All Policy and Inspection Fees charged under this policy and identified on this Commercial Property Insurance Policy Jacket or in the Declarations Page are fully earned as of the policy inception date and are not refundable.
3. Cancellation. If this insurance policy or any part of the insurance provided under this policy is cancelled after the inception date of the policy, earned premium must be paid for the time the insurance has been in force. Cancellation and premium earnings shall be as provided in the policy and as may be modified by endorsement issued by ICAT, including endorsements which specify minimum earned premium. You should read this policy carefully to determine how premium is earned before you decide to cancel this policy.
4. Assignment. The insurance described herein shall not be assigned either in whole or in part without the written consent of ICAT.
5. Attached Conditions Incorporated. The insurance described in this Commercial Property Policy is subject to all provisions, conditions, and warranties set forth herein, attached, or endorsed, all of which are to be considered incorporated herein as further descriptive of the insurance.

Additional Interests

| Loc No. | Bldg No. | Additional Interests | Address | Interest |
|---------|----------|----------------------|------------------------------------|------------------------------------|
| 1 | 1 | John Doe | 5555 Rose St Santa Fe, NM 83542 | Loss Payee Loan #: Not Provided |
| 1 | 2 | John Doe | 5555 Rose St Santa Fe, NM 83542 | Loss Payee Loan #: Not Provided |
| 2 | 1 | John Doe | 5555 Rose St Santa Fe, NM 83542 | Loss Payee Loan #: Not Provided |

Insurer Participation Schedule

Pro rata shares applicable to this policy. Coverage under this Policy is provided by the subscribing insurers listed below:

| Perils | Insurers | Contract Number | Percent Participation |
|--------|--|------------------|-----------------------|
| AP | National Fire & Marine Insurance Company | 42-IPQ-179699-01 | 15 % |
| AP | Lloyd's 1458 | B1776BP201112N | 15 % |
| AP | Lloyd's 2288 | B6135ICAT21 | 65 % |
| AP | RenaissanceRe Specialty U.S. Ltd. | B1776BP201112N | 5 % |

| Perils | Premium by Peril |
|--------|------------------|
| AP | \$23,544.00 |

Definitions

AP: All perils covered under the policy not otherwise specifically defined in this Insurer Participation Schedule.

SEVERAL LIABILITY CLAUSE

PLEASE NOTE – This notice contains important information. PLEASE READ CAREFULLY

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

LMA5096 (Combined Certificate)

7 March 2008

Subscription Policy Notice

The Insurer Participation Schedule (ICAT 50 SCH) attached to and part of this policy identifies the Insurer(s) providing coverage under this policy. No Insurer(s) other than those listed on the Insurer Participation Schedule are providing coverage under this policy.

Where the Insurer Participation Schedule attached to and part of this policy indicates an Insurer under this policy as "Lloyd's" followed by a number, this designation means that the Insurer is a certain Syndicate at Lloyd's, London.

Each Syndicate should be identified as "Underwriters at Lloyd's, London, [Syndicate Name/Number]". The Syndicate Names and their respective Syndicate numbers (together with their NAIC Number) are as follows*:

| | | NAIC Number |
|--------------|--|--------------------|
| Lloyd's 510 | means Kiln Syndicate 510 | AA-1126510 |
| Lloyd's 1458 | means RenaissanceRe Syndicate 1458 | AA-1120102 |
| Lloyd's 1856 | means Arcus Syndicate 1856 | AA-1120171 |
| Lloyd's 2121 | means Argenta Syndicate 2121 | AA-1128121 |
| Lloyd's 2987 | means Brit Syndicate 2987 | AA-1128987 |
| Lloyd's 1618 | means Ki Syndicate 1618 | AA-1122004 |
| Lloyd's 1880 | means Tokyo Marine Kiln Syndicate 1880 | AA-1120096 |

The address for any Syndicate at Lloyd's, London, is stated in the Several Liability Clause immediately preceding this Subscription Policy Notice.

Where an Insurer participating on this policy is not a Syndicate at Lloyd's, London, each such Insurer shall be identified by its full name on the Insurer Participation Schedule. Additional information regarding these other Insurers, if any, may be provided on separate endorsements to this policy.

*This list of Syndicates at Lloyd's, London, is provided for informational purposes only. The listing of a particular Syndicate on this Notice does not mean such Syndicate is providing coverage under this policy.

DIFFERENCE IN CONDITIONS COVERAGE FORM

Part I - General Provisions

Article I

Insuring Agreement

- A. This Policy insures against risks of direct physical loss or damage to Covered Property from any external cause, **except as hereinafter excluded**, while the property is located at a Covered Location.
- B. All losses will be adjusted and settled as though other insurance coverage at least equivalent to an ISO Building and Personal Property Form (CP 00 10) with a Causes of Loss – Special Form (CP 10 30) is in force at all times that this Policy is in force, or it is so deemed in the event that such coverage is not in force.

Article II

Policy Effective Date

This Policy covers loss or damage to Covered Property from all Causes of Loss covered herein arising out of losses occurring during the Policy Period shown in the Declarations Page.

Article III

Cancellation Provisions

See the Cancellation Provisions Endorsement Form 600 that is attached to this Policy.

Article IV

Property or Interest Covered

This Policy covers only the property or interests (hereinafter collectively or individually referred to as Covered Property) described in this Article IV and only to the extent that such property or interests are shown as covered in the Declarations Page, Schedule A, or the Statement of Values (ICAT 50 SOV) and except as hereinafter excluded.

Coverage A: Building(s) and/or Structure(s), including additions and extensions permanently attached to the building(s) or structure(s); and all property belonging

to and constituting a permanent part of said building(s) and/or structure(s) and pertaining to the service, upkeep, maintenance and operation thereof.

Coverage B: Business Personal Property defined as Stock (as defined herein); materials and supplies usual or incidental to the Operations of the Named Insured and like property of others in the Named Insured's care, custody or control and for which the Named Insured is legally liable; furniture, fixtures, equipment and machinery that are the property of the Named Insured, and like property of others in the care, custody or control of the Named Insured and for which the Named Insured is legally liable. Business Personal Property is covered only so long as it is located at a Covered Location.

Coverage C: The Named Insured's interest in Tenant Improvements and Betterments made at the expense of the Named Insured and including fixtures, alterations, installations, or additions comprising part of a building(s) but only when such building is occupied but not owned by the Named Insured.

Coverage D: Additional Property Coverage defined as property (which is not a permanent part of a building or structure covered under Coverage A of this Article IV) that is located at a Covered Location and is specifically identified in the Declarations Page, Schedule A, or in the Statement of Values (ICAT 50 SOV) under Additional Property Coverage.

Coverage E: Loss of Business Income; Rental Value; Extra Expense as provided in Endorsement Form ICAT DICNA 300.

Coverage F: Ordinance or Law Coverage as provided in Endorsement Form ICAT DICNA 302.

Article V

Coverage Extensions

A. Debris Removal

1. This Policy covers expenses incurred in the removal of debris when the debris is directly caused by a covered Cause of Loss. These expenses will be paid only if they are reported to

Us within one hundred eighty (180) days of the date the covered Cause of Loss occurred.

2. The most that We will pay under this coverage extension for debris removal is 25% of the amount We actually pay for the direct physical loss or damage to Covered Property under Coverage Sections A, B, C and D, as applicable, defined in Article IV. Payments We make under this debris removal coverage extension are included in and part of the Limit of Insurance of Coverage Sections A, B, C, and D. This coverage extension does not increase the Limit of Insurance shown in the Declarations Page, Schedule A.
3. Notwithstanding the foregoing, in the event that the sum of direct physical loss or damage under Coverage Sections A, B, C and D plus the cost of debris removal exceeds the sum of the Limit of Insurance under Coverage Sections A, B, C and D, then We will pay up to an additional \$10,000 for debris removal at each Covered Location in any one occurrence, but in no event shall Our coverage for debris removal exceed an amount equal to 25% of what We actually pay for direct physical loss or damage under Coverage Sections A, B, C and D.
4. This coverage extension for debris removal does not cover the loss, damage or expense to:
 - a. Extract Pollutants from land or water;
 - b. Remove, restore or replace polluted land or water;
 - c. Test for, monitor, clean up, remove, restore, replace, contain, treat, detoxify or neutralize, or in any way respond to or access the effects of Pollutants;
 - d. Investigate or defend any loss, injury, or damage, or for any costs, fine, or penalty or for any expense or claim or suit related to any of the above.

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.

B. Preservation of Property

If it is necessary to move Covered Property from a Covered Location to preserve it from loss or damage from a covered Cause of Loss under this Policy, then We will pay for any direct physical loss or damage to that Covered Property from a covered Cause of Loss under this Policy while it is being moved or while temporarily stored at another location, but only if the loss or damage to the Covered Property occurs within thirty (30) days after the Covered Property is first moved. This coverage extension does not increase Our Limit of Insurance for Covered Property as shown in the Declarations Page, Schedule A.

Article VI

Covered Location

A Covered Location is defined to mean the premises at the address or series of addresses of a building(s) or structure(s) insured hereunder, or the premises at the address or series of addresses of a building(s) or structure(s) housing Business Personal Property insured hereunder, as shown in the Declarations Page, Schedule A, or the Statement of Values (ICAT 50 SOV).

Article VII

Limit of Insurance

- A. Our Limit of Insurance shall not exceed the Limit of Insurance shown in the Declarations Page, Schedule A.
- B. If two or more Causes of Loss covered by this Policy contribute to loss or damage to Covered Property in the same Occurrence, We will pay no more than the lesser of (i) the actual amount of the loss or damage to the Covered Property, or (ii) Our Limit of Insurance for the Covered Property as shown in the Declarations Page, Schedule A.

Article VIII

Valuation

We shall not pay more than the Actual Cash Value of the Covered Property at the time of loss or damage from a covered Cause of Loss. The loss or damage shall be ascertained according to such Actual Cash Value. Actual Cash Value will be determined based on the replacement cost of the property less depreciation (however caused), but in no event shall such amount exceed what it would then cost to repair or replace the Covered Property with material of like kind and quality at the same location, nor the amount for which the Named Insured may be liable.

Article IX

Deductible

See the Deductible Endorsement Form that is attached to this Policy.

Article X

Property and Interests Excluded

Unless specifically added by Endorsement, or included as Covered Property under Coverage D of Article IV and specifically listed in the Declarations Page, Schedule A, or the Statement of Values (ICAT 50 SOV) the following property and interests are not Covered Property and are excluded from coverage under this Policy:

1. Accounts, bills, currency, deeds, food stamps, money, notes or other evidences of debt, securities, stamps, original drawings and specifications, letters of credit, passports, tickets (including lottery tickets), manuscripts, bullion, gift certificates and valuable papers.
2. Fine arts, jewelry, precious stones, antiques and furs.
3. Animals, birds and fish (unless owned by others and boarded by You, or if owned by You, only as Stock while inside of buildings), growing plants, trees or shrubs (except when held for sale, or when used for decorative purposes inside buildings), and growing crops or lawns.
4. Motor vehicles licensed or designed principally for road or highway use, motorcycles, motor scooters and other similar vehicles licensed or designed principally for road or highway use.
5. Watercraft and aircraft.
6. Mobile homes and manufactured homes.
7. Trailers designed to haul or transport goods, materials, vehicles and any other substance or product.
8. Property sold by You under conditional sales, trust agreements, installment payments or other deferred payment plans after delivery to customers.
9. Property in transit, except as provided in Article V, Paragraph B, and railroad rolling stock.

10. Steam boilers, steam pipes, steam turbines, steam engines, or pressure or vacuum vessels, all whether owned, leased or operated by You, if loss is caused by bursting, bulging, rupture, melting, burning, cracking, implosion or explosion of such objects, or an internal cause which makes necessary repair or replacement of the object or part.
11. Machines or machinery if loss is caused by rupture, bursting or disintegration, or by centrifugal, centripetal, or reciprocating force.
12. Machinery and equipment in the open, including gas pumps.
13. Contractors' equipment, including trailers used to transport such equipment.
14. Electronic data processing systems, their equipment and component parts, including computers, electronic accounting machines, all supporting machinery, magnetic tapes, discs, cards, and any storage device, and electronic data processing media including data, records, all software including procedures and programs or source material of any kind, and all forms of converted data or programs and/or instruction vehicles used in Your data processing operations.
15. Buildings or structures in the course of construction, including materials and supplies, except alterations and repairs on or within the existing walls of existing buildings or structures insured by this Policy.
16. Power transmission and/or feeder lines.
17. Land (including but not limited to land on which the Covered Property is located), water or air, howsoever and wherever located, or any interest or right therein.
18. Contraband, or property in the course of illegal transportation or trade.
19. The cost to research, replace or restore any and all information pertaining to valuable papers and records, including but not limited to valuable papers and records which exist on electronic, digital or magnetic media.
20. Grain, hay, straw or other crops while outside of buildings.

21. Fences, property-line walls, gates, latticework and trellises, whether attached to a covered building or not.
22. Radio or television antennas and satellite dishes, including their lead-in wiring, masts or towers, all while outside of buildings.
23. Bridges, dams, tunnels, roadways, walks, walkways, patios or other paved surfaces.
24. The cost of excavations, grading, backfilling or filling.
25. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - a. The lowest basement floor; or
 - b. The surface of the ground, if there is no basement.
26. Bulkheads, seawalls, pilings, piers, wharves or docks that are not a part of a covered foundation of a building and/or structure covered under Coverage A of Article IV.
27. Retaining walls.
28. Underground pipes, pipelines, flues or drains.
29. Pools (whether in the ground or above the ground and including spas, hot tubs and jacuzzis) located outdoors, ponds, lakes, waterfalls or fountains.
30. Signs not attached to a covered building unless held for sale and Coverage B, Business Personal Property, of Article IV is applicable to such signs.
31. Awnings, canopies and carports not attached to a covered building or structure, including any structure or covering over gas pumps or pools.
32. Light poles (including fixtures attached to such light poles) and street signs not attached to a covered building or structure.
33. Walkways, boardwalks, catwalks, trestles, bridges, dams, and tunnels (all whether for pedestrians or vehicles).
34. Greenhouses, shade houses, hot houses and glass houses.

35. Lanai or any other similar structure not attached to a covered building and abutting, enclosing, or partially enclosing a pool.
36. Other buildings and structures at a Covered Location set apart from the covered building by clear space and not specifically described and included as Covered Property in the Declarations Page, Schedule A, or listed in the Statement of Values (ICAT 50 SOV). This includes structures connected to a covered building by only a fence, utility line, or similar connection.

Article XI

Excluded Causes of Loss

This Policy does not insure against loss, expense, damage, demand or suit arising out of, caused by or resulting from any Cause of Loss listed in this Article XI, unless specifically added by Endorsement. Furthermore, loss, expense and damage resulting from an excluded Cause of Loss are excluded from coverage herein whether a covered Cause of Loss that is covered by this Policy contributes concurrently or in any sequence to any loss, expense or damage.

1. Any Cause of Loss insured under other insurance policies carried by or for the benefit of the Named Insured pertaining to Covered Property hereunder, including those Causes of Loss covered under an ISO Building and Personal Property Form (CP 00 10) with a Special Form Cause of Loss (CP 10 30), whether such coverage is in force or not.
2. Fire, lightning, explosion or smoke.
3. Weather, including but not limited to wind, hail, wind driven rain, rain, sleet, snow, ice, sand or dust, tornado, waves, wave wash, and wave action.
4. Loss or damage caused by or resulting from freezing.
5. Earth movement, whether resulting from natural or manmade events or otherwise, including but not limited to loss, damage or expense caused by, resulting from, contributing to or aggravated by Earthquake, landslide, mudslide, mudflow, rockslide, earth sinking, rising, shifting or settling and any resulting need for land stabilization.

Earthquake means a vibration-generating rupture event caused by displacement within the earth's crust through release of strain associated with Tectonic Processes and includes effects such as ground shaking, liquefaction, seismically-induced land sliding, and damaging amplification of ground motion. Earthquake does not mean or include tsunami or volcanic eruption.

Tectonic Processes means adjustments of the earth's crust in response to regional stress conditions initiated by dynamic forces within the earth's interior.

6. Tsunami.
7. Volcanic action including eruption, explosion, or effusion of any volcano and any and all secondary effects of such eruption, explosion or effusion, inclusive of damage caused by volcanic ash, and the shaking and ground motion associated with volcanic action.
8. Subsidence or Sinkhole Collapse. Subsidence or Sinkhole Collapse means the sinking or collapse of land.
9. Loss, damage or expense caused by aircraft, watercraft or vehicles.
10. Any loss, damage or expense, or increase in loss damage or expense caused by or resulting from loss of, alteration of, or damage to; or a reduction in the functionality, availability or operation of:
 - a. A computer system, hardware, program, software, data, information repository, microchip, integrated circuit, or similar device in computer equipment or non-computer equipment; or
 - b. Telecommunications and cellular equipment including any devices required to connect computer and non-computer voice, video or data equipment to physical and wireless networks, whether the property of the policyholder or not.
11. Vandalism and malicious mischief.
12. Sprinkler leakage; and water, other liquids, powder or other material that leaks or flows from fire protection systems or other equipment, including damage from leaking fire protective sprinklers.

13. Theft, robbery, pilferage, burglary, looting, larceny, mysterious disappearance, inventory shortages or attempted theft, robbery, pilferage, burglary, or larceny.
14. Mere disappearance of property or loss or shortage of property disclosed on taking inventory.
15. Flood, whether resulting from natural or manmade events or otherwise, which is defined to include:

Waves, wave wash, wave action, storm surge, tide or tidal water, and the rising (including the overflow or breaking of boundaries) of lakes, ponds, reservoirs, rivers, harbors, streams and other similar bodies of water or surface waters, rain accumulation or run off, or by spray from any of the foregoing, whether driven by wind or not, and including:

- a. The backing up of sewers or drains;
 - b. Water below the surface of the ground, including that which exerts pressure on or flows, seeps, or leaks through sidewalks, driveways, foundations, walls, floors or paved surfaces, or through doors, windows or any other openings in such sidewalks, driveways, foundations, walls, floors or paved surfaces.
16. Water, liquid or any other substance that backs up or overflows from a sewer, sump or drain.
 17. Sudden, continuous or repeated seepage or leakage of water, liquid or other substance.
 18. Riot, civil commotion, insurrection, rebellion, revolution, civil war, usurped power or action taken by governmental authority in hindering, combating or defending against any such occurrence, seizure or destruction under quarantine or customs regulation, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.
 19. Water below the surface of the ground, including that which exerts pressure on or flows, seeps, or leaks through sidewalks, driveways, foundations, walls, floors or paved surfaces, or through doors, windows or any other openings in such sidewalks, driveways, foundations, walls, floors or paved surfaces.

20. Wear and tear, depreciation, mechanical breakdown, derangement, inherent vice, latent defect, deterioration, smog, moth, vermin, rodents, termites or other insects including larvae or pupae thereof.
21. Smoke, vapor or gas from agricultural smudging, or industrial operations.
22. Dampness of atmosphere, dryness of atmosphere, changes in or extremes of temperature, shrinkage, evaporation, loss of weight, rust or corrosion, exposure to light, contamination, fungus, Mold, mildew, wet rot, dry rot, deterioration, decay, hidden or latent defect, change in flavor or color or texture or finish, whether loss or damage from such excluded Causes of Loss is direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by a Cause of Loss covered under this Policy.
 - a. Notwithstanding anything to the contrary contained in this Policy:
 - (1) We will not pay for loss, damage, cost, or expense caused directly or indirectly by, arising out of, resulting from, contributed to by, or related in any way to Mold. Loss, damage, cost or expense caused directly or indirectly by, arising out of, resulting from, contributed to by, or related in any way to Mold is excluded regardless of any other cause or event that contributes concurrently, or in any sequence with, the loss, damage, cost or expense; and
 - (2) We will not defend any claim or suit, or pay any damages, loss, expense, cost, or obligation caused directly or indirectly by, arising out of, resulting from, contributed to by, or related in any way to Mold.
 - b. This exclusion also applies to any damage, loss, cost, or expense arising out or associated in any way, with any:
 - (1) request, demand, or order that any insured or others abate, mitigate, test for, monitor, remediate, clean up, remove, contain, treat, detoxify, kill, destroy, dispose of, investigate or neutralize, or in any way respond to or assess the presence or effects of Mold; or

- (2) claim or suit on behalf of any person, entity, or organization, including any governmental authority, for damages because of abating, mitigating, testing for, monitoring, remediating, cleaning up, removing, containing, treating, detoxifying, killing, destroying, disposing of, investigating, or neutralizing, or in any way responding to, or assessing, the effects of Mold; or
 - (3) obligation to share with, repay, or indemnify any person, organization or entity, related in any way to items (1) and (2) directly above.
 - c. In the event that the Coverage Extension Mold Clean Up and Removal Endorsement Form 208 (ICAT DICNA 208) is attached to this Policy, We will pay Your expense to extract Mold from a building or structure covered under this Policy as stated in the Coverage Extension Mold Clean Up and Removal Endorsement Form 208 (ICAT DICNA 208).
23. Leakage of contents.
24. Breakage of glass or similar fragile materials, marring or scratching. However, damage to Covered Property which is the result of the breaking of glass is covered hereunder but only when such breakage of glass is the direct result of a Cause of Loss covered hereunder.
25. Dishonest, negligent, intentional or criminal acts or omissions by any Named Insured, partner, employee (including leased or temporary employees), director, trustee, authorized representative, or anyone to whom a Named Insured entrusts property for any purpose who is:
- a. Acting alone or in collusion with others; and
 - b. Whether or not occurring during the hours of employment.
26. Voluntary or involuntary parting with any property by You or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
27. Electrical injury or disturbance to electrical appliances, fixtures or wiring caused by electrical currents artificially or otherwise generated.

28. Settling, cracking, shrinking or expansion in foundations, walls, floors, or ceilings.
29. The negligent act or omission of any person.
30. Enforcement of any ordinance or law regulating the reconstruction, use or repair of any Covered Property or requiring the demolition or tearing down of any property, including the cost of enforcement of any ordinance or law regulating the removal of debris.
31. War and Military Action, including the following:
 - a. War, including undeclared or civil war.
 - b. Hostile or warlike action, including but not limited to acts of terrorism, whether in time of peace or war, by any individual, group, government or sovereign power (de jure or de facto), including action in hindering, combating or defending against an actual, impending or expected attack:
 - (1) By any individual, group, government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces;
 - (2) By military, naval or air forces;
 - (3) By any agent of any such government, power, authority or forces; or
 - (4) Involving any weapon of war employing atomic fission or radioactive force.
32. Nuclear hazards, including, but not limited to, nuclear reaction, nuclear detonation (including electromagnetic pulse caused by nuclear detonation), nuclear radiation, radioactive contamination and all agents, materials, products or substances, whether engineered or naturally occurring, involved therein or released thereby, whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by a Cause of Loss covered under this Policy.
33. Loss or damage caused by or resulting from delay, loss of market, loss of use, interruption of business, bankruptcy or consequential loss of any nature.
34. Acts or decisions, including the failure to act or decide, of any person, group, organization, entity or governmental body.

- 35. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation, or remodeling;
 - d. Maintenance of part or all of any property on or off the Covered Location.
- 36. The failure of power or other utility service however caused and wherever such failure should occur.
- 37. Obsolescence or depreciation.
- 38. Mechanical breakdown or failure of property or Covered Property, including faulty construction or changes in the arrangement of machine parts.
- 39. Error in design, faulty materials, or workmanship in the development, manufacture, or installation of equipment.
- 40. Short circuit, blow out, power surge, or other electrical disturbance within electrical equipment.
- 41. Electrical or magnetic injury, disturbance, or erasure of electronic recordings.
- 42. Programming errors or incorrectly instructing a machine.
- 43. Actual work upon Covered Property, including repairing, adjusting, servicing, or maintenance operations.
- 44. a. Notwithstanding any provision to the contrary within this Policy or within any Endorsement which forms part of this Policy, this Policy does not insure:
 - (1) any loss, damage, cost or expense, or
 - (2) any increase in insured loss, damage, cost or expense, or

- (3) any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation),

which arises from any kind of Pollutant, any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

- b. The term "any kind of seepage or any kind of pollution and/or contamination" as used in this Policy includes (but is not limited to):

- (1) seepage of, or pollution and/or contamination by, anything, including but not limited to, any Pollutant, any material designated as a "hazardous substance" by the United States Environmental Protection Agency or as a "hazardous material" by the United States Department of Transportation, or defined as a "toxic substance" by the Canadian Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and
- (2) the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

- 45. Any loss, damage or expense, or increase in loss, damage or expense caused by or resulting from:

- a. The removal, encapsulation, covering, or any manner of control or abatement from any goods, products, or structure of asbestos, dioxin, or polychlorinated biphenyls;

- b. The demolition, increased cost of construction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos, dioxins, or polychlorinated biphenyls;
 - c. Any governmental direction or request declaring that asbestos material present in or part of or utilized on any undamaged portion of the Named Insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified;
 - d. The presence of asbestos in any building or structure whether covered or not covered by this Policy.
46. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or appliances.
47. Any loss, damage or expense, or increase in loss, damage or expense caused by or resulting from ventilation, heating, air conditioning, or sick building condition(s). Sick building condition(s) as used herein is understood to mean a building(s) or structure(s) with actual or alleged conditions which create or may create an environment which is, or is suspected to be, unhealthy in any way to any person or other living thing.
48. Collapse, impending collapse and any impairment or alleged impairment of structural integrity.
49. Erosion, however caused.
50. Any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.
51. Biological hazards, including, but not limited to, any biological and/or poisonous or pathogenic agent, material, product or substance, whether engineered or naturally occurring, that induces or is capable of inducing physical distress, illness, or disease.
52. Chemical hazards, including, but not limited to, any chemical agent, material, product or substance.

53. Radioactive hazards, including, but not limited to, any magnetic, electromagnetic, optical, solar, or ionizing radiation or energy, including all generators and emitters thereof, whether engineered or naturally occurring. For purposes of this exclusion, magnetic or electromagnetic radiation or energy includes, but is not limited to, the following:
- a. Electrical charge produced or conducted by a magnetic or electromagnetic field;
 - b. Pulse of electromagnetic energy; or
 - c. Electromagnetic waves or microwaves.
54. Loss or damage caused by any animal, insect, or vermin.

Article XII

Other Insurance

In the event there is other insurance (including insurance not written on the identical, terms, conditions, and provisions contained in this Policy) protecting Covered Property against the same Cause of Loss covered by this Policy, and such other insurance is in force at the time of any loss hereunder, then the provisions of this insurance shall not apply unless the liability of the other insurance has been fully exhausted. Then only to the extent the Named Insured has not been fully indemnified by such other insurance. The provisions of this Article do not increase Our Limit of Insurance in this Policy.

Article XIII

Records and Inventory; Examination of Records

The Named Insured shall keep accurate books, records and accounts in the following manner:

- A. A detailed and itemized inventory record of all Covered Property hereunder shall be maintained and physical inventory shall be taken periodically at intervals not more than twelve (12) months apart.
- B. The Named Insured shall, as often as may be reasonably required during the term of this Policy and for one (1) year thereafter, produce for examination by Us or Our duly authorized representative all the books and records, inventories and accounts relating to Covered Property hereunder.

Article XIV**Concealment, Misrepresentation and Fraud**

This entire Policy shall be void if, whether before or after a loss, You have concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or Your interest therein, or in case of any fraud or false swearing by You relating thereto.

Part II - Loss Provisions**Article XV****Notice of Loss**

You shall, as soon as practicable, report in writing to Us or Our representative every loss, damage or occurrence which may give rise to a claim under this Policy and shall also file with Us or Our representative a signed, detailed and sworn proof of loss within sixty (60) days after Our request for such sworn proof of loss. We will provide You with the necessary forms.

Article XVI**Responsibility of Named Insured; Protection of Property**

- A. You shall take all reasonable steps to protect Covered Property from further damage following loss or damage to Covered Property. Notwithstanding the foregoing, We will not pay for any subsequent loss, damage or expense to such Covered Property the result of a Cause of Loss not covered under this Policy.
- B. You shall keep a record of expenses incurred to protect the Covered Property following loss for consideration in the settlement of the claim.
- C. If feasible, You shall set the damaged property aside and in the best possible order for examination.
- D. The provisions of this Article do not increase Our Limit of Insurance in this Policy.

Article XVII**Assistance and Cooperation of the Named Insured**

You shall cooperate with Us in the investigation or settlement of any claim. Furthermore, in the event this Policy covers Your liability, You shall cooperate with Us and, upon Our request, shall attend hearings

and trials and shall assist in effecting settlements, securing and giving evidence and obtaining the attendance of witnesses and in the conduct of suits. You shall not voluntarily make payment, assume any obligation or incur any expense without Our written consent.

Article XVIII

Abandonment

There can be no abandonment of any property to Us.

Article XIX

Suit

No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless:

- A. You are in full compliance with all of the terms of this Policy; and
- B. The same be commenced within twelve (12) months after the occurrence which gives rise to the claim provided, however, that if by the laws of the state within which this Policy is issued such limitation is invalid, then any such claims shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted by the laws of such state.

Article XX

Claims Against Third Parties

In the event of any loss, damage or expense to Covered Property hereunder, You shall, as soon as practically possible, make claim in writing against the carrier(s), bailee(s) or other third party who may be responsible, in whole or in part, for the loss, damage or expense or for any increase in loss, damage, or expense.

Article XXI

Subrogation Waiver

This insurance shall not be prejudiced by agreement made by You releasing or waiving Your right to recovery against third parties responsible for loss, damage or expense to Covered Property, except under the following conditions:

- A. Whether made before or after loss has occurred, such agreement must be in writing and must release or waive Your entire right of recovery against such third party.

- B. If made before loss has occurred, such written agreement may run in favor of any third party.
- C. If made after loss has occurred, such written agreement may run only in favor of a third party falling within one of the following categories at the time of loss:
 - 1. A third-party Named Insured under this Policy; or
 - 2. A business firm which:
 - a. Is owned or controlled by You or in which You own capital stock or other proprietary interest; or
 - b. Owns or controls You or owns or controls capital stock or other proprietary interest in the Named Insured.

Article XXII

Examination Under Oath

- A. You shall, as often as may be reasonably required, exhibit to any person designated by Us all that remains of any Covered Property and shall submit, and insofar as is within Your power cause Your employees and others to submit, to examinations under oath by any person named by Us. Furthermore, as often as may be reasonably required, You shall produce for examination all writings, books of account, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by Us or Our representative, and shall permit extracts and copies thereof to be made.
- B. No such examinations under oath or examination of books or documents, nor any other act by Us or any of Our employees or representatives in connection with the investigation of any loss or claim hereunder, shall be deemed a waiver of any defense which We might otherwise have with respect to any loss or claim; all such examinations and acts shall be deemed to have been made or done without prejudice to Our liability.

Article XXIII

Privilege To Adjust With Owner

In the event of loss or damage to property of others held by You for which claim is made under this insurance, the right to adjust and settle such loss or damage with the owner or owners of the damaged property is reserved to the Company and the receipt of payment made by Us in settlement of such claim by the owner or owners in satisfaction thereof shall be in full satisfaction of any claim of the Named Insured. If legal proceedings are taken to enforce a claim

against You as respects any such loss or damage, We reserve the right, at Our option and without expense to You, to conduct and control the defense on behalf of and in the name of the Named Insured. No action of the Company in such regard shall increase Our liability under this Policy, nor increase the Limit of Insurance specified in the Declarations Page, Schedule A.

Article XXIV

Pair, Set Or Parts

- A. In event of loss of or damage to any part of Covered Property consisting, when complete for use or sale, of several parts, We shall only be liable for the value of the part lost or damaged.
- B. Notwithstanding the foregoing, for any article or articles which are a part of a pair or set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss, damage or expense be construed to mean total loss of the pair or set.

Article XXV

Labels

In the event of loss or damage to labels, capsules or wrappers insured hereunder, the loss shall be adjusted on the basis of an amount sufficient to pay the cost of new labels, capsules or wrappers.

Article XXVI

Appraisal

If You and We fail to agree as to the value of the property or amount of loss, damage or expense, each shall, on the written demand of either, select a competent and impartial appraiser, and the appraisal shall be made at a reasonable time and place. The appraisers shall first select a competent and impartial umpire, and failing for fifteen (15) days to agree upon such umpire, then, on the request of the Named Insured or the Company, such shall be selected by a judge of a court of record in the state in which such appraisal is pending. The appraisers shall then appraise the loss, stating separately the value at the time of loss and the amount of loss, and failing to agree, shall submit their differences to the umpire. A decision agreed to by any two shall determine the amount of loss and shall be binding. You and

We shall each pay Our chosen appraiser and shall bear equally the other expenses of the appraisal and umpire. We shall not be held to have waived any of Our rights by any act relating to appraisal.

Article XXVII

Company's Options

- A. In the event of loss or damage to Covered Property under this Policy, at Our option, We will either:
 - 1. Pay the value of the damaged Covered Property; or
 - 2. Pay the cost of repairing, rebuilding or replacing with other property of like kind and quality the damaged Covered Property, subject to Paragraph B of this Article; or
 - 3. Take all or any part of the Covered Property at an agreed or appraised value; or
 - 4. Repair, rebuild or replace the Covered Property with other property of like kind and quality, subject to Paragraph B of this Article.
- B. 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.
- C. We will give You notice of Our intentions within sixty (60) days after We receive Your sworn proof of loss.
- D. We will not pay You more than Your financial interest in the Covered Property.

Article XXVIII

Salvage and Recoveries

All salvage, recoveries and payments recovered or received subsequent to the loss settlement under this Policy shall be applied as if recovered or received prior to said settlement and all necessary adjustments shall be made by the parties hereto.

Article XXIX**Settlement of Loss**

We will pay for covered loss or damage within sixty (60) days after We receive Your signed sworn proof of loss and You have complied with all of the terms of this Policy, and:

- A. We have reached agreement with You on the amount of loss; or
- B. An appraisal award has been made.

Article XXX**No Benefit To Others**

This insurance shall in no way inure directly or indirectly to the benefit of any carrier, bailee or any other person or entity.

Article XXXI**Proportional Settlement of Claims**

In the event Covered Property is damaged by a Cause of Loss that is either not a covered Cause of Loss or is a Cause of Loss excluded by this Policy during an Occurrence which concurrently results in damage from a Cause of Loss covered by this Policy, then settlements of claims under this Policy will be made solely for that portion of loss or damage resulting from a Cause of Loss covered under this Policy, whether such other Cause of Loss is covered by other insurance or not.

Part III - Other Provisions**Article XXXII****Inspection of Property and Operations**

We and any person or organization making inspections on Our behalf shall be permitted, but not obligated, to inspect Your property and operations at any time before or after loss. Neither the right of the Company and any person or organization to make such inspection, nor the making thereof, nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Named Insured or others, to determine or warrant that such property or operations are safe or healthful, or comply with any laws, rules or regulations, nor does such inspection constitute a guarantee of an accurate or complete valuation of such Covered Property.

Article XXXIII

Premiums and Fees

The first Named Insured shown in the Declarations Page is responsible for the payment of all premiums and fees due hereunder. Return premiums or fees due shall be paid to the first Named Insured, unless otherwise required by law.

Article XXXIV

Mortgagee

- A. If an Additional Interest is listed as a Mortgagee in the Declarations Page, then the provisions of this Article XXXIV shall apply to such Additional Interest.
- B. The term Mortgagee includes trustee.
- C. We will pay for covered loss of or damage to buildings or structures to each Mortgagee shown in the Declarations Page in their order of financial precedence.
- D. The Mortgagee has the right to receive loss payment even if the Mortgagee has started foreclosure or similar action on the building or structure.
- E. If We deny Your claim because of Your acts or because You have failed to comply with the terms of this Policy, the Mortgagee will still have the right to receive loss payment if the Mortgagee:
 - 1. Pays any premium due under this Policy at Our request if You have failed to pay any premium due under this Policy; and
 - 2. Submits a signed, sworn statement of loss within sixty (60) days after receiving notice from Us of Your failure to submit a signed sworn statement of loss; and
 - 3. Has notified Us of any change in ownership, occupancy or substantial change in risk known to the Mortgagee.

All of the terms and conditions of this Policy will then apply directly to the Mortgagee.

- F. If We pay the Mortgagee 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 Policy:

1. The Mortgagee's rights under the mortgage will be transferred to Us to the extent of the amount We pay; and
2. The Mortgagee's right to recover the full amount of the Mortgagee's claim will not be impaired.

At Our option, We may pay to the Mortgagee 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.

G. If We cancel this Policy, We will give written notice to the Mortgagee at least:

1. Ten (10) days before the effective date of cancellation if We cancel for Your nonpayment of premium; or
2. Thirty (30) days before the effective date of cancellation if We cancel for any other reason.

H. If We elect not to renew this Policy, We will give written notice to the Mortgagee at least ten (10) days before the expiration date of this Policy.

Article XXXV

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 on 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.

Article XXXVI

Definitions

When the following words appear in this Policy or any other forms or Endorsements attached hereto, they mean:

1. "Us," "We", "Our" and "the Company" mean the insurance companies listed on the Insurer Participation Schedule attached to and part of this Policy (ICAT 50 SCH).

2. "You", "Your" and "the Named Insured" mean the Named Insured(s) identified in the Declarations Page.
3. "Pollutant" 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. "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.
5. "Policy" means form ICAT DICNA 100 and the Declarations Page, including Schedule A, and all Endorsements and other forms attached thereto. See the Declarations Page for a listing of Endorsements included with this Policy.
6. Covered Property is as defined in Article IV and as specifically listed in the Declarations Page, Schedule A, or as listed in the Statement of Values (ICAT 50 SOV).
7. Covered Location is as defined in Article VI.
8. Limit of Insurance is as defined in Article VII.
9. Operations means Your business activities occurring at the Covered Location.
10. Occurrence means any one disaster, accident or loss or series of disasters, accidents or losses which are covered Causes of Loss, are one event and occur within the area of one state of the United States and states contiguous thereto (however, as regards Earthquake, the epicenter does not need to be within these territorial confines). The duration and extent of an Occurrence is limited to all loss or damage sustained by Covered Property occurring during any period of 168 consecutive hours directly caused by the same event, except that the term Occurrence as regards loss or damage from wind and hail shall mean all loss sustained by Covered Property occurring during any period of 72 consecutive hours directly caused by the same event and such event need not be limited to one state or states contiguous thereto.

11. Mold means any species of fungi, including but not limited to, mold, yeast, mildew, spores, mold, toxins, mycotoxins, mold metabolites, mold antigens, mold allergens, mold produced antibiotics, or dust or fumes containing any of the foregoing, individually, or in any combination therewith or with another substance.

Article XXXVII **Forms and Endorsements; Changes**

- A. Forms and Endorsements: In addition to this form, ICAT DICNA 100, there are Endorsements and a Declarations Page (including Schedule A) applicable to this Policy. These forms and all Endorsements comprise this Policy. See the Declarations Page for a listing of Endorsements included with this Policy.
- B. Changes: This Policy contains all of the agreements between the Named Insured and the Company concerning the insurance coverage provided hereunder. The Named Insured shown in the Declarations Page is authorized to make changes in the terms of this Policy with the Company's consent. This Policy's terms can be amended or waived only by Endorsement issued by the Company and made a part of this Policy.

EARTHQUAKE ENDORSEMENT FORM 200

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

- I. **ICAT DICNA 100, Article XI - Excluded Causes of Loss - Subsection 5**, of the Policy is amended to read as:
5. Earth movement including but not limited to loss, damage or expense caused by, resulting from, contributing to or aggravated by landslide, mudslide, mudflow, rockslide, earth sinking, rising, shifting or settling, and any resulting need for land stabilization.
- II. This Policy is amended to provide coverage for loss or damage caused by Earthquake as defined herein:
- A. Earthquake is defined as a vibration-generating rupture event caused by displacement within the earth's crust through release of strain associated with Tectonic Processes and includes effects such as ground shaking, liquefaction, seismically-induced land sliding which can be attributed to a single seismic occurrence, and damaging amplification of ground motion.
- Earthquake does not mean or include tsunami or volcanic eruption whether such tsunami or volcanic eruption precedes or follows an Earthquake event.
- Tectonic processes means adjustments of the earth's crust in response to regional stress conditions initiated by dynamic forces within the earth's interior.
- B. Each loss by Earthquake shall constitute a single loss hereunder, provided that, if more than one Earthquake shock occurs within any period of 168 hours during the term of this Policy, such Earthquake shocks shall be deemed together to be a single Earthquake Occurrence within the meaning hereof. We shall not be liable for any loss caused by any Earthquake shock occurring before the effective date and time of this Policy, nor for any Earthquake shock or loss occurring after the expiration date and time of this Policy.
- C. Each Limit of Insurance shown in the Declarations Page, Schedule A, is an annual aggregate limit for the Policy Period shown in the Declarations Page, Schedule A, as respects all loss or damage caused by Earthquake. Any loss, damage and expenses paid hereunder shall reduce the amount of the Limit of Insurance provided by this Policy.
- D. Land Stabilization Coverage Extension Sub-Limit: In the event We are insuring a building(s) or structure(s) under Coverage A of Article IV, then the coverage

provided by this Endorsement is extended to cover the cost of land stabilization that is necessary for the commercial use of such building(s) or structure(s), including the engineering costs of the stabilization. The cost of land stabilization is covered only when the land instability is directly and immediately caused by an Earthquake that is a covered Occurrence under this Policy. This coverage extension is subject to a single \$10,000 sub-limit as respects each building(s) or structure(s) insured under Coverage A of Article IV. This \$10,000 sub-limit is included in and a part of the Limit of Insurance applicable to each such building or structure insured hereunder; this coverage extension does not increase Our Limit of Insurance shown in the Declarations Page, Schedule A.

All other terms and conditions of this Policy remain.

EARTHQUAKE SPRINKLER LEAKAGE

ENDORSEMENT FORM 201

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

- I. **ICAT DICNA 100 Article XI – Excluded Causes of Loss – Subsection 12**, of this Policy is amended to read as follows:
 12. Sprinkler leakage which shall mean water, other liquids, powder or any other material that leaks or flows from fire protection systems and other equipment, including damage from leaking fire protective sprinklers, except sprinkler leakage from fire protective equipment when such sprinkler leakage is caused directly by Earthquake as insured against by this Policy.
- II. This Policy is amended to provide coverage for loss or damage caused by Sprinkler Leakage provided such Sprinkler Leakage is caused directly by an Earthquake.
- III. For purposes of calculating Your deductible, loss or damage caused by Sprinkler Leakage is deemed to be an Earthquake Cause of Loss.
- IV. This coverage extension does not increase Our Limit of Insurance as stated in the Declarations Page, Schedule A.

All other terms and conditions of this Policy remain.

COVERAGE ENHANCEMENT FOR WATER LOSS DIRECTLY CAUSED BY EARTHQUAKE

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This Endorsement modifies insurance provided under the following:

DIFFERENCE IN CONDITIONS COVERAGE FORM (ICAT DICNA 100)

- I. This Policy is amended to provide coverage for direct physical loss or damage to Covered Property caused by or resulting from the discharge or leakage of water as a direct result of the breaking apart or cracking of plumbing, heating, air conditioning, or other equipment (except fire protection systems or fire protective sprinklers), but only when such breaking apart or cracking of plumbing, heating, air conditioning, or other equipment is caused directly by Earthquake as insured against by this Policy.
- II. The coverage provided under this Endorsement does not extend to loss or damage caused by sprinkler leakage, water, other liquids, powder or other material that leaks or flows from fire protection systems, including loss or damage from leaking fire protective sprinklers, whether or not caused directly by a Covered Cause of Loss as insured against by this Policy.
- III. For purposes of the coverage provided under this Endorsement only, **Article XI, Excluded Causes of Loss**, Subsections **17** and **46** do not apply.
- IV. For purposes of calculating the Deductible, loss or damage resulting in water loss as explained in I. above shall be subject to the Deductible shown in the Declarations Page for the Covered Cause of Loss, i.e., the Earthquake Deductible or, if applicable, the Earth Movement Deductible.
- V. This coverage extension does not increase Our Limit of Insurance as stated in the Declarations Page.

All other terms and conditions of this Policy remain unchanged.

FLOOD ENDORSEMENT FORM 205(b)

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

I. **Article XI - Excluded Causes of Loss - Subsection 15**, of the Policy is amended to read as follows:

- a. The backing up of sewers or drains, except as provided in III.1. of this Endorsement.
- b. Water below the surface of the ground including that which exerts pressure on or flows, seeps, leaks through sidewalks, driveways, foundations, walls, basement or other floors, through doors, windows or any other opening in such driveways, sidewalks, foundations, walls, or floors, except as provided in III.2. of this Endorsement.

II. The Policy is amended to provide coverage for loss or damage caused by Flood.

III. Flood is defined to include:

Waves, wave wash, wave action, storm surge, tide or tidal water, and the rising (including the overflow or breaking of boundaries) of lakes, ponds, reservoirs, rivers, harbors, streams and other similar bodies of water or surface waters, rain accumulation or run off, or by spray from any of the foregoing, whether driven by wind or not, and including:

1. The backing up of sewers or drains due to flood;
2. Water below the surface of the ground including that which exerts pressure on or flows, seeps, or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows or any other opening in such driveways, sidewalks, foundations, walls, or floors, due to flood.

IV. Flood does not include tsunami. This policy does not provide coverage for loss or damage caused by tsunami.

V. Limits of Insurance

- A. The most We will pay for loss under this Endorsement during any one Policy Period is the Flood Limit of Insurance shown in the Declarations Page.
- B. Each Limit of Insurance shown in the Declarations Page, Schedule A, is an aggregate limit for the Policy Period shown in the Declarations Page, Schedule A, as respects all loss or damage caused by Flood. Any loss, damage and expenses paid hereunder shall reduce the amount of the Limit of Insurance provided by this Policy.

All other terms and conditions of this Policy remain.

COVERAGE EXTENSION POLLUTANT CLEAN UP AND REMOVAL ENDORSEMENT FORM 207

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

Article V of this Policy is amended and expanded to provide an additional Coverage Extension for **Pollutant Clean Up and Removal**, as follows:

Pollutant Clean Up and Removal

1. We will pay Your expense to extract Pollutants from land or water premises if the discharge, dispersal, seepage, migration, release or escape of the Pollutants is caused by or results from a covered Cause of Loss that occurs during the Policy Period. These expenses will be paid only if they are reported to Us in writing within 180 days of the date on which the covered Cause of Loss occurred.
2. This Coverage Extension does not apply to costs to test for, monitor or assess the existence, concentration or effects of Pollutants. However, We will pay for testing which is performed in the course of extracting the Pollutants from land or water at a Covered Location.
3. The most We will pay under this Coverage Extension for each Covered Location is \$10,000 for the sum of all covered expenses arising out of a covered Cause of Loss occurring during each separate 12 month period of this Policy.
4. Our Limit of Insurance for this Pollutant Clean Up and Removal Coverage Extension is in addition to Our Limit of Insurance defined in the Declarations Page, Schedule A.

All other terms and conditions of this Policy remain.

COVERAGE EXTENSION MOLD CLEAN UP AND REMOVAL ENDORSEMENT FORM 208

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

Article V of this Policy is amended and expanded to provide an additional Coverage Extension for **Mold Clean Up and Removal**, as follows:

Mold Clean Up and Removal

1. We will pay Your expense to extract Mold from a building or structure covered under Coverage A of Article IV herein if the Mold is directly caused by a covered Cause of Loss that occurs during the Policy Period. These expenses will be paid only if they are reported to Us in writing within 24 months of the date on which the covered Cause of Loss occurs.
2. This Coverage Extension does not apply to costs to test for, monitor or assess the existence, concentration or effects of Mold. However, We will pay for testing which is performed in the course of extracting the Mold from a building or structure covered under Coverage A of Article IV herein.
3. The most We will pay under this Coverage Extension for the expense to extract Mold from each building or structure covered under Coverage A of Article IV herein is the amount shown in the Declarations, Schedule A for Mold Clean Up and Removal.
4. Our Limit of Insurance for this Coverage Extension is a sub-limit of Our Limit of Insurance pertaining to the building or structure covered hereunder. The Limit of Insurance for this Coverage Extension is part of and included in Our Limit of Insurance defined in the Declarations Page, Schedule A. This extension of coverage does not increase Our Limit of Insurance as stated in the Declarations Page, Schedule A.

All other terms and conditions of this Policy remain.

COVERAGE EXTENSION FOR UNSCHEDULED ADDITIONAL PROPERTY

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

The **DIFFERENCE IN CONDITIONS COVERAGE FORM (ICAT DICNA 100)** is amended as stated herein.

I. The following is added to **Article V, Coverage Extensions**:

A. Unscheduled Additional Property

1. We will pay for sudden, fortuitous, direct physical loss or damage to Additional Property caused by a covered Cause of Loss under this Policy and subject to all other terms, conditions, and limitations contained in this Policy. Under this Coverage Extension, Additional Property has the meaning described in Paragraph III. of this Endorsement below. This Coverage Extension for Unscheduled Additional Property applies in addition to and separately from the coverage provided for any property specifically scheduled under **Coverage D, Additional Property Coverage** in the Declarations Page, Schedule A, or Statement of Values (ICAT 50 SOV).
2. Limit of Insurance. The most We will pay for loss or damage in any one Occurrence for this Coverage Extension for Unscheduled Additional Property is \$10,000, unless a higher limit is shown in the Declarations. The Limit of Insurance for this Coverage Extension for Unscheduled Additional Property is a sublimit of the Limit of Insurance that applies to this Policy. The addition of this Coverage Extension for Unscheduled Additional Property to the Policy does not increase or decrease Our total Limit of Insurance.
3. Deductible. The Deductible applicable to this Coverage Extension for Unscheduled Additional Property is \$2,500, unless a different amount is shown in the Declarations. If the adjusted amount of loss or damage (hereinafter referred to as loss) is less than or equal to the Deductible, We will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, We will subtract the Deductible from the adjusted amount of loss and We will pay the resulting amount or the Limit of Insurance, whichever is less. Notwithstanding any provision in this Policy to the contrary, the above-stated Deductible amount will apply to each occurrence of loss covered under this Coverage Extension for Unscheduled Additional Property.

**EXAMPLE #1: Loss only to Unscheduled Additional Property
(loss above applicable deductible)**

The policy covers an apartment building with a \$5,000,000 Limit of Insurance applicable to **Coverage A, Building(s) and/or Structure(s)**, and

no property scheduled under **Coverage D, Additional Property Coverage**. The policy deductible applicable to loss caused by Earthquake is \$10,000. The deductible applicable to the Coverage Extension for Unscheduled Additional Property is \$2,500. An Earthquake damages a gazebo, shed, hot tub, and a fence that was set apart from the covered building by clear space, causing \$16,000 in loss.

Result: We will pay \$10,000 under this Coverage Extension for Unscheduled Additional Property because the Limit of Insurance for this Coverage Extension (\$10,000) is less than the amount of loss minus the Deductible (\$16,000 - \$2,500 = \$13,500). Note that the applicable Deductible is \$2,500 and that the policy's \$10,000 deductible for loss caused by Earthquake does not apply.

EXAMPLE #2: Loss only to Unscheduled Additional Property (loss below applicable deductible)

The policy covers an apartment building with a \$5,000,000 Limit of Insurance applicable to **Coverage A, Building(s) and/or Structure(s)**, and no property scheduled under **Coverage D, Additional Property Coverage**. The policy deductible applicable to loss caused by Earthquake is \$10,000. The deductible applicable to the Coverage Extension for Unscheduled Additional Property is \$2,500. A small Earthquake partially damages a fence that was set apart from the covered building by clear space. Repairs to the fence cost \$2,000.

Result: No payment is due under the policy as follows:

| Loss to Unscheduled Additional Property | | |
|---|--|------------|
| \$2,000 - \$2,500 deductible = | | No Payment |

EXAMPLE #3: Loss to Scheduled Property under Coverage D, Additional Property Coverage, and to Unscheduled Additional Property

The policy covers an apartment building with a \$5,000,000 Limit of Insurance applicable to **Coverage A, Building(s) and/or Structure(s)**, and a fence is scheduled in the Declarations under **Coverage D, Additional Property Coverage**, with a Limit of Insurance of \$15,000. The policy deductible applicable to loss caused by Earthquake is \$10,000. The deductible applicable to the Coverage Extension for Unscheduled Additional Property is \$2,500. An Earthquake completely destroys a gazebo, shed, hot tub, and the scheduled fence. The loss to the gazebo, shed, and hot tub is \$12,000. There is no damage to the apartment building.

Result: We will pay \$14,500 as follows:

| | |
|--|-----------------|
| Loss to Scheduled Fence | |
| \$15,000 - \$10,000 deductible = | \$5,000 |
| Loss to Unscheduled Additional Property | |
| \$12,000 - \$2,500 deductible = | \$9,500 |
| Total amount of Loss Payable: | \$14,500 |

EXAMPLE #4: Loss to Building and to Unscheduled Additional Property

The policy covers an apartment building with a \$5,000,000 Limit of Insurance applicable to **Coverage A, Building(s) and/or Structure(s)**, and no property scheduled under **Coverage D, Additional Property Coverage**. The deductible applicable to loss caused by Earthquake is 3%. The deductible applicable to the Coverage Extension for Unscheduled Additional Property is \$2,500. An Earthquake causes \$30,000 in loss to the covered apartment building and completely destroys a shed valued at \$7,500.

Result: We will pay \$5,000 as follows:

| | |
|--|----------------|
| Loss to Building | |
| \$30,000 - \$150,000 deductible = | No Payment |
| Loss to Unscheduled Additional Property | |
| \$7,500 - \$2,500 deductible = | \$5,000 |
| Total amount of Loss Payable: | \$5,000 |

II. Additional Property, as defined in Paragraph III. of this Endorsement below, is covered under this Policy only as follows:

- A. As provided under the Coverage Extension for Unscheduled Additional Property as explained in Paragraph I. of this Endorsement above; or
- B. If specifically scheduled as Covered Property under **Coverage D, Additional Property Coverage** under this Policy.

III. The following is added to **Article XXXV, Definitions**:

- A. Additional Property means:
 - 1. Machinery and equipment in the open, including gas pumps.
 - 2. Contractor's equipment, including trailers used to transport such equipment.

3. Buildings or structures in the course of construction, including materials and supplies, except alterations and repairs on or within the existing walls of existing buildings or structures insured by this Policy.
4. Fences, property-line walls, gates, latticework, and trellises, whether attached to a covered building or not.
5. Walkways, boardwalks, catwalks, trestles, bridges, dams, and tunnels (all whether for pedestrians or vehicles).
6. Pools (whether in the ground or above the ground and including spas, hot tubs, and jacuzzis) located outdoors, ponds, lakes, waterfalls or fountains.
7. Signs not attached to a covered building unless held for sale and **Coverage B, Business Personal Property**, of **Article IV** is applicable to such signs.
8. Awnings, canopies, and carports not attached to a covered building or structure, including any structure or covering over gas pumps or pools.
9. Light poles (including fixtures attached to such light poles) and street signs not attached to a covered building or structure.
10. Greenhouses, shade houses, hot houses and glass houses.
11. Lanai or any other similar structure not attached to a covered building and abutting, enclosing, or partially enclosing a pool.
12. Other buildings and structures at a Covered Location set apart from the covered building by clear space and not specifically described and included as Covered Property in the Declarations Page, Schedule A, or listed in the Statement of Values (ICAT 50 SOV). This includes structures connected to a covered building by only a fence, utility line or similar connection.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER EVENT EXCLUSION

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL PROPERTY DEDUCTIBLE BUY BACK POLICY
DIFFERENCE IN CONDITIONS PROGRAM
EXCESS FOLLOWING FORM POLICY
NAMED PERIL COMMERCIAL PROPERTY POLICY
SPECIAL CAUSE OF LOSS POLICY

- I. Cyber Event Exclusion. We will not pay for any loss, damage, cost or expense, whether real or alleged, that is caused by, results from, is exacerbated by or otherwise impacted by, either directly or indirectly and whether threatened or actual, any of the following. Such loss, damage, costs and expenses are excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

- A. **Computer Virus or Software** – Including but not limited to any software, program, instructions, code or data that:

1. Infiltrates and disrupts computer operations;
2. Accesses, acquires, collects, gathers, transmits, alters or damages instructions, information or data, including but not limited to personally identifiable information or other personal data, confidential information or “electronic data”;
3. Gains access to “computer systems”; or
4. Affects the operation or functionality of “computer systems”, “computer networks” or “electronic data”.

Computer virus or software also includes but is not limited to any computer code, worm, logic bomb, smurf attack, malware, Trojan horse, spyware, rootkits, ransomware, adware, keyloggers, rogue security software, destructive program, or malicious browsers, whether or not self-propagating.

- B. **Cyber Attack** – Including but not limited to any attack on or vandalism of “computer systems”, “computer networks” or “electronic data”, including but not limited to a “denial-of-service attack”.

- C. **Cyber Extortion** – Including but not limited to a threat or series of threats made to:

1. Prevent access of authorized users to “computer systems”, “computer networks” or “electronic data”;
2. Introduce any computer virus or software as described in I.A. above into “computer systems”, “computer networks” or “electronic data”;
3. Conduct a cyber attack as described in I.B. above;
4. Gain access that otherwise would be unauthorized to “computer systems”, “computer networks” or “electronic data”; or
5. Release, disclose, misuse, alter or destroy instructions, information or data, including but not limited to personally identifiable information or other personal data, confidential information or “electronic data”.

Cyber extortion also includes any illegal demand for payment, including but not limited to payment in money or cryptocurrency, to unlock any computer, “computer systems” or “computer network”, or to not do, undo or mitigate I.C.1., I.C.2, I.C.3., I.C.4. or I.C.5. above. However, a threat to do any of the above that is not accompanied by a demand for payment also is considered to be cyber extortion.

- D. **Cyber Risk** – Including but not limited to any risk where loss or damage is cyber-related, arising from either malicious acts, such as cyber attack as explained in I.B above or infection of systems with malicious code, or non-malicious acts, such as loss of data or accidental acts or omissions, involving either tangible or intangible property.

II. Exceptions. The following exceptions to the exclusion in Paragraph I. apply:

- A. To the extent that any part of the exclusion in Paragraph I. conflicts with an Additional Coverage, Coverage Extension or sublimited coverage specifically and affirmatively granted to you by us elsewhere under this Coverage Part or Policy, that part of the exclusion does not apply. The preceding reference to an Additional Coverage, Coverage Extension and sublimited coverage does not mean that any of these have been included with this Policy. Additional Coverages, Coverage Extensions, or sublimited coverages are provided under this Coverage Part or Policy only as stated in and documented by one of the Coverage Forms or Endorsements included with this Coverage Part or Policy.
- B. Only if and to the extent required by state law, if fire is a Covered Cause of Loss under this Coverage Part or Policy and a hazard excluded under Paragraph I. above results in fire, we will pay for the loss, damage, cost or expense caused by that fire, subject to all applicable policy provisions including any applicable Deductible and Limit of Insurance provisions. Coverage for fire provided under this exception does not apply to insurance provided under Business Income, Rental Value or Extra Expense Coverage Forms or endorsements that apply to those Coverage Forms.

III. Definitions. The following definitions are added with respect to the provisions of this endorsement:

- A. "Computer systems" means Information Technology (IT), data processing, industrial process control and communication systems, as well as any other item or element of hardware or associated software, including but not limited to IT infrastructure, software or equipment used for the purpose of creating, accessing, processing, protecting, monitoring, storing, backing up, retrieving, displaying or transmitting data. "Computer systems" also includes but is not limited to IT and mobile devices such as mobile phones, tablet devices, laptops, external drives, CD-ROMs, DVD-ROMs, magnetic tapes, magnetic disks or USB sticks that process, record, transmit or store data, as well as network equipment and associated input and output devices.
- B. "Computer network" means a group of "computer systems" and other computing hardware devices or network facilities connected by a form of communication technology, including but not limited to those connected to or by the internet, any intranet and virtual private networks (VPNs), allowing the networked computing devices to, among other things, exchange data.
- C. "Denial-of-service attack" means any attack leading to a total or partial deprivation, disruption or unavailability of "computer systems" or "computer networks" temporarily or permanently, such that they are non-functional in whole or in part, or otherwise unavailable to anticipated users of such "computer systems" or "computer networks". The term "denial-of-service attack" includes but is not limited to a distributed attack in which multiple compromised systems are used to deluge or overload "computer systems" or "computer networks" with an incoming stream or requests or data, volumetric and application-specific attacks, and attacks targeting specific "computer systems", entities or individuals.
- D. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software that are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions that direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

All other terms and conditions of this policy remain unchanged.

LOSS OF BUSINESS INCOME; RENTAL VALUE; EXTRA EXPENSE ENDORSEMENT FORM 300

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

- I. This Endorsement defines Coverage E of Article IV which, by attachment of this Endorsement, is hereby included as Covered Property in this Policy.
- II. We will indemnify and pay You for actual loss of Business Income and Rental Value which You sustain due to the necessary suspension of Your Operations (as defined herein) during the Period of Restoration (as defined herein). The suspension of Your Operations must be caused by direct physical loss or damage to property at a Covered Location caused by a covered Cause of Loss occurring during the Policy Period.
 - A. Business Income as used herein means:
 1. Net Income (net profit before taxes, a positive amount; or net loss before taxes, a negative amount) that would have been earned or incurred had such physical loss or damage not occurred; plus
 2. Continuing normal operating expenses incurred by You, including payroll, after such physical loss or damage.
 3. The amount of Your Business Income loss will be determined based upon:
 - a. The Net Income of Your business before the direct physical loss or damage occurred;
 - b. The likely Net Income of Your 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 actual operating expenses You incur, including payroll expenses, necessary to resume normal 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 but not limited to:
 - i. Your financial records and accounting procedures;
 - ii. Bills, invoices, and other vouchers; and
 - iii. Deeds, liens, or contracts.
 - B. Rental Value as used herein means:

1. The total anticipated rental income from tenant occupancy of the Covered Location as furnished and equipped by You; and
 2. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be Your obligations; and
 3. The fair rental value of any portion of the Covered Location which is occupied by You.
- C. Additional Coverages: In addition to coverage for Business Income and Rental Value, We will pay You for the Extra Expense (as defined herein) and Civil Authority (as defined herein) loss You sustain due to the necessary suspension of Your Operations. These Additional Coverages are included in and are part of the Limit of Insurance applicable to Coverage E and are not in addition to the Limit of Insurance applicable to Coverage E.
1. Extra Expense: Extra Expense means necessary and reasonable expenses You incur during the Period of Restoration that You would not have incurred if there had been no direct physical loss or damage to Covered Property caused by a covered Cause of Loss, and as further defined herein:
 - a. We will pay any Extra Expense to minimize the suspension of Your business if You cannot continue Operations during the Period of Restoration.
 - b. We will pay any Extra Expense to avoid or minimize the suspension of Your business and to continue Operations:
 - i. At the Covered Location; or
 - ii. At replacement premises or at temporary locations, including the cost of:
 - (a) Relocation expenses; and
 - (b) Costs to equip and operate the replacement or temporary locations.
 - c. We will pay any Extra Expense to:
 - i. Repair or replace any property to the extent doing so reduces the amount of loss that otherwise would have been payable under this Endorsement; or
 - ii. Research, replace, or restore the lost information on damaged valuable papers and records to the extent doing so reduces the amount of loss that otherwise would have been payable under this Endorsement. Valuable papers as used herein does not include Electronic Data Processing Media, which is defined to mean data, records, all software including procedures and programs or source material of any kind and all forms of converted data or programs and/or instruction vehicles used in Your data processing operations.

- d. The amount of Extra Expense will be determined based on:
 - i. All expenses that exceed the normal operating expenses that would have been incurred by Your Operations during the Period of Restoration if no direct physical loss or damage had occurred.
 - ii. All necessary expenses that reduce the Business Income and Rental Value loss that otherwise would have been incurred.
 - iii. 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.
- 2. Civil Authority: We will pay for the actual loss of Business Income and Rental Value You sustain, and necessary Extra Expense, caused by action of Civil Authority that prohibits access to the Covered Location due to direct physical loss or damage to property other than property at a Covered Location when damage to such property is the result of a Cause of Loss covered by this Policy.
 - a. This coverage for Business Income and Rental Value will apply for a period of up to, but not to exceed, 21 consecutive days after coverage under this Civil Authority Additional Coverage begins.
 - b. This coverage for Extra Expense will end 21 days after the time of such Civil Authority begins or when Your Business Income and Rental Value coverage under this Civil Authority Additional Coverage ends, whichever is later.

III. Extended Business Income Coverage

- A. If the necessary suspension of Your Operations produces a Business Income loss payable under this Policy, We will pay for the actual loss of Business Income You incur during the period that:
 - 1. Begins on the date property (except Stock) is actually repaired, rebuilt, or replaced and Your Operations are resumed; and
 - 2. Ends on the earlier of:
 - a. 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
 - b. 30 consecutive days after the date determined in III.A.1 above.

- B. However, Extended Business Income coverage does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the covered Cause of Loss in the area of the Covered Location.

IV. Extended Rental Value Coverage

- A. If the necessary suspension of Your operations produces a Rental Value loss payable under this Policy, We will pay for the actual loss of Rental Value You incur during the period that:
 - 1. Begins on the date property is actually repaired, rebuilt, or replaced and tenantability is restored; and
 - 2. Ends on the earlier of:
 - a. 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
 - b. 30 consecutive days after the date determined in IV.A.1 above.
- B. However, Extended Rental Value coverage 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 of the Covered Location.

V. Other Loss Determination Provisions

- A. We will reduce the amount of Your:
 - 1. Business Income and Rental Value loss 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 Covered Location or elsewhere.
 - 2. Extra Expense loss to the extent that You can return Operations to normal and discontinue such Extra Expense.
- B. If You do not resume Operations, or do not resume Operations as quickly as possible, then we will pay based upon the length of time it would have taken to resume Operations as quickly as possible.

VI. Limits of Insurance

- A. The most We will pay for loss under this Endorsement during any one Policy Period is the Limit of Insurance shown in the Declarations Page, Schedule A. Coverage for Business Income, Rental Value, Extra Expense, Civil Authority, Extended Business Income and Extended Rental Value are combined and included in the Limit of Insurance.

- B. Monthly Limit of Indemnity: Notwithstanding the foregoing, the most We will pay for loss of Business Income and Rental Value, excluding Extra Expense associated with such loss, in each period of 30 consecutive days is:

1. The Limit of Insurance; times
2. 16.67%.

In no event will We pay more than Our Limit of Insurance as defined in the Declarations Page, Schedule A, during any one Policy Period.

VII. Definitions

- A. Operations means:

1. Your business activities occurring at the Covered Location; and
2. The tenantability of the Covered Location if coverage for Rental Value applies.

- B. Period of Restoration means:

1. The period of time that begins on the date of the direct physical loss or damage to property at a Covered Location caused by a covered Cause of Loss which caused the suspension of Your Operations;
2. And ends on the earlier of:
 - a. The date when the property at the Covered Location 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.
3. Period of Restoration does not include any increased period required due to the enforcement or any ordinance or law that:
 - a. Regulates the construction, use or repair, or requires the tearing down of any property; or
 - b. 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 effect of Pollutants.
4. The expiration date of this Policy will not cut short the Period of Restoration. This Policy will not pay for loss that is the subject matter of this Endorsement arising out of Causes of Loss occurring outside of the Policy Period defined in the Declarations Page.

All other terms and conditions of this Policy remain.

**MODIFICATION TO ICAT DICNA 300:
MONTHLY LIMIT OF INDEMNITY ENDORSEMENT FORM 300(b)**

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

Paragraph B of Part VI. of ICAT DICNA 300 is deleted and replaced with the following.

- B. Monthly Limit of Indemnity: Notwithstanding the foregoing, the most We will pay for loss of Business Income and Rental Value, excluding Extra Expense associated with such loss, in each period of 30 consecutive days is:
1. The Limit of Insurance; times
 2. 50.0%.

In no event will We pay more than Our Limit of Insurance as defined in the Declarations Page, Schedule A, during any one Policy Period.

All other terms and conditions of this Policy remain.

MODIFICATION TO ICAT DICNA 300:
EXTENDED BUSINESS INCOME AND RENTAL
VALUE COVERAGE ENDORSEMENT FORM 300(h)

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

- I. Paragraph A.2.b of Part III of ICAT DICNA 300 is deleted and replaced with the following:
 - b. 180 consecutive days after the date determined in III.A.1 above.
- II. Paragraph A.2.b of Part IV of ICAT DICNA 300 is deleted and replaced with the following:
 - b. 180 consecutive days after the date determined in IV.A.1 above.

All other terms and conditions of this Policy remain.

ORDINANCE OR LAW ENDORSEMENT FORM 302

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

I. This Endorsement defines Coverage F of Article IV of the Policy which, by attachment of this Endorsement and the listing of this coverage in the Declarations Page, Schedule A, is hereby included as Covered Property in this Policy.

II. **Article XI - Excluded Causes of Loss - Subsection 30**, is deleted.

III. **Coverage F: Ordinance or Law**

In the event of direct physical loss or damage directly caused by a covered Cause of Loss to a building or structure covered under Coverage A, or direct physical loss or damage directly caused by a covered Cause of Loss to a building or structure covered under Coverage D, then We shall also be liable as follows:

A. **Coverage Part A – Coverage for Loss to the Undamaged Portion of the Building**

1. We will pay for loss to the undamaged portion of the building or structure caused by enforcement of any ordinance or law when such ordinance or law requires the demolition of parts of the same building or structure not damaged by a covered Cause of Loss, and such ordinance or law regulates the construction or repair of buildings, or establishes zoning or land use requirements at a Covered Location, and such ordinance or law is in force at the time of a covered Cause of Loss. The enforcement of the Ordinance or Law must be directly caused by and result from the damage to property covered under Coverage A or Coverage D from a covered cause of loss.

"Undamaged" as used above does not include property damage from a peril not covered by this policy.

2. We will not pay more for loss, damage or expense to the building or structure under consideration, including loss caused by enforcement of an ordinance or law, than the lesser of:
 - a. The amount You actually spend to repair, rebuild, or reconstruct the building or structure, but not for more than the amount it would cost to restore the building or structure at the same location and to the same height, floor area, style, and comparable quality of the original building or structure insured; or
 - b. The Limit of Insurance applicable to the covered building or structure under consideration.
3. If the Replacement Cost Endorsement is attached to this Policy and the building or structure is not repaired or replaced, or if the Replacement Cost Endorsement option does not apply, then We will not pay more for loss,

damage or expense to the building or structure, including loss caused by enforcement of an ordinance or law, than the lesser of:

- a. The Actual Cash Value of the building or structure at the time of loss; or
 - b. The Limit of Insurance applicable to the covered building or structure.
4. We will not pay under this Coverage Part A of this endorsement until the buildings or structures are rebuilt, repaired, or reconstructed.

B. Coverage Part B – Demolition Cost Coverage

1. We will pay for the cost to demolish and clear undamaged parts of the building or structure covered under Coverage A or Article IV caused by enforcement of building, zoning, or land use ordinance or law but only if such building, zoning, or land use ordinance or law is in force at the time of loss.
2. We will not pay under this Coverage Part B of this endorsement until the demolition costs are incurred.
3. Our Limit of Insurance for this Coverage Part B of this Endorsement shall be the lesser of the amount defined in the Declarations Page, Schedule A, or the amount You actually spend to demolish the undamaged parts of the building or structure. In the event the Coinsurance Condition Endorsement ICAT DICNA 501 is attached to this Policy, such Coinsurance Condition shall not apply to this Coverage Part B - Demolition Cost Coverage - of this Endorsement.

C. Coverage Part C – Increased Cost of Construction

1. We will pay for the increased cost to repair, rebuild, or construct the building or structure caused by enforcement of building, zoning, or land use ordinance or law but only if such building, zoning, or land use ordinance or law is in force at the time of loss. If the building or structure is repaired or rebuilt, it must be intended for similar occupancy as the current building or structure, unless otherwise required by such zoning or land ordinance or law. In no event will We pay for the increased cost of construction if the building is not repaired or replaced.
2. We will not pay under this Coverage Part C of this Endorsement until the building or structure is actually repaired or replaced at the same or another location and unless the repairs or replacement are made as soon as reasonably possible after the covered loss or damage, but in no event after 24 months from the date of the covered Cause of Loss.
3. If the building or structure is repaired or replaced at the same location, or if You elect to rebuild at another location, the most We will pay under this Coverage Part C of this Endorsement is the lesser of:
 - a. The increased cost of construction at the same location; or

- b. The applicable Limit of Insurance for this Coverage Part C of this Endorsement shown in the Declarations Page, Schedule A.
- 4. If the ordinance or law requires relocation to another location, the most We will pay under this Coverage Part C of this Endorsement is the lesser of:
 - a. The increased cost of construction at the new premises; or
 - b. The applicable Limit of Insurance for this Coverage Part C of this Endorsement shown in the Declarations Page, Schedule A.

IV. Pollution Exclusion

We will not pay for loss, cost or expense caused by or resulting from the mere existence, occurrence, discharge, dispersal, seepage, migration, release or escape of Pollutants. We will not pay any loss, cost, or expense associated with the enforcement of any ordinance or law which requires You or others to test for, monitor, clean up, remove, restore, replace, contain, treat, detoxify or neutralize, or in any way respond to, or assess, the effects of Pollutants. We will not pay to investigate or defend any loss, injury, or damage, or for any costs, fine or penalty or for any expense or claim or suit related to any of the above. Pollutants means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, asbestos, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

V. Deductible

See the Deductible Endorsement Form attached to this Policy for the Deductible provisions applicable to this Coverage F - Ordinance or Law.

All other terms and conditions of this Policy remain.

ELECTRONIC DATA PROCESSING ENDORSEMENT FORM 303

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

I. ICAT DICNA 100 (01 07) is amended as follows:

Article IV - Property or Interest Covered, Coverage B: Business Personal Property is amended to include the following:

Electronic data processing equipment including its component parts owned by You, leased to You, rented to You, or under Your control.

Article X – Property and Interests Excluded – Subsection 14 is deleted and replaced by the following:

Electronic data processing media owned by You or for which You may be legally liable including data, records, all software including procedures and programs or source material of any kind, and all forms of converted data or programs and/or instruction vehicles used in Your data processing operations.

II. Article XI - Excluded Causes Of Loss - Subsection 10.a. is deleted and replaced by the following:

10. Any loss, damage or expense, or increase in loss, damage or expense, caused by or resulting from loss of, alteration of, or damage to; or a reduction in the functionality, availability or operation of:

a. A computer system, program, software, data, information repository, microchip, integrated circuit, or similar device in computer equipment or non-computer equipment;

III. Limit of Insurance

Our Limit of Insurance for the payment of loss under this Endorsement is included in and part of Our Limit of Insurance under Coverage B of Article IV of the Policy as shown in the Declarations Page, Schedule A. This Endorsement does not increase our Limit of Insurance under the Policy.

IV. Valuation

With respect to loss or damage to electronic data processing equipment, **Article VIII – Valuation** – is replaced by the following:

We shall not pay more than the cost of repair or replacement of electronic data processing equipment covered herein. However, in the event You elect to not repair or replace such equipment, then We shall not pay more than the Actual Cash Value of such equipment at the time of loss or damage from a covered Cause of Loss, even if the Replacement Cost Endorsement 500 is attached to this Policy. The loss or damage shall be ascertained or estimated according to such Actual Cash Value based on the Replacement Cost with proper deduction for depreciation (however caused), but in no event shall such amount

exceed what it would then cost to repair or replace such equipment with equipment of like kind and quality, nor the amount for which You may be liable.

All other terms and conditions of this Policy remain.

FOUNDATIONS EXTENSION ENDORSEMENT FORM 309

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

I. ICAT DICNA 100 is amended as follows:

Article X – Property and Interests Excluded – Subsection 25 is deleted.

II. Limit of Insurance

Our Limit of Insurance for the payment of loss under this Endorsement is included in and part of Our Limit of Insurance under Coverage A of Article IV of the Policy as shown in the Declarations Page, Schedule A.

The above-listed changes do not increase or decrease the Policy Limit of Insurance.

All other terms and conditions of this Policy remain the same.

DEDUCTIBLE ENDORSEMENT FORM 404(a):
EARTHQUAKE AND FLOOD
DEDUCTIBLE BY LINE OF COVERAGE

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

Article IX – Deductible

- I. Your deductible under this Policy is as follows:
 - A. Earthquake: If loss or damage to Covered Property is caused by an Earthquake (as defined herein), Your deductible will be the amount in the Declarations Page, Schedule A.
 - B. Flood: If loss or damage to Covered Property is caused by a Flood (as defined herein), Your deductible will be the amount in the Declarations Page, Schedule A.
 - C. All Other Causes of Loss: If loss or damage to Covered Property is caused by any Cause of Loss covered by this Policy other than Earthquake, Your deductible will be the amount shown in the Declarations Page, Schedule A.
- II. Your deductible will be applied as follows:
 - A. In the event a deductible is expressed as a percentage in the Declarations Page, Schedule A, then that percentage deductible shall be equal to a dollar amount determined by multiplying the percentage shown times the Total Insured Value of Covered Property.
 - B. We will not pay for loss or damage to Covered Property until the amount of loss or damage from any one Occurrence exceeds the applicable deductible defined in this Endorsement and shown in the Declarations Page, Schedule A. We will then pay the amount of loss or damage in excess of the stated deductible up to Our Limit of Insurance. Your deductible amount may be subject to adjustments required by the Coinsurance Condition Endorsement if such Endorsement is attached to this Policy.
 - C. Your deductible will be applied to Covered Property as follows:
 - 1. As respects loss or damage to buildings or structures insured under Coverage A of Article IV:

- a. The applicable deductible will be applied separately to all Coverage A building and structure losses from all other Covered Property losses; and
 - b. If two or more buildings or structures are insured under Coverage A of Article IV, then the applicable deductible will be applied separately to each such building or structure.
- 2. As respects loss or damage to Business Personal Property insured under Coverage B and Tenant Improvements and Betterments insured under Coverage C (both as defined in Article IV of the Policy):
 - a. The applicable deductible will be applied to Coverage B and C losses separately from All Other Covered Property Losses; and
 - b. If Covered Property covered under Coverages B and C is located in two or more buildings or structures, then the applicable deductible will be applied separately to such Covered Property located in each such separate building or structure as shown in the Declarations Page, Schedule A; and
 - c. The applicable deductible for losses to all Covered Property covered under Coverages B and C will be applied to the sum of all Coverage B and C losses in each building or structure as shown in the Declarations Page, Schedule A.
- 3. As respects loss or damage to Additional Property Coverage Covered Property insured under Coverage D of Article IV:
 - a. The applicable deductible will be applied separately to all Coverage D losses from all Other Covered Property losses; and
 - b. If Covered Property under Coverage D is located at two or more Covered Locations, then the applicable deductible will be applied separately to such Covered Property at each such Covered Location as shown in the Declarations Page, Schedule A; and
 - c. The applicable deductible for all Covered Property covered under Coverage D at each Covered Location will be applied to the sum of all such Coverage D losses at each such Covered Location as shown in the Declarations Page, Schedule A.
- 4. As respects loss, damage or expense to Covered Property insured under Coverage E - Loss of Business Income; Rental Value; Extra Expense:
 - a. The applicable deductible will be applied separately to all Coverage E losses from all other Covered Property losses; and

- b. If Coverage E is applicable to two or more Covered Locations under Coverage A and/or Coverage B of Article IV, then the applicable deductible will be applied separately to each such Covered Location as shown in the Declarations Page, Schedule A.
- 5. As respects loss or damage to Covered Property under Coverage F of Article IV, the coverage provisions of Coverage F shall not be activated or available to You unless and until the deductible provisions applicable to Coverage A of Article IV, as defined in II-C-1 of this Endorsement, have been satisfied and a claim payment is due to You under the provisions of Coverage A of Article IV.
- D. In the event Covered Property is damaged by multiple Covered Causes of Loss in the same Occurrence, then there shall be a separate deductible applicable to the portion of the loss caused by Earthquake, Flood and All Other Causes of Loss.
- III. Earthquake as used herein is defined as a vibration generating rupture event caused by displacement within the earth's crust to release a strain associated with tectonic processes and includes effects such as ground shaking liquefaction, seismically-induced land sliding which can be attributed to a single seismic occurrence, and damaging amplification of ground motion. Earthquake does not mean or include tsunami or volcanic eruption, whether such tsunami or volcanic eruption precedes or succeeds an Earthquake event. Tectonic processes means adjustments of the earth's crust in response to regional stress conditions initiated by dynamic forces within the earth's interior.
- IV. Flood as used herein is defined to include:

Waves, wave wash, wave action, storm surge, tide or tidal water, and the rising (including the overflow or breaking of boundaries) of lakes, ponds, reservoirs, rivers, harbors, streams and other similar bodies of water or surface waters, rain accumulation or run off, or by spray from any of the foregoing, whether driven by wind or not, and including:

 - 1) The backing up of sewers or drains due to flood;
 - 2) Water below the surface of the ground including that which exerts pressure on or flows, seeps, or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows or any other opening in such driveways, sidewalks, foundations, walls, or floors, due to flood.

All other terms and conditions of this Policy remain.

REPLACEMENT COST ENDORSEMENT FORM 500

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

- I. **Article VIII - Valuation** is deleted and replaced with the provisions contained in this Endorsement.
- II. Valuation
 - A. We shall not pay more than the Replacement Cost (without deduction for depreciation) of the Covered Property at the time of loss. The loss or damage shall be ascertained or estimated according to such Replacement Cost value, but in no event shall such amount exceed what it would then cost to repair or replace the Covered Property with material of like kind and quality, nor the amount for which You may be liable.
 - B. 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, at a later date, make a claim for the coverage on the basis of this Replacement Cost Endorsement if You notify Us of Your intent to do so within 180 days after the loss or damage to the Covered Property.
 - C. We will not pay more for loss or damage to Covered Property on a Replacement Cost basis than the lesser of:
 - 1. Our Limit of Insurance applicable to the damaged Covered Property; or
 - 2. The cost to repair or replace, at the same location, the damaged Covered Property with other property:
 - a. Of comparable material and quality; and
 - b. Used for the same purpose;
 - 3. Or the amount You actually spend that is necessary to repair or replace the damaged Covered Property.
 - D. Notwithstanding the foregoing, in the event You elect to not repair, restore or replace the damaged Covered Property, or You do not commence the repairs, restoration or replacement of the damaged Covered Property within a reasonable period of time (which in no event shall be greater than 18 months from the date of the loss causing the damage to the Covered Property), then this Replacement Cost coverage shall not apply but rather the provisions of Article VIII of the Policy shall apply.

Additionally, this Replacement Cost coverage does not apply to the property itemized immediately below; rather, the provisions of Article VIII of the Policy shall apply:

1. Property of others.
2. Contents of a residence.
3. Manuscripts.
4. Works of art, antiques or rare articles, including but not limited to etchings, pictures, statuary marble, bronzes, porcelain, and bric-a-brac.
5. Stock.

All other terms and conditions of this Policy remain.

CANCELLATION PROVISIONS ENDORSEMENT FORM 600

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

- I. **Article III – Cancellation Provisions** – will be as stated in this Endorsement.
 - A. The first Named Insured shown in the Declarations Page may cancel this Policy at any time by mailing or delivering to Us advance written notice of cancellation.
 - B. **Cancellation Other Than Upon Written Notice by First Named Insured**
 - 1. 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 cancellation is for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if We cancel for any other reason, except We may cancel immediately if there has been:
 - 1) A material misstatement or misrepresentation; or
 - 2) A failure to comply with an underwriting requirement established by Us.
 - C. Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.
 - D. If this Policy is cancelled, We will refund any return premium due, with such refund payment to be calculated as provided in this Policy, unless a different refund amount is required by law.
 - E. **Underwriting Period**
 - 1. The underwriting period for this Policy is the first 90 days of the Policy Period unless either of the following applies:
 - a. If the majority of Covered Property is located in Oklahoma, the underwriting period is the first 45 days of the Policy Period; or
 - b. If the majority of Covered Property is located in Arkansas, Connecticut, Georgia, Kentucky, Montana, New Hampshire, or Pennsylvania, the underwriting period is the first 60 days of the Policy Period.
 - 2. During the underwriting period, We may verify the information submitted as part of the application for insurance coverage under this Policy. We may modify the terms of the Policy, including the premium charged, based on the information We obtain during the underwriting period. We may cancel the Policy, subject to Section I. of this endorsement, either during the underwriting period or after the underwriting period, except that:
 - a. If the majority of Covered Property is located in Alaska, the notice period stated in Section I.B.1.a. of this Endorsement is 20 days, the notice period stated in Section I.B.1.b of this Endorsement is 60 days, and 10 days of notice shall be provided in the event We cancel this Policy due to Your fraud or material misrepresentation;

- b. If the majority of Covered Property is located in Florida and the notice of cancellation is being mailed during the underwriting period, the notice period stated in Section I.B.1.b. of this Endorsement is 20 days;
- c. If the majority of Covered Property is located in Georgia or Montana and the notice of cancellation is being mailed during the underwriting period, the notice period stated in Section I.B.1.b. of this Endorsement is 10 days;
- d. If the majority of Covered Property is located in Indiana, We may cancel due to Your fraud or material misrepresentation only upon providing 20 days notice of cancellation;
- e. If the majority of Covered Property is located in Kentucky, the notice period stated in Section I.B.1.a. of this Endorsement is 14 days;
- f. If the majority of Covered Property is located in Kentucky, the notice period stated in Section I.B.1.b. of this Endorsement is 14 days if notice of cancellation is being mailed during the underwriting period, but such notice period shall be increased to 75 days if notice is being mailed after the underwriting period;
- g. If the majority of Covered Property is located in Oklahoma, the notice period stated in Section I.B.1.b. of this Endorsement is 10 days if the notice of cancellation is being mailed after the underwriting period and 10 days of notice shall be required when cancellation is due to Your fraud or material misrepresentation;
- h. If the majority of Covered Property is located in Pennsylvania, the notice period stated in I.B.1.a. of this Endorsement is 15 days and 15 days of notice shall be required when cancellation is due to Your material misrepresentation;
- i. If the majority of Covered Property is located in Connecticut, New Hampshire, or Pennsylvania and the notice of cancellation is being mailed after the underwriting period, the notice period stated in Section I.B.1.b. of this Endorsement is 60 days; and
- j. If the majority of Covered Property is located in Florida, Georgia, Indiana, or Montana and the notice of cancellation is being mailed after the underwriting period, the notice period stated in Section I.B.1.b. of this Endorsement is 45 days.

F. Nonrenewal

- 1. If We decide not to renew this Policy, We will mail or deliver to the first Named Insured written notice of nonrenewal at least 30 days prior to the expiration date of this Policy, except that:
 - a. If the majority of Covered Property is located in Arkansas, Connecticut, New Hampshire, or Pennsylvania, We will mail or deliver written notice of nonrenewal at least 60 days prior to the expiration date of the Policy;
 - b. If the majority of Covered Property is located in Florida, Georgia, Indiana, Montana, Oklahoma, or Wyoming, We will mail or deliver written notice of nonrenewal at least 45 days prior to the expiration date of the Policy;

- c. If the majority of Covered Property is located in Kentucky, We will mail or deliver written notice of nonrenewal at least 75 days prior to the expiration date of the Policy; and
- d. If the majority of Covered Property is located in South Carolina, We will mail or deliver written notice of nonrenewal at least 60 days prior to the expiration of the Policy except that we will mail or deliver written notice of nonrenewal at least 90 days prior to the expiration date of the Policy for any nonrenewal that will be effective between June 1 and October 31.

G. Conditional Renewal

- 1. A notice of conditional renewal will be mailed or delivered to the first named Insured only as stated below:
 - a. If the majority of Covered Property is located in Connecticut, We will mail or deliver written notice of conditional renewal if there is a reduction in coverage, an increase in the deductible or retention, a decrease in limits, an additional exclusion, or some other decrease in coverage;
 - b. If the majority of Covered Property is located in Mississippi, We will mail or deliver written notice of conditional renewal if there is a reduction in coverage;
 - c. If the majority of Covered Property is located in Montana or Wyoming, We will mail or deliver written notice of conditional renewal if there is an increase in premium or less favorable terms for You;
 - d. If the majority of Covered Property is located in Oklahoma, We will mail or deliver written notice of conditional renewal if there is an increase in premium, change in deductible, or a reduction in limits or coverage;
 - e. If the majority of Covered Property is located in New Hampshire or Kentucky, We will mail or deliver written notice of conditional renewal if there is an increase in premium of 25% or more;
 - f. If the majority of Covered Property is located in Pennsylvania, We will mail or deliver written notice of conditional renewal if there is an increase in premium; or
 - g. If the majority of Covered Property is located in South Carolina, We will mail or deliver written notice of conditional renewal if there is a change of terms, limits, or an increase in premium.

- H. Any notice of cancellation, nonrenewal, or conditional renewal will be mailed or delivered to the first Named Insured's last mailing address known to Us.
- I. If notice of cancellation, nonrenewal, or conditional renewal is mailed, proof of mailing will be sufficient proof of notice.

All other terms and conditions of this Policy remain.

MINIMUM FEES ENDORSEMENT FORM 601

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

The following **Minimum Earned Fees Provision** is added to the Policy.

Minimum Earned Fees: In the event that this Policy is terminated at any time on or after the Policy Effective Date (as defined in Article II), then there will be a minimum earned policy fee of \$410.00 and a minimum earned inspection fee of \$490.00.

All other terms and conditions of this Policy remain.

MINIMUM EARNED PREMIUM ENDORSEMENT 602

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

The following **Minimum Earned Premium Provision** is added to the Policy.

Minimum Earned Premium: In the event that this Policy is terminated at the request of the insured any time on or after the Policy Effective Date (as defined in Article II), a minimum earned premium of 25% of the annual premium will become payable by the insured.

All other terms and conditions of this Policy remain.

ELECTRONIC DATE RECOGNITION

ENDORSEMENT FORM 603

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

Notwithstanding any provision to the contrary within this Policy or within any Endorsement which forms part of this Policy, this Policy does not insure any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- a. the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not; or
- b. any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not.

This Endorsement applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

The above-listed changes do not increase or decrease the Policy Limit of Insurance.

All other terms and conditions of this Policy remain the same.

LOSS PAYABLE ENDORSEMENT FORM 700

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

- I. In the event an Additional Interest(s) is shown in the Declarations Page as a Loss Payee, Lender's Loss Payable or Buyer, then the following provisions shall apply:
 - A. If an Additional Interest(s) is listed as a Loss Payee in the Declarations Page, then the provisions of Section II of this Endorsement - Loss Payable - shall apply to such Additional Interest(s).
 - B. If an Additional Interest(s) is listed as a Lender's Loss Payable in the Declarations Page, then the provisions of Section III of this Endorsement - Lender's Loss Payable - shall apply to such Additional Interest(s).
 - C. If an Additional Interest(s) is listed as a Buyer in the Declarations Page, understood to mean a person, organization or any entity with whom you have entered into a contract for the sale of Covered Property, then the provisions of Section IV of this Endorsement - Contract of Sale - shall apply to such Additional Interest(s).
- II. Loss Payable: For Covered Property in which You and a Loss Payee shown in the Declarations Page have an insurable interest, We will:
 - A. Adjust losses with You; and
 - B. Pay any claim for any loss or damage jointly to You and the Loss Payee as such Loss Payee interests may appear.
- III. Lender's Loss Payable: If the Additional Interest(s) shown in the Declarations Page is a Lender's Loss Payable, including a Mortgagee or trustee, whose interest in Covered Property is established by written instruments such as: warehouse receipts; a contract for deed; bills of lading; financing statements; or mortgages, deeds of trust, or security agreements, then the following provisions shall apply:
 - A. For Covered Property in which You and a Lender's Loss Payable have an insurable interest:
 1. We will pay for Covered Loss or damage to each such Lender's Loss Payable in their order of financial precedence.
 2. The Lender's Loss Payable has the right to receive loss payment even if the Lender's Loss Payable has started foreclosure or similar action on the Covered Property.
 3. If We deny Your claim because of Your acts or because You have failed to comply with the terms of this Policy, the Lender's Loss Payable will still have the right to receive loss payment if the Lender's Loss Payable:

- a. Pays any premium due under this Policy at Our request if You have failed to do so;
- b. Submits a signed, sworn Proof of Loss within 60 days after receiving notice from Us of Your failure to do so; and
- c. Has notified Us of any changes in ownership, occupancy, or substantial change in risk known to the Lender's Loss Payable.

All of the terms and conditions of this Policy will then apply directly to the Lender's Loss Payable.

- 4. If We pay the Lender's Loss Payable 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 Policy:

- a. The Lender's Loss Payable's rights will be transferred to Us to the extent of the amount We pay; and
- b. The Lender's Loss Payable's rights to recover the full amount of the Lender's Loss Payable's claim will not be impaired.

At Our option, We may pay to the Lender's Loss Payable the whole principal on the debt plus any accrued interest. In this event, You will pay Your remaining debt to Us.

- B. If We cancel this Policy, We will give written notice to the Lender's Loss Payable at least:

- 1. 10 days before the effective date of cancellation if We cancel for Your nonpayment of premium;
- 2. 30 days before the effective date if We cancel for any other reason.

- C. If We elect not to renew this Policy, We will give written notice to the Lender's Loss Payable at least 10 days before the expiration date of this Policy.

IV. Contract of Sale: If the Additional Interest(s) shown in the Declarations Page is a Buyer as defined in I.C of this Article, then the following provisions shall apply:

- A. For Covered Property in which both You and the Buyer have an insurable interest, We will:

- 1. Adjust losses with You; and
- 2. Pay any claim for loss or damage jointly to You and the Buyer, as interests may appear.

- B. The following is added to Article XII - Other Insurance:

For Covered Property that is the subject of a contract of sale, the words "Named Insured" includes the Buyer.

All other terms and conditions of this Policy remain.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRORISM EXCLUSION

Notwithstanding any provision to the contrary within this policy or any endorsement attached thereto, it is agreed that this policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this Endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This Endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If we determine that by reason of this exclusion, any loss, damage, cost or expense is not covered by this policy, the burden of proving the contrary shall be upon the Insured.

In the event any portion of this Endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

(NMA2920 08/10/2001)

TRIA COVERAGE ENDORSEMENT

This Endorsement is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Program" as provided for and created by the "U.S. Terrorism Risk Insurance Act of 2002" as amended.

In consideration of an additional premium of

\$182.00 paid, it is hereby noted with effect from inception that the Terrorism exclusion to which this policy is subject, shall not apply to any "insured loss" directly resulting from any "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002" as amended ("TRIA").

The coverage afforded by this Endorsement is only in respect of any "insured loss" of the type insured by this policy directly resulting from a certified "act of terrorism" as defined in TRIA. The Terrorism exclusion to which this policy is subject applies in full force and effect to any other losses and any act or events that are not included in said definition of "act of terrorism".

- **In the event that legislation IS NOT** passed into law extending TRIA beyond December 31, 2027, the coverage provided by this Endorsement shall expire at midnight December 31, 2027, or on the termination date of this policy, whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.
- **In the event that legislation IS** passed into law extending TRIA beyond December 31, 2027, the coverage provided by this Endorsement shall expire when coverage under this policy terminates, but any coverage provided under this Endorsement after December 31, 2027, shall be subject to all of the terms and limitations of such law extending TRIA.

This Endorsement only affects the Terrorism exclusion to which this policy is subject. All other terms, conditions, insured coverage and exclusions of this policy, including applicable limits and deductibles, remain unchanged and apply in full force and effect to the coverage provided by this policy.

Furthermore, we will not be liable for any amounts for which the terms of TRIA specify we are not responsible (including subsequent action of Congress), such as the application of any provision in TRIA which results in a cap on our liability for payment for loss or damage caused by any "act of terrorism" as defined in TRIA.

Disclosures required pursuant to TRIA:

- **Disclosure of premium.** In accordance with TRIA, we have disclosed the portion of your premium attributable to coverage for any "act of terrorism" either in this Endorsement or on the Declarations Page (or both).
- **Disclosure of federal share of compensation for "insured losses" under the "U.S. Terrorism Risk Insurance Program".** In the event of "insured losses" under the "U.S. Terrorism Risk Insurance Program", the United States Government, Department of the Treasury, will pay a share of such "insured losses" which exceed the statutorily established deductible paid by us. The United States Government's share equals 80% of "insured losses". However, if aggregate insured losses attributable to an "act of terrorism" exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.
- **Disclosure of cap on insurer participation in payment of losses attributable to an "act of terrorism".** If aggregate insured losses attributable to an "act of terrorism" exceed \$100 billion in a calendar year and we have met our insurer deductible under TRIA, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case "insured losses" up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

The terms "act(s) of terrorism" and "insured loss(es)" shall have the meanings as provided for in TRIA.

All other terms and conditions remain in full force and effect.

AUTHORIZED SIGNATURES, SERVICE OF PROCESS, AND CONSUMER SERVICE ENDORSEMENT

1. **Signature(s) Required.** If the Insurer Participation Schedule (ICAT 50 SCH) identifies Underwriters at Lloyd's, London, as an insurer participating on this policy, a signature of the duly authorized Correspondent issuing this policy on behalf of Underwriters at Lloyd's, London, is required to be included with this policy. The duly authorized Correspondent is International Catastrophe Insurance Managers, LLC ("ICAT") and following is the required signature on behalf of such Correspondent:



Any authorized signatures required on behalf of any other insurers participating on this policy can be found on the pages immediately following this Endorsement.

2. **Service of Suit.**

- A. **Underwriters at Lloyd's, London.** If the Insurer Participation Schedule (ICAT 50 SCH) identifies Underwriters at Lloyd's, London, as an insurer participating on this policy, then the following provisions apply with regard to Service of Suit upon such Underwriters at Lloyd's, London: In the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon

If the cause of action arises in California:

Foley & Lardner LLP
555 California Street
Suite 1700
San Francisco, CA 94104-1520
Tel: 415.434.4484

If the cause of action arises in any other state:

Lloyd's America, Inc.
Attention: Legal Department
280 Park Avenue, East Tower, 25th
Floor
New York, NY 10017
Tel: +1 212 382 4060

and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful

process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

B. Other Insurers. If the Insurer Participation Schedule (ICAT 50 SCH) identifies insurer(s) other than Underwriters at Lloyd's, London, as participating on this policy, then please see the separate Service of Process Endorsement(s) attached to and part of this policy immediately following on the pages immediately following this Endorsement.

- 3. Applicable Law.** This insurance policy shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the Service-of-Suit provisions in number 2. directly above. (LMA5021.)
- 4. Consumer Service.** We are dedicated to providing you with high-quality service and we want to ensure that we maintain such service at all times. If you feel that we have not offered you first-class service, please write and tell us and we will do our best to resolve the problem. If you have any questions or concerns about your policy or the handling of a claim, you should, as a first step, contact the licensed insurance professional who assisted you in the purchase of this insurance. If the licensed insurance professional is unable to resolve your questions or concerns, please write to the Lloyd's Coverholder for this business at the following address:

Compliance Department
ICAT
385 Interlocken Crescent
Suite 1100
Broomfield, CO 80021

Tel: (303) 447-1155
Fax: (303) 447-1166

In the event that you remain dissatisfied and wish to make a complaint, it may be possible in certain circumstances, and to the extent that Underwriters at Lloyd's, London, is identified as an insurer which is participating on this policy, for you to refer the matter to Policyholder & Market Assistance at Lloyd's. Their address is:

Policyholder & Market Assistance
Lloyd's Market Services
One Lime Street
London EC3M 7HA

Tel.: 011.44.020.7327.5693
Fax: 011.44.020.7327.5225
Email: Complaints@Lloyds.com

In the event that Policyholder & Market Assistance is unable to resolve your complaint, it may be possible, and again only to the extent that Underwriters at Lloyd's, London, is identified as an insurer which is participating on this policy, for you to refer it to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.



National Fire & Marine Insurance Company

SERVICE OF SUIT (National Fire & Marine Insurance Company Only)

Service of Suit upon National Fire & Marine Insurance Company may be made upon: Counsel, Legal Department, National Fire & Marine Insurance Company, 1314 Douglas Street, Suite 1400, Omaha, NE 68102-1944.

In addition to the foregoing, should any cause of action arise in Washington under this policy of insurance, then service of process against National Fire & Marine Insurance Company may be made in such action by service upon the Commissioner of Insurance of the State of Washington. National Fire & Marine Insurance Company further designates the following as the person to whom the Commissioner shall forward such process: Counsel, Legal Department, National Fire & Marine Insurance Company, 1314 Douglas Street, Suite 1400, Omaha, NE 68102-1944.

SIGNATURE PAGE (National Fire & Marine Insurance Company Only)

| | |
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|  |  |
| Secretary | President |

All other terms and conditions of the policy remain unchanged.

RenaissanceRe Specialty U.S. Limited (RSUSL)

Authorized Signature and Service of Suit

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. This endorsement does not change any other provision of the insurance policy to which it is affixed. This endorsement is a part of this insurance policy and takes effect on the effective date of this insurance policy unless another effective date is shown.

AUTHORIZED SIGNATURE

RenaissanceRe Specialty U.S. Limited

Renaissance House
12 Crow Lane
Pembroke HM19, Bermuda

IN WITNESS WHEREOF, RenaissanceRe Specialty U.S. Limited has caused this policy to be executed and attested. All other provisions remain unchanged.



Justin O'Keefe, Underwriter

SERVICE OF SUIT

- A. In the event of our failure to pay any amount claimed to be due under this Policy, we agree to submit to the jurisdiction of any court of competent jurisdiction within the United States in which a suit for those amounts may be brought. Nothing in this condition constitutes or should be understood to constitute a waiver of our right to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States.

- B. Service of process upon RenaissanceRe Specialty U.S. Limited in such suit may be made upon:

McDermott, Will & Emery
340 Madison Avenue
New York, NY 10173-1922

or his or her representative, and that in any suit instituted against us with respect to this Policy, we will abide by the final decision of such court or of any appellate court in the event of an appeal.

- C. **Other Insurers.** If the Insurer Participation Schedule (ICAT 50 SCH) identifies insurer(s) other than RenaissanceRe Specialty U.S. Limited as participating on this policy, then please see the separate Service of Process Endorsement(s) attached to and part of this policy.
- D. To the extent required by the express provisions of any statute of any state, territory, or district of the United States, we hereby designate the Superintendent, Commissioner or Director of Insurance, or other officer specified for that purpose in the statute, or his successor or successors in office as our true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by you or on your behalf or any beneficiary hereunder arising out of this Policy, and we hereby designate the above named Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

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

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

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

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

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

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

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