

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

FIRST NONPROFIT INSURANCE)	
COMPANY,)	
1 South Wacker Avenue)	
Chicago, IL 60606)	
Plaintiff,)	
)	
v.)	No.
)	
ASOCIACION PUERTORRIQUENOS)	
EN MARCHA, INC.)	
1900 North 9 th Street)	
Philadelphia, PA 19122)	
and)	
WILLIAM A. CALANDRA, ESQUIRE,)	
Administrator of the Estate of)	
TAHIRAH PHILLIPS, Deceased,)	
1615 Jackson Street)	
Philadelphia, PA 19145)	
and)	
D.R., a minor by Guardian Ad Litem CARLA A.)	
BEGGIN, N.R. a minor by Guardian Ad Litem)	
CARLA A. BEGGIN, A.P. a minor by)	
Guardian Ad Litem CARLA A. BEGGIN,)	
S.P., a minor by Guardian Ad Litem)	
CARLA A. BEGGIN, M.P., Jr., a minor by)	
Guardian Ad Litem CARLA A. BEGGIN,)	
G.P., a minor by Guardian Ad Litem)	
CARLA A. BEGGIN,)	
1800 JFK Blvd., Suite 300)	
Philadelphia, PA 19103)	
and)	
PHILADELPHIA INSURANCE COMPANY,)	
1 Bala Plaza)	
Suite 100)	
Bala Cynwyd, PA 19004)	
Defendants.)	

COMPLAINT FOR DECLARATORY JUDGMENT

Plaintiff, FIRST NONPROFIT INSURANCE COMPANY, for its Complaint for
Declaratory Judgment states as follows:

THE PARTIES

1. First Nonprofit is, and at all times relevant hereto was, an insurance company organized and existing under the laws of the State of Delaware with its principal place of business within the State of Illinois.

2. Defendant herein, ASOCIACION PUERTORRIQUENOS EN MARCHA, INC., (“APM”), is a not-for-profit corporation incorporated and existing under the laws of the Commonwealth of Pennsylvania with its principal place of business within the Commonwealth of Pennsylvania.

3. Defendant herein, WILLIAM A. CALANDRA is, and at all times relevant hereto was, an individual citizen of the Commonwealth of Pennsylvania and the Administrator for the Estate of TAHIRAH PHILLIPS (the “Phillips Estate”), who during her life was a citizen of the Commonwealth of Pennsylvania. The Phillips Estate is joined as a necessary party-defendant herein for the purpose of binding the Phillips Estate to the judgment of this Court.

4. Defendants herein, D.R., N.R., A.P., S.P., M.P., Jr. and G.P. (collectively the “Underlying Minor-Plaintiffs”) are minors and citizens of the Commonwealth of Pennsylvania whose interests are represented by Guardian Ad Litem CARLA A. BEGGIN, ESQUIRE, an individual citizen of the Commonwealth of Pennsylvania. The Underlying Minor-Plaintiffs are joined as a necessary party-defendants herein for the purpose of binding them to the judgment of this Court.

5. Defendant herein, PHILADELPHIA INSURANCE COMPANY (“Philadelphia Insurance”) is an insurance company organized and existing under the laws of the Commonwealth of Pennsylvania with its principal place of business within the Commonwealth of Pennsylvania.

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction in connection with this matter pursuant to 28 U.S.C. §1332 because the matter in controversy exceeds the sum or value of \$75,000 and is between citizens of different States. Specifically with respect to the amount in controversy, this matter concerns a demand from Philadelphia Insurance that First Nonprofit participate in the defense and the potential indemnity of APM in connection with an underlying action pending in the Court of Common Pleas of Philadelphia County in which the Phillips Estate and the Underlying Minor-Plaintiffs seek damages from APM for the death of Decedent Tahirah Phillips (the “Decedent”) and for various alleged damages allegedly suffered by the Underlying Minor-Plaintiffs. With respect to diversity of citizenship, First Nonprofit is considered to be a citizen of the States of Delaware and Illinois whereas all of the named Defendants are considered to be citizens of the Commonwealth of Pennsylvania.

7. This Court has general personal jurisdiction over each of the named Defendants because each of them is, or is considered to be, a citizen of the Commonwealth of Pennsylvania.

8. Venue is proper in this Court pursuant to 28 U.S.C. §1391(b)(1) and (2) because First Nonprofit’s Named Insured, APM, is located within the Eastern District of Pennsylvania and because a substantial part (if not all) of the events or omissions giving rise to this Complaint for Declaratory Judgment occurred within the Eastern District of Pennsylvania.

9. An actual controversy exists regarding First Nonprofit’s coverage obligations in connection with the underlying action referenced in paragraph 6 above and, therefore, this Court is authorized to grant the declaratory judgment sought herein pursuant to 28 U.S.C. §2201.

THE UNDERLYING ACTION

10. On or about December 20, 2016, the Phillips Estate and the Underlying Minor-Plaintiffs, through their authorized representatives and through legal counsel, caused to be filed a *Plaintiffs' Civil Complaint* (hereinafter the "Underlying Complaint") against APM in the Philadelphia County Court of Common Pleas. A copy of the Underlying Complaint is attached hereto as Exhibit A.

11. The resulting lawsuit, hereinafter referred to as the "Underlying Action," was assigned Case No. 0259 of the November Term, 2016, Civil Trial Division, by the Clerk of the Philadelphia County Court of Common Pleas.

12. The Underlying Complaint alleges, in part, as follows:

- a. At all materials times, the Decedent and the Underlying Minor-Plaintiffs were living in the home of their mother, Tera Riddick, and Maurice Phillips, Sr. (the "Riddick/Phillips Home"), located at 244 East Mayfield Street in Philadelphia;
- b. On May 1, 2013, the City of Philadelphia Department of Human Services, Children and Youth Division ("DHS") identified an "active Safety Threat" with respect to the Decedent and the Underlying Minor-Plaintiffs indicating that Maurice Phillips, Sr. and Tera Riddick could not or would not meet the needs of the Decedent or the Underlying Minor-Plaintiffs; and
- c. On May 28, 2013, APM was retained by DHS as the "Community Umbrella Agency to provide In Home Protective Services ("IHPS") ... to Decedent and to Minor-Plaintiffs who resided in the Riddick/Phillips home."

13. The Underlying Complaint then goes on to allege several incidents relating to the Decedent and/or one or more of the Underlying Minor-Plaintiffs ranging in time from April 11, 2014 to April 16, 2016.

14. The Underlying Complaint alleges that on “April 16, 2016, Decedent Tahirah Phillips died at only four years-old after Maurice Phillips, Sr. shot her in the chest and/or head in the presence of Decedent’s surviving siblings.”

THE FIRST NONPROFIT MULTIPLE PERIL POLICY

15. First Nonprofit issued a Multiple Peril Policy to APM as the Named Insured under Policy No. TMP 3718014-12 (the “Multiple Peril Policy”) for the Term of Coverage of December 31, 2012 to December 31, 2013. A copy of the Multiple Peril Policy is attached as Exhibit B.

16. Section I. of the Multiple Peril Policy was entitled “Bodily Injury and Property Damage Liability.” Section J. of the Multiple Peril Policy was entitled “Sexual Abuse Liability.” Section K. of the Multiple Peril Policy was entitled “Social Work, Foster Care and Counseling Liability.”

17. The Coverage Agreement of Section I. of the Multiple Peril Policy stated, in relevant part:

We will pay those sums that the **insured** becomes legally obligated to pay as **damages** because of **bodily injury or property damage** to which this insurance applies. The **bodily injury or property damage** must occur during the term of coverage and must be caused by an **occurrence** that takes place in the Coverage Territory.

18. The Multiple Peril Policy defined **bodily injury** as “bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.”

19. The Multiple Peril Policy defined **occurrence** as an **accident**.

20. The Coverage Agreement of Section J. of the Multiple Peril Policy stated, in relevant part:

We will pay those sums that the **insured** becomes legally obligated to pay as **damages** arising out of **sexual abuse occurrences** to which this insurance applies.

21. By endorsement to the Multiple Peril Policy, coverage under Section J. applied only to claims which were first made against the Insured and reported to First Nonprofit during the term of the Multiple Peril Policy.

22. The Multiple Peril Policy defined **sexual abuse occurrence** as follows:

Sexual abuse occurrence means the exposure of any one person to **sexual abuse** by one person or two or more persons acting together. All such exposure, including multiple interactions, occurring over any period of time shall be considered to have occurred at the time of the first exposure and during the policy Year of the first such exposure.

23. The Multiple Peril Policy defined **sexual abuse** as follows:

Sexual abuse means the infliction of harm of a sexual nature upon any person by another person or persons, including your **employees**, agents, representatives, volunteers, or others whether such harm is physical, emotional or psychological and the result of physical, visual, or audible contact.

24. The Coverage Agreement of Section K. of the Multiple Peril Policy stated, in relevant part:

We will pay those sums that the **insured** becomes legally obligated to pay as **damages** arising out of **social work occurrences** to which this insurance applies. The **social work occurrence** must take place during the Term of Coverage and within the Coverage Territory.

25. The Multiple Peril Policy defined **social work occurrence** as follows:

Social work occurrence means continuous or repeated exposure to substantially the same harmful conditions resulting in **social work injury**, including all related **social work and foster care services**. All such exposure occurring over any period of time shall be considered to have occurred in the Policy Year of the first such exposure.

26. The Multiple Peril Policy defined **social work injury** as follows:

Social work injury means acts, errors or omissions of the **insured**, arising out of the rendering or failure to render **social work** and **foster care services**. Acts, errors or omissions include but are not limited to the following allegations: duress, negligence, threats of removal of a child/children, and threats of administrative or criminal action.

27. The Multiple Peril Policy defined **social work** as follows:

Social work means activities of the **Named Insured** involving child welfare, community physical and mental health, adoption services, personal counseling services, and recreational activities.

28. Coverage under Section I. and Section J. of the Multiple Peril Policy was subject to an exclusion that stated that the insurance provided thereunder did not apply to:

Any **damages** arising out of the rendering or failure to render professional services, including, but not limited to healthcare and veterinary services, **social work**, **foster care services**, psychological counseling, psychological therapy, psychological evaluation for program placement, legal, accounting, financial, appraisal, architectural, cosmetic, physical therapy, massage, optical, optometric, ear piercing and engineering services.

29. By endorsement, the Multiple Peril Policy stated as follows:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

Multiple Peril Policy – Section H. through and including Section P.

This insurance applies only to those operations of the **Named Insured** at the address indicated below and only for the **Coverage Parts** that are so indicated in the **Declarations**.

This policy excludes all loss expense, claims or occurrences arising out of the **Named Insured's** operations not specifically scheduled below.

Scheduled Premises

As indicated on Declarations (Coverage C, General Property and Coverage D, Income Protection and Extra Expense) pages or added by endorsement.

This is an absolute exclusion. We have no obligation to defend or indemnify the above Insured or any others who may claim coverage under this policy.

30. The Riddick/Phillips Home was not indicated on the Declarations pages to the Multiple Peril Policy, nor was the Riddick/Phillips Home added as a Scheduled Premises to the Multiple Peril Policy by Endorsement. Therefore, the Riddick/Phillips Home was not included within the Scheduled Premises to the "Limitation of Coverage to Designated Premises" Endorsement.

31. The liability coverages afforded under the Multiple Peril Policy were also subject to various conditions precedent to coverage, including certain "Duties in the Event of Occurrence Offense, Claim or Suit," which stated:

a. You must see to it that we are notified as soon as practicable of any **accident**, event or change in condition that may result in a claim. To the extent possible, notice should include:

- i. How, when and where the **accident**, event or change in condition took place;
- ii. The names and addresses of any injured persons and witnesses; and
- iii. The nature and location of any injury or damage.

b. If a claim is made or **suit** is brought against any **insured**, you must:

- i. Immediately record the specifics of the claim or **suit** and the date received; and
- ii. Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or **suit** as soon as practicable.

c. You and any other involved **insured** must:

- i. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;

- ii. Authorize us to obtain records and other information;
- iii. Cooperate with us in the investigation, settlement or defense of the claim, or **suit**; and
- iv. Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the **insured** because of injury or damage to which this insurance may also apply.

THE FIRST NONPROFIT UMBRELLA POLICY

32. First Nonprofit also issued an Umbrella Liability Policy to APM under Policy No. UXL3707348-12 (the “Umbrella Policy”) for the Policy Period of December 31, 2012 to December 31, 2013. A copy of the Umbrella Policy is attached as Exhibit C.

33. The Insuring Agreement of the Umbrella Policy stated that First Nonprofit would pay on behalf of the **Insured** all sums in excess of either the **underlying insurance** or the **retained limit** that the **Insured** becomes legally obligated to pay as **damages** because of **injury** to which the Umbrella Policy applied. The Insuring Agreement of the Umbrella Policy further stated, in relevant part, that the insurance afforded under the Umbrella Policy applied to **bodily injury** if the **injury** occurred during the term of coverage and caused by an **occurrence**.

34. The Umbrella Policy defined **bodily injury** as follows:

Bodily injury means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time. **Bodily injury** also includes disability, mental anguish, mental injury, shock or fright resulting in or from otherwise covered bodily injury.

35. The Umbrella Policy defined **occurrence**, in relevant part, as follows:

With respect to **bodily injury** and **property damage**, an accident, including accidental continuous or repeated exposure to substantially the same general harmful conditions....

36. The Umbrella Policy further provided that coverage thereunder did not apply to:

Any **damages** arising out of the rendering or failure to render professional services, including, but not limited to healthcare and veterinary services, **social work**, **foster care services**, psychological counseling, psychological therapy, psychological

evaluation for program placement, legal, accounting, financial, appraisal, architectural, cosmetic, physical therapy, massage, optical, optometric, ear piercing and engineering services.

37. The Umbrella Policy defined **social work** as follows:

Social work means activities of the **Named Insured** involving child welfare, community physical and mental health, adoption services, personal counseling services, and recreational activities.

38. The Umbrella Policy further included an endorsement entitled “Sexual Abuse Following Form Excess Liability Endorsement.” Under said endorsement, the Umbrella Policy stated that coverage applied under the Umbrella Policy for **damages** because of **sexual abuse occurrences** arising out of **sexual abuse** subject to, among other policy provisions, the identical Insuring Agreement, Exclusions, Definitions and Conditions applicable to Section J. of the Multiple Peril Policy.

39. The Umbrella Policy further included an endorsement entitled “Social Work, Foster Care and Counseling Liability Following Form Excess Endorsement.” Under said endorsement, the Umbrella Policy stated that coverage applied under the Umbrella Policy for **damages** because of a **social work occurrence** arising out of the rendering or failure to render **social work**, subject to, among other policy provisions, the identical Insuring Agreement, Exclusions, Definitions and Conditions applicable to Section K. of the Multiple Peril Policy.

40. The “Conditions” Section of the Umbrella Policy, under the sub-heading of “Duties in the Event of an Occurrence or Offense, Claim or Suit Covered by this Policy,” stated as follows:

(1) You must see to it that we are given prompt written notice of any **occurrence or offense** which may result in damages payable by this policy. Notice should include:

- (a) How, when and where the **occurrence or offense** took place;
- (b) The names and addresses of any injured persons and witnesses; and
- (c) The nature and location of any **injury** or damages arising out of an **occurrence or offense**.

(2) If any claim is made or **suit** is brought against any **Insured** which may result in a claim against this insurance you must:

- (a) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**.
- (b) Authorize us to obtain records and other information; and
- (c) Cooperate with us in the investigation, settlement or defense of the suit.

COUNT I -- DECLARATORY JUDGMENT
NO COVERAGE UNDER ANY OF THE LIABILITY COVERAGES AFFORDED
UNDER THE MULTIPLE PERIL POLICY UNDER THE
LIMITATION OF COVERAGE TO DESIGNATED PREMISES ENDORSEMENT

41. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 40 above, as if each and every such allegation were set forth in full herein.

42. To the extent that the claims made in the Underlying Complaint could be said to have fallen within the Coverage Agreements of any of the liability coverages afforded under the Multiple Peril Policy, which First Nonprofit denies (see below), the Limitation of Coverage to Designated Premises Endorsement to the Multiple Peril Policy stated, in part, that the Multiple Peril Policy excluded all loss, expense, claims or occurrences arising out of APM's operations not specifically scheduled.

43. The Riddick/Phillips Home was not included as a Scheduled Premises under the Multiple Peril Policy.

44. Therefore, any coverage that could have otherwise applied under Section I., Section J., and/or Section K. of the Multiple Peril Policy is excluded from coverage under the language contained within the Limitation of Coverage to Designated Premises Endorsement to the Multiple Peril Policy.

45. Because any coverage that could have otherwise applied under Section I., Section J., and/or Section K. of the Multiple Peril Policy is excluded from coverage under the language contained within the Limitation of Coverage to Designated Premises Endorsement to the Multiple Peril Policy, First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to the Multiple Peril Policy.

**COUNT II -- DECLARATORY JUDGMENT
NO COVERAGE UNDER SECTION I. OF THE MULTIPLE PERIL POLICY
COVERAGE AGREEMENT**

46. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 45 above, as if each and every such allegation were set forth in full herein.

47. In order for coverage to have potentially applied under the Coverage Agreement of Section I. of the Multiple Peril Policy, a **suit** against an **Insured** must have sought **damages** because of, relevant here, **bodily injury**. The **bodily injury** must have occurred during the December 31, 2012 to December 31, 2013 term of coverage of the Multiple Peril Policy.

48. The Underlying Complaint alleges no **bodily injury** taking place during the December 31, 2012 to December 31, 2013 term of coverage of the Multiple Peril Policy.

49. Therefore, the claims made against APM in the Underlying Action do not fall within the Coverage Agreement of Section I. of the Multiple Peril Policy.

50. Because the claims made against APM in the Underlying Action do not fall within the Coverage Agreement of Section I. of the Multiple Peril Policy, First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to Section I. of the Multiple Peril Policy.

**COUNT III – DECLARATORY JUDGMENT
NO COVERAGE UNDER SECTION J. OF THE MULTIPLE PERIL POLICY
COVERAGE AGREEMENT**

51. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 50 above, as if each and every such allegation were set forth in full herein.

52. In order for coverage to have potentially applied under the Coverage Agreement of Section J. of the Multiple Peril Policy, a claim made have been first made against an Insured and reported to First Nonprofit during the December 31, 2012 to December 31, 2013 term of coverage of the Multiple Peril Policy seeking **damages** for a **sexual abuse occurrence**.

53. The claim that is the Underlying Action was not first made against APM during the December 31, 2012 to December 31, 2013 term of coverage of the Multiple Peril Policy.

54. Therefore, the claims made against APM in the Underlying Action do not fall within the Coverage Agreement of Section J. of the Multiple Peril Policy.

55. Because the claims made against APM in the Underlying Action do not fall within the Coverage Agreement of Section J. of the Multiple Peril Policy, First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to Section J. of the Multiple Peril Policy.

**COUNT IV – DECLARATORY JUDGMENT
NO COVERAGE UNDER SECTION K. OF THE MULTIPLE PERIL POLICY
COVERAGE AGREEMENT**

56. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 55 above, as if each and every such allegation were set forth in full herein.

57. In order for coverage to have potentially applied under the Coverage Agreement of Section K. of the Multiple Peril Policy, a **suit** against an **Insured** must have sought **damages** because of, relevant here, a **social work occurrence**. The **social work occurrence** must have occurred during the December 31, 2012 to December 31, 2013 term of coverage of the Multiple Peril Policy.

58. The Underlying Complaint alleges no **social work occurrence** taking place during the December 31, 2012 to December 31, 2013 term of coverage of the Multiple Peril Policy.

59. Therefore, the claims made against APM in the Underlying Action do not fall within the Coverage Agreement of Section K. of the Multiple Peril Policy.

60. Because the claims made against APM in the Underlying Action do not fall within the Coverage Agreement of Section K. of the Multiple Peril Policy, First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to Section K. of the Multiple Peril Policy.

**COUNT V – DECLARATORY JUDGMENT
NO COVERAGE UNDER SECTION I. OR SECTION J.
OF THE MULTIPLE PERIL POLICY
PROFESSIONAL SERVICES EXCLUSION**

61. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 60 above, as if each and every such allegation were set forth in full herein.

62. To the extent that the claims made in the Underlying Complaint could be said to fall within the Coverage Agreements of any of the liability coverages afforded under Section I. or Section J. of the Multiple Peril Policy, which First Nonprofit denies (see above), the Multiple Peril Policy states, in part, that coverage under these sections does not apply to any **damages** arising out of the rendering or failure to render professional services.

63. To the extent that the Underlying Action seeks **damages** from APM, the Underlying Action seeks **damages** from APM arising out of the rendering or failure to render professional services.

64. Therefore, any otherwise applicable coverage under Section I. and/or Section J. of the Multiple Peril Policy is excluded from coverage under the Multiple Peril Policy.

65. Because coverage is so excluded, First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to Section I and/or Section J. of the Multiple Peril Policy.

**COUNT VI – DECLARATORY JUDGMENT
BREACH OF CONDITIONS PRECEDENT TO COVERAGE UNDER THE
MULTIPLE PERIL POLICY**

66. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 65 above, as if each and every such allegation were set forth in full herein.

67. To the extent that coverage could have otherwise applied under any of the liability coverages set forth in the Multiple Peril Policy, APM breached one or more conditions precedent to coverage by:

- a. failing to give First Nonprofit any notice whatsoever of any **accident**, event or change in condition that could have resulted in a claim;
- b. failing to give First Nonprofit any notice whatsoever of the Underlying Action; and
- c. failing to immediately send to First Nonprofit any demands, notices, summonses or legal papers reviewed in connection with the Underlying Action.

68. Because APM has breached one or more conditions precedent to coverage under the Multiple Peril Policy, First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to the Multiple Peril Policy.

**COUNT VII – DECLARATORY JUDGMENT
COVERAGE AGREEMENT
UMBRELLA POLICY**

69. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 68 above, as if each and every such allegation were set forth in full herein.

70. In order for coverage to have potentially applied under the Insuring Agreement of the main coverage form of the Umbrella Policy, an **Insured** must have become legally obligated to pay **damages** because of, relevant here, **bodily injury** which took place during the December 31, 2012 to December 31, 2013 Policy Period of the Umbrella Policy.

71. The Underlying Complaint alleges no **bodily injury** taking place during the December 31, 2012 to December 31, 2013 Policy Period of the Umbrella Policy.

72. Therefore, First Nonprofit is under no obligation to defend or indemnify APM pursuant to the main policy form of the Umbrella Policy.

**COUNT VII – DECLARATORY JUDGMENT
PROFESSIONAL SERVICES EXCLUSION
UMBRELLA POLICY**

73. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 72 above, as if each and every such allegation were set forth in full herein.

74. To the extent that the claims made in the Underlying Action against APM could be said to fall within the grant of coverage found within the main policy form of the Umbrella Policy, the main form of the Umbrella Policy sets forth an exclusion to coverage which states that the insured provided by the Umbrella Policy does not apply to any **damages** arising out of the rendering or failure to render professional services.

75. To the extent the Underlying Complaint seeks **damages**, such **damages** arose out of APM's rendering or failure to render professional services.

76. Therefore, any otherwise applicable coverage that could apply under the main policy form of the Umbrella Policy is excluded and, thus, First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to the main policy form of the Umbrella Policy.

COUNT VIII
FOLLOWING FORM COVERAGE TO COVERAGE J. OF THE
MULTIPLE PERIL POLICY
UMBRELLA POLICY

77. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 76 above, as if each and every such allegation was set forth in full herein.

78. The Umbrella Policy includes an endorsement that states that the Umbrella Policy provides additional Limits of Insurance for **damages** because of **sexual abuse occurrences** arising out of **sexual abuse**, subject to the identical Insuring Agreement, Exclusions, Definitions and Conditions as set forth in Section J. of the Multiple Peril Policy.

79. Coverage J. of the Multiple Peril Policy does not apply because the Coverage Agreement thereof was amended by endorsement to apply on a “claims made and reported” basis, and because the claim that is the Underlying Action was not first made against APM or reported to First Nonprofit during the Term of Coverage of the Multiple Peril Policy.

80. Further, any coverage that could apply under Coverage J. of the Multiple Peril Policy is barred by operation of the Professional Services exclusion found within Section H. of the Multiple Peril Policy.

81. Still further, any coverage that could apply under Coverage J. of the Multiple Peril Policy is barred by operation of the Limitation of Coverage to Designated Premises Endorsement.

82. Because no coverage applies under Coverage J. of the Multiple Peril Policy, no coverage applies under the Umbrella Policy pursuant to the Sexual Abuse Following Form Excess Liability Endorsement.

83. Therefore, First Nonprofit is under no obligation to defend or indemnify APM pursuant to the Sexual Abuse Following Form Excess Liability Endorsement to the Umbrella Policy.

**COUNT VIII
FOLLOWING FORM COVERAGE TO COVERAGE K. OF THE
MULTIPLE PERIL POLICY
UMBRELLA POLICY**

84. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 82 above, as if each and every such allegation was set forth in full herein.

85. The Umbrella Policy includes an endorsement that states that the Umbrella Policy provides additional Limits of Insurance for **damages** because of a **social work occurrence** arising out of the rendering or failure to render **social work**, subject to the identical Insuring Agreement, Exclusions, Definitions and Conditions as set forth in Section K. of the Multiple Peril Policy.

86. Coverage K. of the Multiple Peril Policy does not apply because the Underlying Complaint does not allege a **social work occurrence** taking place during the Term of Coverage of the Multiple Peril Policy.

87. Further, any coverage that could apply under Coverage K. of the Multiple Peril Policy is barred by operation of the Limitation of Coverage to Designated Premises Endorsement.

88. Because no coverage applies under Coverage K. of the Multiple Peril Policy, no coverage applies under the Umbrella Policy pursuant to the Social Work, Foster Care and Counseling Liability Following Form Excess Liability Endorsement to the Umbrella Policy.

89. Therefore, First Nonprofit is under no obligation to defend or indemnify APM pursuant to the Social Work, Foster Care and Counseling Liability Following Form Excess Liability Endorsement to the Umbrella Policy.

**COUNT IX – DECLARATORY JUDGMENT
BREACH OF CONDITIONS PRECEDENT TO COVERAGE UNDER THE
UMBRELLA POLICY**

90. First Nonprofit re-alleges each and every allegation contained within paragraphs 1 through 89 above, as if each and every such allegation were set forth in full herein.

91. To the extent that coverage could otherwise apply under the Umbrella Policy, APM breached one or more conditions precedent to coverage by:

- a. failing to give First Nonprofit any notice whatsoever of any **occurrence** which might have resulted in damages payable by the Umbrella Policy;
- b. failing to immediately send to First Nonprofit copies of demands, notices, summonses or legal papers including, but not limited to, the Underlying Complaint;
- c. failing to comply with the terms of the Multiple Peril Policy.

92. Because APM has breached one or more conditions precedent to coverage set forth in the Umbrella Policy, First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to the Umbrella Policy.

WHEREFORE, the Plaintiff, FIRST NONPROFIT INSURANCE COMPANY requests that this Honorable Court:

- A. Adjudicate and declare the rights and obligations of the Parties hereto, if any, under the Multiple Peril Policy and under the Umbrella Policy;
- B. Find and declare that First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to the Multiple Peril Policy;
- C. Find and declare that First Nonprofit is under no obligation to defend or indemnify APM in connection with the Underlying Action pursuant to the Umbrella Policy;
- D. Find and declare that First Nonprofit is under no obligation to pay to the Phillips Estate and/or the Underlying Minor Plaintiffs on APM's behalf any judgment entered against APM in the Underlying Action;

- E. Find and declare that First Nonprofit is under no obligation to fund any settlement of the claims made against APM in the Underlying Action;
- F. Find and declare that First Nonprofit is under no obligation to contribute toward the defense or indemnity of APM with Philadelphia Insurance Company; and
- G. Grant First Nonprofit any and all further relief that this Honorable Court may deem equitable and just.

Respectfully submitted,



Dawn Courtney Doherty, Esq.

Cecil J. Jones, Esq.

Marks, O'Neill, O'Brien,
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Dated: October 12, 2017

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

FIRST NONPROFIT INSURANCE COMPANY,

v.

ASOCIACION PUERTORRIQUENOS EN MARCHA,
INC., et al.

***COMPLAINT FOR DECLARATORY
JUDGMENT***

EXHIBIT A

KLINER & SPECTER, P.C.
 BY: NADEEM A. BEZAR, ESQUIRE
 EMILY B. MARKS, ESQUIRE
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 Philadelphia, Pennsylvania 19102
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Attorneys for Plaintiffs

WILLIAM A. CALANDRA, ESQUIRE,	:	PHILADELPHIA COUNTY
Administrator of the Estate of	:	COURT OF COMMON PLEAS
TAHIRAH PHILLIPS, Deceased, on behalf of said	:	
Decedent's Heirs-at-Law and Next-of-Kin	:	
1615 Jackson Street	:	CIVIL TRIAL DIVISION
Philadelphia, PA 19145	:	NOVEMBER TERM, 2016
and	:	NO. 0259
D.R., N.R., A.P., S.P., M.P., Jr., and G.P.,	:	
Minors by their Guardian Ad Litem	:	
CARLA A. BREGGIN, ESQUIRE	:	
1800 JFK Blvd., Suite 300	:	
Philadelphia, PA 1910	:	
v.	:	
AÑOCACION PUERTORRIQUEÑOS	:	
EN MARCHA, INC.	:	
1900 North 9 th Street	:	
Philadelphia, PA 19122	:	

PLAINTIFFS' CIVIL COMPLAINT

PARTIES

1. William A. Calandra, Esquire is an adult individual who is a citizen of the Commonwealth of Pennsylvania and maintains a law office at 1615 Jackson Street, Philadelphia, PA 19145. Mr. Calandra is the Administrator of the Estate for Decedent, minor Tahirah Phillips, who died at only four years old as the result of Defendant's negligence, as described more fully herein.

2. Minor-Plaintiff, D.R., born on August 31, 2002, is a 14 year-old individual who is a citizen of, and resides in, the Commonwealth of Pennsylvania. Minor-Plaintiff was the victim of physical and/or sexual abuse and suffered psychological injuries, as described more fully herein.

3. Minor-Plaintiff, N.R., born on May 8, 2005, is an 11 year-old individual who is a citizen of, and resides in, the Commonwealth of Pennsylvania. Minor-Plaintiff was the victim of physical and/or sexual abuse and suffered psychological injuries, as described more fully herein.

4. Minor-Plaintiff, A.P., born on August 28, 2010, is a 6 year-old individual who is a citizen of, and resides in, the Commonwealth of Pennsylvania. Minor-Plaintiff was the victim of physical and/or sexual abuse and suffered psychological injuries, as described more fully herein.

5. Minor-Plaintiff, M.P., Jr., born on August 2, 2012, is a 4 year-old individual who is a citizen of, and resides in, the Commonwealth of Pennsylvania. Minor-Plaintiff was the victim of physical and/or sexual abuse and suffered psychological injuries, as described more fully herein.

6. Minor-Plaintiff, S.P., born on July 11, 2014, is a 2 year-old individual who is a citizen of, and resides in, the Commonwealth of Pennsylvania. Minor-Plaintiff was the victim of physical and/or sexual abuse and suffered psychological injuries, as described more fully herein.

7. Minor-Plaintiff, G.P., born on September 4, 2015, is a 1 year-old individual who is a citizen of, and resides in, the Commonwealth of Pennsylvania. Minor-Plaintiff was the victim of physical and/or sexual abuse and suffered psychological injuries, as described more fully herein.

8. Carla A. Beggan, Esquire is an adult individual who is a citizen of the Commonwealth of Pennsylvania and maintains a law office at 1800 JFK Blvd., Suite 300,

Philadelphia, PA 19102. Ms. Beggin is the Guardian Ad Litem for Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P., and G.P. in this civil action.

9. Defendant Asociacion Puertorriqueños en Marcha, Inc. (hereinafter "APM") and/or ("Defendant APM") is a non-profit 501(c)(3) corporation existing under and by virtue of the laws of the Commonwealth of Pennsylvania with a principal place of business located at 1900 N. 9th Street, Philadelphia, Pennsylvania 19122. Defendant APM regularly conducts business in Pennsylvania and Philadelphia County.

10. At all material times hereto, Defendant APM was acting by and through its employees, servants, and/or actual or apparent agents including but not limited to caseworkers, social workers, supervisor and therapists, to provide In Home Protective Services to Decedent, Tahirah Phillips ("Decedent") and to her surviving siblings, Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. (collectively, "Minor-Plaintiffs"). Accordingly, Defendant APM is liable for the acts and/or omissions of its employees, servants, and/or actual or apparent agents, including but not limited to caseworkers, social workers, supervisors and therapists which occurred in the course of providing In Home Protective Services (also referred to as "IHPS") to Decedent and to Minor-Plaintiffs under theories of agency, master-servant, *respondeat superior* and/or right of control.

11. There may be other employees or agents of Defendant APM with responsibilities for the care and safety of Decedent and Minor-Plaintiffs, whose actions and/or omissions contributed to the injuries and damages suffered by Decedent and by Minor-Plaintiffs. The identities of such persons will be discerned through discovery and such persons will be joined as defendants, if and when appropriate.

FACTS COMMON TO ALL COUNTS

12. Paragraphs 1 through 11 are hereby incorporated by reference as if fully set forth herein.

13. The City of Philadelphia established the Department of Human Services, Children and Youth Division (hereinafter "DHS") to, inter alia, protect Philadelphia children from abuse, neglect and delinquency; provide services in partnership with community organizations to strengthen the overall well-being of Philadelphia; and develop and implement policies and programs to provide children services.

14. At all material times hereto, Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P., and G.P. were living in the home of their mother Tera Riddick and Maurice Phillips, Sr. (the "Riddick/Phillips home"), located at 244 East Mayfield Street, Philadelphia, PA 19134. Maurice Phillips, Sr. is the father of Minor-Plaintiffs A.P., M.P., Jr., S.P., and G.P.

15. On March 1, 2013 DHS received a General Protective Services report that D.R. had been urinating in her bed and on herself for an extended period of time; writing sexually explicit comments on school folders; had an odor of urine when she arrived at school; that she had become moody and had begun stealing objects at school; that she had behavioral problems; and that she may have had a history of sexual abuse.

15. On March 1, 2013 a Child Protective Services report concerning the sexual abuse of Minor-Plaintiff D.R. was determined to be valid.

16. On March 1, 2013 A General Protective Services report concerning the neglect and chronic lack of physical hygiene of Minor-Plaintiffs D.R., N.R., A.P., and M.P., Jr. by their caregivers, Tera Riddick and Maurice Phillips, Sr. was determined to be valid.

17. On May 1, 2013 an active Safety Threat was identified that caregivers Maurice Phillips Sr. and Tera Riddick cannot or will not meet the "special, physical, emotional, medical and/or behavioral needs" of Decedent and Minor-Plaintiffs living in the Riddick/Phillips home.

18. On approximately May 28, 2013, and at all material times hereto, Defendant APM was retained by DHS as the Community Umbrella Agency to provide In Home Protective Services ("IHPS") (also known as Services to Children In Their Own Homes) to Decedent and to Minor-Plaintiffs who resided in the Riddick/Phillips home.

19. At all times material hereto, Defendant APM by and through its employees, agents, and/or servants owed Decedent and Minor-Plaintiffs a duty to visit their home weekly and assess Decedent and Minor-Plaintiffs' current situation, safety, needs, well-being and experience in the Riddick/Phillips home.

20. At all times material hereto, Defendant APM by and through its employees, agents, and/or servants owed Decedent and Minor-Plaintiffs a duty to ensure the safety and well-being of Decedent and Minor-Plaintiffs D.R., N.R., A.P., S.P., M.P., Jr., and G.P.

21. On April 11, 2014, a Child Protective Services Report was received after then 20 month old Minor-Plaintiff M.P., Jr. had fallen from a second-story window of the home and sustained multiple fractured bones and life-threatening injuries.

22. It was reported that at the time Minor-Plaintiff M.P., Jr. fell from the second storey window, Maurice Phillips, Sr. was on the first floor and Tera Riddick was not at home.

23. The April 11, 2014 Child Protective Services Report was indicated.

24. On July 11, 2014 Tera Riddick gave birth to Minor-Plaintiff S.P.

25. It was reported that Tera Riddick received no prenatal care prior to the birth of Minor-Plaintiff S.P.

26. On December 3, 2014, a General Protective Services Report was received after reports that roaches had crawled from Minor-Plaintiff D.R.'s clothing while the school nurse was placing them in the washing machine at school; that the Riddick/Phillips family did not have a washing machine at home and the school assisted the Riddick/Phillips family by laundering Minor-Plaintiff D.R.'s clothing; that Minor-Plaintiff D.R. had ongoing poor hygiene issues and a persistent odor of urine; that Minor-Plaintiff D.R. required prescription eyeglasses and suffered from asthma and seizures and that there was insufficient food in the home.

27. The December 3, 2014 General Protective Services report was determined to be valid.

28. On September 4, 2015, Tera Riddick gave birth to Minor-Plaintiff G.P. who was born prematurely at 29 weeks gestation and weighed three pounds.

29. Minor-Plaintiff G.P. remained hospitalized before he was discharged to Tera Riddick and Maurice Phillip, Sr.'s care.

30. It was reported that Tera Riddick received no prenatal care prior to Minor-Plaintiff G.P.'s birth and had suffered a seizure three weeks prior to Minor-Plaintiff G.P.'s birth because she was not taking her medication.

31. It was reported that Tera Riddick is intellectually disabled; suffers from seizures and has a history of mental health issues.

32. On November 4, 2015 a General Protective Services report was received that there was no food in the Riddick/Phillips home; that Terra Riddick hid food from the Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P., and G.P.; that the Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. were fed very small amounts of food; that the home's electric service was illegally connected; that a space heater was used to heat the home;

that the home lacked water services; that there were no beds in the home for the decedent and Minor-Plaintiffs who slept on piles of trash; that Maurice Phillips, Sr. had broken the bunk beds in the home; that Tera Riddick and Maurice Phillips, Sr. had the only appropriate room in the home; that the bedrooms had an odor of urine and the home was malodorous.

33. The November 4, 2015 General Protective Services Report also indicated that Maurice Phillips, Sr. hit Minor-Plaintiffs N.R. and U.R. with a board from the bunk bed; that Maurice Phillips, Sr. also hit Minor-Plaintiff A.P. and hits her more frequently than the other children; that in October 2015 Maurice Phillips, Sr. hit Minor-Plaintiff A.P. with a board for 25 minutes; and that Maurice Phillips, Sr. hit Decedent and Minor-Plaintiffs for taking food without permission.

34. The November 4, 2015 General Protective Services Report further indicated that Decedent and Minor-Plaintiffs were not allowed outside the home; that Maurice Phillips, Sr. owned a gun and had permit to carry a firearm; that during the week of October 26, 2015 Maurice Phillips, Sr. allowed three year-old Minor-Plaintiff M.P. Jr. to hold the gun; that Tera Riddick is unemployed and gave the family Supplemental Nutrition Assistance Program (SNAP) benefits and Supplemental Security Income (SSI) benefits to Maurice Phillips, Sr. who used the money to purchase illegal drugs; that Decedent and Minor-Plaintiffs had poor hygiene; and that Tera Riddick was more concerned about her relationship with Maurice Phillips, Sr. than with caring her for children.

35. The November 4, 2015 General Protective Services Report was determined to be valid.

36. On April 16, 2016, Decedent, Tahirah Phillips, died at only four years-old after Maurice Phillips, Sr. shot her in the chest and/or head in the presence of Decedent's surviving siblings, Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P., and G.P.

37. It was reported that on April 16, 2016, the day the Decedent Tahirah Phillips was murdered, Maurice Phillips Sr. had been smoking marijuana in the house; that the Decedent and all of the Decedent's siblings had been in Tera Riddick and Maurice Phillips Sr.'s bedroom with Maurice Phillips, Sr. while he was handling a gun; that Maurice Phillips, Sr. aimed the gun at the television and the gun discharged; that Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P., and G.P. observed the bullet strike the Decedent; that there was a lot of blood but the Decedent was breathing; that Maurice Phillips, Sr. moved the Decedent from his bedroom to Minor-Plaintiff D.R.'s bedroom; hid the gun downstairs; blamed Minor-Plaintiff A.P. for the shooting and punched her in the eye; that Maurice Phillips, Sr. changed his bloodied clothes and wiped the Decedent's blood on Minor-Plaintiff A.P. in order to implicate her in the shooting.

38. Subsequently, Maurice Phillips, Sr. was arrested and charged with murder of the third degree, involuntary manslaughter, possessing an instrument of a crime with intent to employ it criminally, and seven counts each of endangering the welfare of children wherein a parent, guardian or other commits the offense and recklessly endangers another person. Maurice Phillips, Sr. is currently incarcerated at Curran-Fronhold Correctional Facility.

39. It was reported that Maurice Phillips Sr. had a long history of mental health issues and suffered from bipolar disorder.

40. From May 15, 2015 to January 27, 2016, Maurice Phillips, Sr. underwent mental health therapy through services provided by Defendant APM but was not receiving therapy at the time of the Decedent's death on April 16, 2016.

41. Minor-Plaintiffs N.R., D.R. A.P. and M.P. Jr. were interviewed at the Philadelphia Children's Alliance on April 22, 2016 where they disclosed that Maurice Phillips Sr. hit Minor-Plaintiff A.P. every day and hit Minor-Plaintiff D.R. frequently with a belt and his fist.

42. On April 28, 2016 5 year-old Minor-Plaintiff A.P. received a medical evaluation at St. Christopher's Hospital where she was found to have extensive scarring including: a healed 2 cm linear scar on her right cheek; a healing purple brown bruise under her left eye; a 3 cm loop scar on her left upper back with multiple other healed scars on her back including a linear 3-4 mm by 8 cm scar on her left shoulder; multiple scars on her arms, legs and chest, several of which are healed hypopigmented scars; a scar on her left neck; two hypopigmented scars about 3-4 mm each on her right ear; two large healed scars, 3 cm x 8 cm and 3 cm x 1 cm, on her right foot; and a 2 cm scar on her left ankle;

43. The physicians at St. Christopher's Hospital concluded that Minor-Plaintiff A.P.'s injuries and multiple scars were consistent with continuous abusive injuries and not consistent with accidental trauma.

44. On April 28, 2016 3 year-old Minor-Plaintiff M.P. Jr. received a medical evaluation at St. Christopher's Hospital where he was found to have multiple concerning scars on his trunk, neck, leg, abdomen and back that were determined to be consistent with continuous abusive injuries and not consistent with accidental trauma in a 3 year-old.

45. Minor-Plaintiff D.R. and N.R. did not receive recommended mental health services while Defendant APM was providing In-Home Protective Services to the Riddick/Phillips home.

46. Minor-Plaintiff D.R. did not receive sexual abuse counseling or therapy while Defendant APM was providing In-Home Protective Services although there was a valid Child Protective Services Report in March 2013 that Minor-Plaintiff D.R. had been sexually abused.

47. At all material times hereeto, Defendant APM's failure to monitor, supervise, investigate and take protective action pursuant to the conduct and conditions within the Riddick/Phillips home resulted in the shooting death of Decedent, Tahirah Phillips and the physical and psychological injuries to Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.

48. Despite actual and/or constructive knowledge of the dangers and abuses that Decedent and Minor-Plaintiffs endured in the Riddick/Phillips home and the potential for further and ongoing abuse, Defendant APM took no or inadequate protective action to ensure the safety of Decedent and Minor-Plaintiffs, including failing to have Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. removed from the Riddick/Phillips home for their safety.

49. At all material times hereeto, Defendant APM either took no action or inadequate action to protect Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P., and G.P.'s physical and psychological welfare.

50. But for the acts and omissions of Defendant APM by and through its employees, agents, and/or servants, Decedent Tahirah Phillips would not have been shot to death in the Riddick/Phillips home in the presence of her surviving siblings, Minor-Plaintiffs, D.R., N.R., A.P., M.P., Jr., S.P., and G.P.

51. But for the acts and omissions of Defendant APM and its employees, agents, and/or servants D.R., N.R., A.P., M.P., Jr., S.P., and G.P. would not have endured physical abuse and psychological injuries in the Riddick/Phillips home.

52; But for the acts and omissions of Defendant APM and its employees, agents, and/or servants D.R., N.R., A.P., M.P., Jr., S.P., and G.P.'s would not witnessed the shooting death of their sister, Decedent Tahirah Phillips,

53. The aforementioned incidents were caused solely and exclusively by the negligence of Defendant APM, individually and by and through its employees, agents and/or servants, and in no manner was it due to any act or failure to act on the part of Decedent or Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P., and G.P..

COUNT I - NEGLIGENCE

WILLIAM CALANDRA, ESQ. Administrator of the Estate of
TAHIRAH PHILLIPS, DECEASED v. DEFENDANT ASOCIACION
PUERTORRIQUEÑOS EN MARCHA, INC.

54. Paragraphs 1 through 53 are hereby incorporated by reference as if fully set forth herein.

55. The negligence of Defendant APM, individually and by and through its employees, servants, and/or agents, actual or apparent, including but not limited to caseworkers, social workers, supervisors and therapists, consisted of the following:

- a. Failing to visit and inspect the Riddick/Phillips home;
- b. Failing to assess Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.'s current situation, safety, needs, well-being and/or experience while they resided in the Phillips/Riddick home;
- c. Failing to maintain adequate supervision and inspection of the Riddick/Phillips home;
- d. Failing to conduct Safety Assessments for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.;
- e. Failing to implement Safety Plans for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.;

- f. Failing to implement a Safety Plan indicating the Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.R. and G.P are unsafe and that removal from the Riddick/Phillips home is necessary;
- g. Failing to interpret and act upon Safety Assessments and/or Safety Plans conducted for Decedent and Minor-Plaintiff's D.R., N.R., A.P., S.R., M.P. Jr., S.P. and G.P.;
- h. Failing to identify and act upon circumstances indicating a risk of harm and abuse to Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- i. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiff's D.R., N.R., A.P., M.P. Jr., S.P. and G.P were in danger;
- j. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr. S.P and G.P were in a dangerous situation at home that was not in compliance with the rules, policies, practices, and/or procedures established by DHS;
- k. Failing to take action to remove Decedent and Minor-Plaintiffs Decedent and Minor-Plaintiff's D.R., N.R., A.P., M.P., Jr. S.P., and G.P. from the Riddick/Phillips home;
- l. Failing to take immediate protective action to ensure the safety of Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P following numerous indicators of dangerous conditions and physical and sexual abuse in the Riddick/Phillips home;
- m. Failing to evaluate Decedent's and Minor-Plaintiff's D.R., N.R., A.P., M.P. Jr., S.P. and G.P's physical and mental well being;
- n. Failing to prevent Decedent's death;
- o. Failing to prevent Decedent and Minor-Plaintiff's D.R., N.R., A.P., M.P. Jr., S.P. and G.P from suffering grievous and permanent physical, emotional, and psychological injuries;
- p. Violating the principles of the Restatement (Second) of Torts § 323;
- q. Failing to train employees, agents, and/or servants to identify and act upon signs of physical and sexual abuse and dangerous conditions in the Riddick/Phillips home.

56. As a direct result of Defendant APM's negligence, Decedent Tahirah Phillips, a minor, endured physical and psychological abuse and lost her life at only four years-old after she was shot by Maurice Phillips Sr.

WHEREFORE, Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT II – NEGLIGENCE

MINOR PLAINTIFF D.R. by her Guardian Ad Litem CARLA A. BEGGIN, ESQ. v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

57. Paragraphs 1 through 56 are hereby incorporated by reference as if fully set forth herein.

58. The negligence of Defendant APM, individually and by and through its employees, servants, and/or agents, actual or apparent, including but not limited to caseworkers, social workers, supervisors and therapists, consisted of the following:

- a. Failing to visit and inspect the Riddick/Phillips home;
- b. Failing to assess Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.'s current situation, safety, needs, well-being and/or experience while they resided in the Phillips/Riddick home;
- c. Failing to maintain adequate supervision and inspection of the Riddick/Phillips home;
- d. Failing to conduct Safety Assessments for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- e. Failing to implement Safety Plans for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- f. Failing to implement a Safety Plan indicating the Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.R. and G.P. are unsafe and that removal from the Riddick/Phillips home is necessary;

- g. Failing to interpret and act upon Safety Assessments and/or Safety Plans conducted for Decedent and Minor-Plaintiffs D.R., N.R., A.P., S.P., M.P. Jr., S.P., and G.P.;
 - h. Failing to identify and act upon circumstances indicating a risk of harm and abuse to Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P., and G.P.;
 - i. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P., and G.P. were in danger;
 - j. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiff's D.R., N.R., A.P., M.P. Jr., S.P. and G.P were in a dangerous situation at home that was not in compliance with the rules, policies, practices, and/or procedures established by DHS;
 - k. Failing to take action to remove Decedent and Minor-Plaintiff's Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr. S.P., and G.P. from the Riddick/Phillips home;
 - l. Failing to take immediate protective action to ensure the safety of Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P following numerous indicators of dangerous conditions and physical and/or sexual abuse in the Riddick/Phillips home;
 - m. Failing to evaluate Decedent's and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P's physical and mental well being;
 - n. Failing to prevent Decedent's death;
 - o. Failing to prevent Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P., and G.P from suffering grievous and permanent physical, emotional, and psychological injuries;
 - p. Violating the principles of the Restatement (Second) of Torts § 323;
 - q. Failing to train employees, agents, and/or servants to identify and act upon signs of physical and sexual abuse and dangerous conditions in the Riddick/Phillips home.
59. As a direct result of Defendant's negligence, Minor-Plaintiff D.R. suffered severe physical pain and mental anguish which she has and will endure for the rest of her life.

60. As a direct result of Defendant's negligence, Minor-Plaintiff D.R. has in the past and will in the future suffer a loss in the enjoyment of life.

61. As a direct result of Defendant's negligence, Minor-Plaintiff D.R. has in the past and will in the future suffer otherwise unnecessary medical and psychological treatment; medical costs and other costs.

62. As a direct result of the Defendant's negligence, Minor-Plaintiff D.R. has in the past and will in the future suffer embarrassment, humiliation, shame, and fear.

63. As a direct result of Defendant's negligent, Minor-Plaintiff D.R. suffered an impairment of her earning capacity.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of pre-judgment interest, costs and damages for pre-judgment delay.

COUNT III - NEGLIGENCE

MINOR-PLAINTIFF N.R. by her Guardian Ad Litem CARLA A. BEGGIN, ESO, v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

64. Paragraphs 1 through 63 are hereby incorporated by reference as if fully set forth herein.

65. The negligence of Defendant APM, individually and by and through its employees, servants, and/or agents, actual or apparent, including but not limited to caseworkers, social workers, supervisors and therapists, consisted of the following:

- a. Failing to visit and inspect the Riddick/Phillips home;
- b. Failing to assess Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.'s current situation, safety, needs, well-being and/or experience while they resided in the Phillips/Riddick home;
- c. Failing to maintain adequate supervision and inspection of the Riddick/Phillips home;

- d. Failing to conduct Safety Assessments for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.;
- e. Failing to implement Safety Plans for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.;
- f. Failing to implement a Safety Plan indicating the Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.R. and G.P. are unsafe and that removal from the Riddick/Phillips home is necessary;
- g. Failing to interpret and act upon Safety Assessments and/or Safety Plans conducted for Decedent and Minor-Plaintiffs D.R., N.R., A.P., S.R., M.P., Jr., S.P. and G.P.;
- h. Failing to identify and act upon circumstances indicating a risk of harm and abuse to Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.;
- i. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. were in danger;
- j. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. were in a dangerous situation at home that was not in compliance with the rules, policies, practices, and/or procedures established by DHS;
- k. Failing to take action to remove Decedent and Minor-Plaintiffs Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P., and G.P. from the Riddick/Phillips home;
- l. Failing to take immediate protective action to ensure the safety of Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. following numerous indicators of dangerous conditions and physical and/or sexual abuse in the Riddick/Phillips home;
- m. Failing to evaluate Decedent's and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.'s physical and mental well-being;
- n. Failing to prevent Decedent's death;
- o. Failing to prevent Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. from suffering grievous and permanent physical, emotional, and psychological injuries;
- p. Violating the principles of the Restatement (Second) of Torts § 323.

- q. Failing to train employees, agents, and/or servants to identify and act upon signs of physical and sexual abuse and dangerous conditions in the Riddick/Phillips home.

66. As a direct result of Defendant's negligence, Minor-Plaintiff N.R. suffered severe physical pain and mental anguish which she has and will endure for the rest of her life.

67. As a direct result of Defendant's negligence, Minor-Plaintiff N.R. has in the past and will in the future suffer a loss in the enjoyment of life.

68. As a direct result of Defendant's negligence, Minor-Plaintiff N.R. has in the past and will in the future suffer otherwise unnecessary medical and psychological treatment, medical costs and other costs.

69. As a direct result of the Defendant's negligence, Minor-Plaintiff N.R. has in the past and will in the future suffer embarrassment, humiliation, shame, and fear.

70. As a direct result of Defendant's negligent, Minor-Plaintiff N.R. suffered an impairment of her earning capacity.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT IV – NEGLIGENCE

MINOR-PLAINTIFF A.P. by her Guardian Ad Litem CARLA A. BEGGIN, ESO, v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

71. Paragraphs 1 through 70 are hereby incorporated by reference as if fully set forth herein.

72. The negligence of Defendant APM, individually and by and through its employees, servants, and/or agents, actual or apparent, including but not limited to caseworkers, social workers, supervisors and therapists, consisted of the following:

- a. Failing to visit and inspect the Riddick/Phillips home;
- b. Failing to assess Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.'s current situation, safety, needs, well-being and/or experience while they resided in the Phillips/Riddick home;
- c. Failing to maintain adequate supervision and inspection of the Riddick/Phillips home;
- d. Failing to conduct Safety Assessments for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- e. Failing to implement Safety Plans for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- f. Failing to implement a Safety Plan indicating the Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.R. and G.P. are unsafe and that removal from the Riddick/Phillips home is necessary;
- g. Failing to interpret and act upon Safety Assessments and/or Safety Plans conducted for Decedent and Minor-Plaintiffs D.R., N.R., A.P., S.R., M.P. Jr., S.P. and G.P.;
- h. Failing to identify and act upon circumstances indicating a risk of harm and abuse to Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- i. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P. were in danger;
- j. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P. were in a dangerous situation at home that was not in compliance with the rules, policies, practices, and/or procedures established by DHS;
- k. Failing to take action to remove Decedent and Minor-Plaintiffs Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P., and G.P. from the Riddick/Phillips home;
- l. Failing to take immediate protective action to ensure the safety of Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P. following numerous indicators of dangerous conditions and physical and/or sexual abuse in the Riddick/Phillips home;
- m. Failing to evaluate Decedent's and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.'s physical and mental well being;

- n. Failing to prevent Decedent's death;
- o. Failing to prevent Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P from suffering grievous and permanent physical, emotional, and psychological injuries;
- p. Violating the principles of the Restatement (Second) of Torts § 323;
- q. Failing to train employees, agents, and/or servants to identify and act upon signs of physical and sexual abuse and dangerous conditions in the Riddick/Phillips home.

73. As a direct result of Defendant's negligence, Minor-Plaintiff A.P. suffered severe physical pain and mental anguish which she has and will endure for the rest of her life.

74. As a direct result of Defendant's negligence, Minor-Plaintiff A.P. has in the past and will in the future suffer a loss in the enjoyment of life.

75. As a direct result of Defendant's negligence, Minor-Plaintiff A.P. has in the past and will in the future suffer otherwise unnecessary medical and psychological treatment, medical costs and other costs.

76. As a direct result of the Defendant's negligence, Minor-Plaintiff A.P. has in the past and will in the future suffer embarrassment, humiliation, shame, and fear.

77. As a direct result of Defendant's negligent, Minor-Plaintiff A.P. suffered an impairment of her earning capacity.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT V – NEGLIGENCE

MINOR PLAINTIFF M.P., Jr. by his Guardian Ad Litem CARLA A. BEGGIN, ESO, v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

78. Paragraphs 1 through 77 are hereby incorporated by reference as if fully set forth herein.

79. The negligence of Defendant APM, individually and by and through its employees, servants, and/or agents, actual or apparent, including but not limited to caseworkers, social workers, supervisors and therapists, consisted of the following:

- a. Failing to visit and inspect the Riddick/Phillips home;
- b. Failing to assess Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.'s current situation, safety, needs, well-being and/or experience while they resided in the Phillips/Riddick home;
- c. Failing to maintain adequate supervision and inspection of the Riddick/Phillips home;
- d. Failing to conduct Safety Assessments for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.;
- e. Failing to implement Safety Plans for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.;
- f. Failing to implement a Safety Plan indicating the Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.R. and G.P. are unsafe and that removal from the Riddick/Phillips home is necessary;
- g. Failing to interpret and act upon Safety Assessments and/or Safety Plans conducted for Decedent and Minor-Plaintiffs D.R., N.R., A.P., S.R., M.P. Jr., S.P. and G.P.;
- h. Failing to identify and act upon circumstances indicating a risk of harm and abuse to Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- i. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P. were in danger;
- j. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R.,

N.R., A.P., M.P. Jr., S.P., and G.P. were in a dangerous situation at home that was not in compliance with the rules, policies, practices, and/or procedures established by DHS;

- k. Failing to take action to remove Decedent and Minor-Plaintiffs Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P., and G.P. from the Riddick/Phillips home;
- l. Failing to take immediate protective action to ensure the safety of Decedent and Minor-Plaintiff D.R., N.R., A.P., M.P. Jr., S.P., and G.P. following numerous indicators of dangerous conditions and physical and sexual abuse in the Riddick/Phillips home;
- m. Failing to evaluate Decedent's and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.'s physical and mental well being;
- n. Failing to prevent Decedent's death;
- o. Failing to prevent Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P., and G.P. from suffering grievous and permanent physical, emotional, and psychological injuries;
- p. Violating the principles of the Restatement (Second) of Torts § 323;
- q. Failing to train employees, agents, and/or servants to identify and act upon signs of physical and sexual abuse and dangerous conditions in the Riddick/Phillips home.

80. As a direct result of Defendant's negligence, Minor-Plaintiff M.P., Jr. suffered severe physical pain and mental anguish which she has and will endure for the rest of his life.

81. As a direct result of Defendant's negligence, Minor-Plaintiff M.P., Jr. has in the past and will in the future suffer a loss in the enjoyment of life.

82. As a direct result of Defendant's negligence, Minor-Plaintiff M.P., Jr. has in the past and will in the future suffer otherwise unnecessary medical and psychological treatment, medical costs and other costs,

83. As a direct result of the Defendant's negligence, Minor-Plaintiff M.P., Jr. has in the past and will in the future suffer embarrassment, humiliation, shame, and fear,

84. As a direct result of Defendant's negligent, Minor-Plaintiff M.P., Jr. suffered an impairment of his earning capacity;

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT VI - NEGLIGENCE

MINOR-PLAINTIFF S.P by her Guardian Ad Litem CARLA A. BEGGIN, ESO, V.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

85. Paragraphs 1 through 84 are hereby incorporated by reference as if fully set forth herein.

86. The negligence of Defendant APM, individually and by and through its employees, servants, and/or agents, including but not limited to caseworkers, social workers, supervisors and therapists, consisted of the following:

- a. Failing to visit and inspect the Riddick/Phillips home;
- b. Failing to assess Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.'s current situation, safety, needs, well-being and/or experience while they resided in the Phillips/Riddick home;
- c. Failing to maintain adequate supervision and inspection of the Riddick/Phillips home;
- d. Failing to conduct Safety Assessments for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- e. Failing to implement Safety Plans for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- f. Failing to implement a Safety Plan indicating the Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.R. and G.P. are unsafe and that removal from the Riddick/Phillips home is necessary;
- g. Failing to interpret and act upon Safety Assessments and/or Safety Plans conducted for Decedent and Minor-Plaintiffs D.R., N.R., A.P., S.R., M.P. Jr., S.P. and G.P.;

- h. Failing to identify and act upon circumstances indicating a risk of harm and abuse to Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P;
- i. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P were in danger;
- j. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P were in a dangerous situation at home that was not in compliance with the rules, policies, practices, and/or procedures established by DHS;
- k. Failing to take action to remove Decedent and Minor-Plaintiffs Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P., and G.P. from the Riddick/Phillips home;
- l. Failing to take immediate protective action to ensure the safety of Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P following numerous indicators of dangerous conditions and physical and sexual abuse in the Riddick/Phillips home;
- m. Failing to evaluate Decedent's and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P's physical and mental well being;
- n. Failing to prevent Decedent's death;
- o. Failing to prevent Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P from suffering grievous and permanent physical, emotional, and psychological injuries;
- p. Violating the principles of the Restatement (Second) of Torts § 323;
- q. Failing to train employees, agents, and/or servants to identify and act upon signs of physical and sexual abuse and dangerous conditions in the Riddick/Phillips home.

87. As a direct result of Defendant's negligence, Minor-Plaintiff S.P. suffered severe physical pain and mental anguish which she has and will endure for the rest of her life.

88. As a direct result of Defendant's negligence, Minor-Plaintiff S.P. has in the past and will in the future suffer a loss in the enjoyment of life.

89. As a direct result of Defendant's negligence, Minor-Plaintiff S.P. has in the past and will in the future suffer otherwise unnecessary medical and psychological treatment, medical costs and other costs.

90. As a direct result of the Defendant's negligence, Minor-Plaintiff S.P. has in the past and will in the future suffer embarrassment, humiliation, shame, and fear.

91. As a direct result of Defendant's negligent, Minor-Plaintiff S.P. suffered an impairment of her earning capacity.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of pre-judgment interest, costs and damages for pre-judgment delay.

COUNT VII - NEGLIGENCE

MINOR-PLAINTIFF G.P. by his Guardian Ad Litem CARLA A. BEGGIN, ESO, v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

92. Paragraphs 1 through 91 are hereby incorporated by reference as if fully set forth herein.

93. The negligence of Defendant APM, individually and by and through its employees, servants, and/or agents, including but not limited to caseworkers, social workers, supervisors and therapists, consisted of the following:

- a. Failing to visit and inspect the Riddick/Phillips home;
- b. Failing to assess Decedent and Minor-Plaintiff's D.R., N.R., A.P., M.P. Jr., S.P. and G.P.'s current situation, safety, needs, well-being and/or experience while they resided in the Phillips/Riddick home;
- c. Failing to maintain adequate supervision and inspection of the Riddick/Phillips home;

- d. Failing to conduct Safety Assessments for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.;
- e. Failing to implement Safety Plans for Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.;
- f. Failing to implement a Safety Plan indicating the Decedent and Minor-Plaintiffs (D.R., N.R., A.P., M.P. Jr., S.R. and G.P. are unsafe and that removal from the Riddick/Phillips home is necessary;
- g. Failing to interpret and act upon Safety Assessments and/or Safety Plans conducted for Decedent and Minor-Plaintiffs D.R., N.R., A.P., S.R., M.P. Jr., S.P. and G.P.;
- h. Failing to identify and act upon circumstances indicating a risk of harm and abuse to Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P.;
- i. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. were in danger;
- j. Failing to take timely action to notify DHS and/or the Pennsylvania Department of Human Services that Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P. Jr., S.P. and G.P. were in a dangerous situation at home that was not in compliance with the rules, policies, practices, and/or procedures established by DHS;
- k. Failing to take action to remove Decedent and Minor-Plaintiffs Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P., and G.P. from the Riddick/Phillips home;
- l. Failing to take immediate protective action to ensure the safety of Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. following numerous indicators of dangerous conditions and physical and sexual abuse in the Riddick/Phillips home;
- m. Failing to evaluate Decedent's and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P.'s physical and mental well being;
- n. Failing to prevent Decedent's death;
- o. Failing to prevent Decedent and Minor-Plaintiffs D.R., N.R., A.P., M.P., Jr., S.P. and G.P. from suffering grievous and permanent physical, emotional, and psychological injuries;
- p. Violating the principles of the Restatement (Second) of Torts § 323;

g. Failing to train employees, agents, and/or servants to identify and act upon signs of physical and sexual abuse and dangerous conditions in the Riddick/Phillips home.

94. As a direct result of Defendant's negligence, Minor-Plaintiff G.P. suffered severe physical pain and mental anguish which he has and will endure for the rest of his life.

95. As a direct result of Defendant's negligence, Minor-Plaintiff G.P. has in the past and will in the future suffer a loss in the enjoyment of life.

96. As a direct result of Defendant's negligence, Minor-Plaintiff G.P. has in the past and will in the future suffer otherwise unnecessary medical and psychological treatment, medical costs and other costs.

97. As a direct result of the Defendant's negligence, Minor-Plaintiff G.P. has in the past and will in the future suffer embarrassment, humiliation, shame, and fear.

98. As a direct result of Defendant's negligent, Minor-Plaintiff G.P. suffered an impairment of his earning capacity.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT VIII - NEGLIGENT INFILCTION OF EMOTIONAL DISTRESS

MINOR-PLAINTIFF D.R. by her Guardian Ad Litem CARLA A. BEGGIN, ESQ. v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCIA, INC.

99. Paragraphs 1 through 98 are hereby incorporated by reference as if fully set forth herein.

100. At all relevant times, Defendant APM was negligent in fulfilling its duties to provide In Home Protective Services to Decedent and to Minor-Plaintiffs.

101. Minor-Plaintiff D.R. is the sibling of Decedent, Tahirah Phillips and thus closely related to the injured victim.

102. In the performance of Defendant APM's duties to Decedent and to Minor-Plaintiff, it was foreseeable to Defendant that breaches in the standard of care while it was providing In-Home Protective Services to Decedent and to Minor-Plaintiffs would cause Minor-Plaintiffs extreme emotional distress.

103. Minor-Plaintiff D.R. was present for the shooting death of Decedent and witnessed this act contemporaneously.

104. The negligence of Defendant APM was the factual, legal, and proximate cause of the shooting death of Decedent.

105. As a result of witnessing the shooting death of Decedent, Minor-Plaintiff D.R. sustained shock and direct emotional impact and injury and suffered and continue to suffer grief, depression, sadness, loss of sleep, stress and anxiety and emotional distress.

106. As a result of the negligent acts and omissions of Defendant APM as set forth in this Complaint, Minor-Plaintiff D.R. has in the past and will in the future suffer severe emotional distress, psychological and physical injuries, for which she has or will undergo psychological evaluation and treatment.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT IX - NEGLIGENT INFILCTION OF EMOTIONAL DISTRESS

MINOR PLAINTIFF N.R. by her Guardian Ad Litem CARLA A. BEGGIN, ESO, v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

107. Paragraphs 1 through 106 are hereby incorporated by reference as if fully set forth herein:

108. At all relevant times, Defendant APM was negligent in fulfilling its duties to provide In Home Protective Services to Decedent and to Minor-Plaintiffs.

109. Minor-Plaintiff N.R. is the sibling of Decedent, Tahirah Phillips and thus closely related to the injured victim.

110. In the performance of Defendant APM's duties to Decedent and to Minor-Plaintiffs, it was foreseeable to Defendant that breaches in the standard of care while it was providing In-Home Protective Services to Decedent and to Minor-Plaintiffs would cause Minor-Plaintiffs extreme emotional distress.

111. Minor-Plaintiff N.R. was present for the shooting death of Decedent and witnessed this act contemporaneously.

112. The negligence of Defendant APM was the factual, legal, and proximate cause of the shooting death of Decedent.

113. As a result of witnessing the shooting death of Decedent, Minor-Plaintiff N.R. sustained shock and direct emotional impact and injury and suffered and continue to suffer grief, depression, sadness, loss of sleep, stress and anxiety and emotional distress.

114. As a result of the negligent acts and omissions of Defendant APM as set forth in this Complaint, Minor-Plaintiff N.R. has in the past and will in the future suffer severe emotional distress, psychological and physical injuries, for which she has or will undergo psychological evaluation and treatment.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT X - NEGLIGENT INFILCTION OF EMOTIONAL DISTRESS

MINOR PLAINTIFF A.P. by her Guardian Ad Litem CARLA A. BEGGIN, ESQ. v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

115. Paragraphs 1 through 114 are hereby incorporated by reference as if fully set forth herein.

116. At all relevant times, Defendant APM was negligent in fulfilling its duties to provide In Home Protective Services to Decedent and to Minor-Plaintiffs.

117. Minor-Plaintiff A.P. is the sibling of Decedent, Tahirah Phillips and thus closely related to the injured victim.

118. In the performance of Defendant APM's duties to Decedent and to Minor-Plaintiffs, it was foreseeable to Defendant that breaches in the standard of care while it was providing IHPS to Decedent and to Minor-Plaintiffs would cause Minor-Plaintiffs extreme emotional distress.

119. Minor-Plaintiff A.P. was present for the shooting death of Decedent and witnessed this act contemporaneously.

120. The negligence of Defendant APM was the factual, legal, and proximate cause of the shooting death of Decedent.

121. As a result of witnessing the shooting death of Decedent, Minor-Plaintiff A.P. sustained shock and direct emotional impact and injury and suffered and continue to suffer grief, depression, sadness, loss of sleep, stress and anxiety and emotional distress.

122. As a result of the negligent acts and omissions of Defendant APM as set forth in this Complaint, Minor-Plaintiff A.P. has in the past and will in the future suffer severe emotional distress, psychological and physical injuries, for which she has or will undergo psychological evaluation and treatment.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT XI – NEGLIGENT INFILCTION OF EMOTIONAL DISTRESS

MINOR-PLAINTIFF M.P. JR., by his Guardian Ad Litem CARLA A. BEGGIN, ESQ.v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

123. Paragraphs 1 through 122 are hereby incorporated by reference as if fully set forth herein.

124. At all relevant times, Defendant APM was negligent in fulfilling its duties to provide In Home Protective Services to Decedent and to Minor-Plaintiffs.

125. Minor-Plaintiff M.P., Jr. is the sibling of Decedent, Taharah Phillips and thus closely related to the injured victim.

126. In the performance of Defendant APM's duties to Decedent and to Minor-Plaintiffs, it was foreseeable to Defendant that breaches in the standard of care while it was providing IHPS to Decedent and to Minor-Plaintiffs would cause Minor-Plaintiffs extreme emotional distress.

127. Minor-Plaintiff M.P., Jr. was present for the shooting death of Decedent and witnessed this act contemporaneously.

128. The negligence of Defendant APM was the factual, legal, and proximate cause of the shooting death of Decedent.

129. As a result of witnessing the shooting death of Decedent, Minor-Plaintiff M.P., Jr. sustained shock and direct emotional impact and injury and suffered and continue to suffer grief, depression, sadness, loss of sleep, stress and anxiety and emotional distress.

130. As a result of the negligent acts and omissions of Defendant APM as set forth in this Complaint, Minor-Plaintiff M.P., Jr. has in the past and will in the future suffer severe emotional distress, psychological and physical injuries, for which he has or will undergo psychological evaluation and treatment.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT XII – NEGLIGENT INFILCTION OF EMOTIONAL DISTRESS

MINOR-PLAINTIFF S.P. by her Guardian Ad Litem CARLA A. BEGGIN, ESQ.
v. DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.

131. Paragraphs 1 through 130 are hereby incorporated by reference as if fully set forth herein.

132. At all relevant times, Defendant APM was negligent in fulfilling its duties to provide In Home Protective Services to Decedent and to Minor-Plaintiffs.

133. Minor-Plaintiff S.P. is the sibling of Decedent, Tahirah Phillips and thus closely related to the injured victim.

134. In the performance of Defendant APM's duties to Decedent and to Minor-Plaintiffs, it was foreseeable to Defendant that breaches in the standard of care while it was providing IIPS to Decedent and to Minor-Plaintiffs would cause Minor-Plaintiffs extreme emotional distress.

135. Minor-Plaintiff S.P. was present for the shooting death of Decedent and witnessed this act contemporaneously.

136. The negligence of Defendant APM was the factual, legal, and proximate cause of the shooting death of Decedent.

137. As a result of witnessing the shooting death of Decedent, Minor-Plaintiff S.P. sustained shock and direct emotional impact and injury and suffered and continue to suffer grief, depression, sadness, loss of sleep, stress and anxiety and emotional distress.

138. As a result of the negligent acts and omissions of Defendant APM as set forth in this Complaint, Minor-Plaintiff S.P. has in the past and will in the future suffer severe emotional distress, psychological and physical injuries, for which she has undergone psychological evaluation and treatment.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT XIII - NEGLIGENT INFILCTION OF EMOTIONAL DISTRESS

**MINOR-PLAINTIFF G.P. by his Guardian Ad Litem CARLA A. BEGGIN, ESQ. v.
DEFENDANT ASOCIACION PUERTORRIQUENOS EN MARCIA, INC.**

139. Paragraphs 1 through 138 are hereby incorporated by reference as if fully set forth herein.

140. At all relevant times, Defendant APM was negligent in fulfilling its duties to provide In Home Protective Services to Decedent and to Minor-Plaintiffs.

141. Minor-Plaintiff G.P. is the sibling of Decedent, Tahith Phillips and thus closely related to the injured victim.

142. In the performance of Defendant APM's duties to Decedent and to Minor-Plaintiffs, it was foreseeable to Defendant that breaches in the standard of care while it was providing In Home Protective Services to Decedent and to Minor-Plaintiffs would cause Minor-Plaintiff's extreme emotional distress.

143. Minor-Plaintiff G.P. was present for the shooting death of Decedent and witnessed this act contemporaneously.

144. The negligence of Defendant APM was the factual, legal, and proximate cause of the shooting/death of Decedent.

145. As a result of witnessing the shooting death of Decedent, Minor-Plaintiff G.P. sustained shock and direct emotional impact and injury and suffered and continue to suffer grief, depression, sadness, loss of sleep, stress and anxiety and emotional distress.

146. As a result of the negligent acts and omissions of Defendant APM as set forth in this Complaint, Minor-Plaintiff G.P. has in the past and will in the future suffer severe emotional distress, psychological and physical injuries, for which he has or will undergo psychological evaluation and treatment.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT XIV – WRONGFUL DEATH

WILLIAM CALANDRA, ESQ. Administrator of the Estate of
TAHIRAH PHILLIPS, MINOR, DECEASED v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCIA, INC.

147. Paragraphs 1 through 146 are hereby incorporated by reference as if fully set forth herein.

148. As a result of the negligence of Defendant APM and its agents, servants and/or employees, Plaintiff's Decedent, Tahirah Phillips, a minor, died on April 16, 2016.

149. Plaintiff, William Calandra, Esquire, was appointed Administrator of the Estate of Tahirah Phillips on September 23, 2016 in Philadelphia County, Pennsylvania.

150. Plaintiff, William Calandra, Esquire, as Administrator of the Estate of Tahirah Phillips, a minor, deceased, brings this action on behalf of the Wrongful Death beneficiaries of Tahirah Phillips, in accordance with the Pennsylvania Wrongful Death Act Act; 42 Pa.C.S. § 8301.

151. Plaintiff, William Calandra, Esquire, on behalf of the beneficiaries of the Estate of Tahirah Phillips, claims all damages recoverable under the Wrongful Death Act, including the pecuniary value of the support, services, and comfort that the decedent would have provided her family had she lived as well as for reimbursement of medical expenses, funeral expenses and other expenses incurred in connection with her death.

152. As a direct and proximate result of Defendant's negligence as set forth above, Tahirah Phillips Wrongful Death beneficiaries suffered, are suffering, and will, for an indefinite period of time in the future, suffer damages, injuries and losses including, but not limited to, a loss of financial support, and the beneficiaries have been wrongfully deprived of the contributions they would have received from her, including monies which she would have provided for items such as clothing, food, shelter, medical care, education, entertainment, recreation and gifts.

153. As a direct and proximate result of Defendant's negligence as set forth above, Tahirah Phillips' beneficiaries have been caused to incur and pay various expenses for funeral and other expenses related to her death, for which the Plaintiffs are entitled to compensation.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

COUNT XV – SURVIVAL ACT

**WILLIAM CALANDRA, ESQ. Administrator of the Estate of
TAHIRAH PHILLIPS, MINOR, DECEASED v.
DEFENDANT ASOCIACION PUERTORRIQUEÑOS EN MARCHA, INC.**

154. Paragraphs 1 through 153 are hereby incorporated by reference as if fully set forth herein.

155. Plaintiff, William Calandra, Esquire, as Administrator of the Estate of Tahirah Phillips, a minor, Deceased, also brings this action on behalf of the said Decedent's estate in accordance with the Pennsylvania Judiciary Act 42 Pa.C.S. § 8302, known as the Survival Statute.

156. All persons entitled to share in the Estate are the survivors of the Decedent in accordance with the Survival Statute, 42 Pa. C.S. § 8302.

157. As a direct and proximate cause of Defendant's negligence as set forth above, Tahirah Phillips suffered extreme pain and suffering, for which Plaintiffs make this claim.

158. As a direct and proximate cause of Defendant's negligence as set forth above, Tahirah Phillips suffered extreme mental anguish.

159. As a direct and proximate cause of Defendant's negligence as set forth above, Tahirah Phillips was caused to sustain serious, disabling and permanent injuries and death.

160. Plaintiff, William Calandra, Esquire, as Administrator of the Estate of Tahirah Phillips claims on behalf of the Decedent's Estate all damages recoverable under the Survival

Act, including damages for the conscious pain and suffering undergone by Decedent as the result of Defendants' negligence up to and including the time of her death; the net amount of money the Decedent would have earned between the date of her death and today and the amount of money Decedent would have earned between today and the end of her life expectancy.

WHEREFORE Plaintiffs demand judgment in their favor and against Defendant and demand compensatory damages in excess of Fifty Thousand (\$50,000.00) Dollars exclusive of prejudgment interest, costs and damages for pre-judgment delay.

KLINER & SPECTER, P.C.

BY: 
NADEEM A. BEZAR, ESQUIRE
EMILY B. MARKS, ESQUIRE
Attorneys for Decedent and Plaintiffs

DATE: 10/12/17

VERIFICATION

I, William A. Calandra, Esquire, hereby state that I am the Administrator of the Estate of Tahirah Phillips in this matter, and I am authorized to take this Verification on behalf of the Estate of Tahirah Phillips. I hereby verify that I have reviewed the foregoing Plaintiff's Complaint, which was prepared with the assistance of counsel, and that while I do not have personal knowledge of all of the facts and representations therein, the averments appear to be true and correct to the best of my knowledge, information and belief.

The undersigned understands that the statements contained therein are made subject to the penalties of 18 Pa. C.S. § 4094 relating to unsworn falsification to authorities.



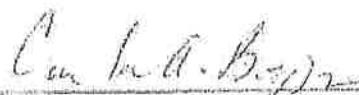
WILLIAM A. CALANDRA, ESQUIRE

DATE: 12-16-16

VERIFICATION

I, Carla A. Beggin, Esquire, hereby state that I am the Guardian Ad Litem for Minor Plaintiffs D.R., N.R., A.P., S.P., M.P., Jr. and G.P. in this matter, and I am authorized to take this Verification on behalf of said Minor Plaintiffs. I hereby verify that I have reviewed the foregoing Plaintiff's Complaint, which was prepared with the assistance of counsel, and that while I do not have personal knowledge of all of the facts and representations therein, the averments appear to be true and correct to the best of my knowledge, information and belief.

The undersigned understands that the statements contained therein are made subject to the penalties of 18 Pa. C.S. § 4094 relating to misworn falsification to authorities.



CARLA A. BEGGIN, ESQUIRE

DATE: 12/19/2016

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

FIRST NONPROFIT INSURANCE COMPANY,

v.

ASOCIACION PUERTORRIQUEÑOS EN MARCHA,
INC., et al.

***COMPLAINT FOR DECLARATORY
JUDGMENT***

EXHIBIT B



1 South Wacker Drive - Suite 2380
Chicago, IL 60606
(312) 715-3010

MULTIPLE PERIL POLICY DECLARATIONS

Policy Number: TMP3718014-12

Producer: Domenick & Associates

Renewal of Number: TMP3718014-11

Named Insured: Asociacion De Puertorriquenos En Marcha, Inc.
ET AL (See Endorsement #1)

Mailing Address: 4301 Rising Sun Ave.
Philadelphia, PA 19140

Term of Coverage: From 12/31/2012 To 12/31/2013

12:01 a.m. Local Time at Your
Mailing Address Shown Above

First Annual Premium: [REDACTED]

Coverages Provided

In return for your payment of the required premium, we provide the coverage described in this policy:

<u>Section</u>	<u>Included</u>	
	<u>Yes</u>	<u>No</u>
A. General Conditions		
Property Insurances		
B. Terms & Conditions - All Property and Related Coverages		
• Optional Coverages		
C. General Property	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D. Income Protection & Extra Expense	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E. Specified Personal Property	<input type="checkbox"/>	<input checked="" type="checkbox"/>
F. Computers	<input checked="" type="checkbox"/>	<input type="checkbox"/>
G. Crime	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Primary Liability Insurances		
H. Terms & Conditions - Primary Liability Coverages		
• Optional Coverages		
I. Bodily Injury and Property Damage Liability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
J. Sexual Abuse Liability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
K. Social Work, Foster Care and Counseling Liability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
L. Medical Liability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
M. Personal and Advertising Injury Liability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N. Non-Owned and Hired Auto Liability	<input type="checkbox"/>	<input checked="" type="checkbox"/>
O. Medical Payments	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P. Employee Benefits Administration Liability	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Additional forms applicable to this policy: 03/2006 PKG 1001

Endorsements # 1-16

Date: January 3, 2013

by: _____

Authorized Representative

04/2010 PKG 1000

Page 1 of 5

Original

GENERAL PROPERTY DECLARATIONS

LOCATION NUMBER	ADDRESS	SECTION APPLICABLE	LIMIT OF COVERAGE	DEDUCTIBLE AMOUNT	LOSS VALUATION*
001-001	(Buildings 1 & 2) 4221-4241 N. 2nd St. & 4301-07 Rising Sun Ave. Philadelphia Philadelphia, PA 19140	Blanket Building, Personal Property of Insured	\$12,019,000		
		Blanket Income Protection Coverage	\$999,000		
		(C) Building	Included in Blanket	\$1,000	RC
		Personal Property	Included in Blanket	\$1,000	RC
002-001	600-604 Diamond St. Philadelphia Philadelphia, PA 19122	(D) Income Protection	Included in Blanket	-----	-----
		(C) Personal Property	Included in Blanket	\$1,000	RC
003-001	2203 Germantown Ave. Philadelphia Philadelphia, PA 19122	(D) Income Protection	Included in Blanket	-----	-----
		(C) Personal Property	Included in Blanket	\$1,000	RC

* Loss Valuation Alternatives

- (ALS) Actual Loss Sustained
 (ACV) Actual Cash Value
 (FV) Functional Value
 (RC) Replacement Cost
 (ERC) Enhanced Replacement Cost

GENERAL PROPERTY DECLARATIONS

LOCATION NUMBER	ADDRESS	SECTION APPLICABLE	LIMIT OF COVERAGE	DEDUCTIBLE AMOUNT	LOSS VALUATION*
004-001	520 Venango Ave. Philadelphia Philadelphia, PA 19122	(C) Building	Included in Blanket	\$1,000	RC
		Personal Property	Included in Blanket	\$1,000	RC
		(D) Income Protection	Included in Blanket	-----	-----
005-001	3263-65 N. Front St., Philadelphia Philadelphia, PA 19122	(C) Building	Included in Blanket	\$1,000	RC
		Personal Property	Included in Blanket	\$1,000	RC
		(D) Income Protection	Included in Blanket	-----	-----
006-001	2355-57 Germantown Ave. Philadelphia Philadelphia, PA 19122	(C) Personal Property	Included in Blanket	\$1,000	RC
		(D) Income Protection	Included in Blanket	-----	-----
007-001	445-447 W. Luray St. Philadelphia Philadelphia, PA 19122	(C) Building	Included in Blanket	\$1,000	RC

* Loss Valuation Alternatives

- (ALS) Actual Loss Sustained
 (ACV) Actual Cash Value
 (FV) Functional Value
 (RC) Replacement Cost
 (ERC) Enhanced Replacement Cost

GENERAL PROPERTY DECLARATIONS

LOCATION NUMBER	ADDRESS	SECTION APPLICABLE	LIMIT OF COVERAGE	DEDUCTIBLE AMOUNT	LOSS VALUATION*
007-001	445-447 W. Luray St. Philadelphia Philadelphia, PA 19122	(C) Personal Property	Included in Blanket	\$1,000	RC
		(D) Income Protection	Included in Blanket	-----	-----
008-001	1116-1118 E. Luzerne St. Philadelphia Philadelphia, PA 19124	(C) Building	Included in Blanket	\$1,000	RC
		Personal Property	Included in Blanket	\$1,000	RC
		(D) Income Protection	Included in Blanket	-----	-----
009-001	(Buildings 1 & 2) 2319-21 N. 7th St. & Philadelphia Philadelphia, PA 19122	(C) Building	Included in Blanket	\$1,000	RC
		Personal Property	Included in Blanket	\$1,000	RC
010-001	2316-18 N. Marshall Philadelphia Philadelphia, PA 19122	(C) Personal Property	Included in Blanket	\$1,000	RC
		(D) Income Protection	Included in Blanket	-----	-----

* Loss Valuation Alternatives

- (ALS) Actual Loss Sustained
 (ACV) Actual Cash Value
 (FV) Functional Value
 (RC) Replacement Cost
 (ERC) Enhanced Replacement Cost

**DECLARATIONS
SECTION F.
COMPUTERS**

Limits, Deductible and Valuation

1. Limits of Coverage

- Loss or damage occurring on premises owned or leased by the Named Insured

Equipment Limit: \$240,000, per loss

Electronic Data and Media: 30% of the above Equipment Limit,
subject to a maximum of \$30,000 per loss.
This is an additional amount of insurance.

Loss of Income and Necessary Extra Expense Limit: 20% of the above Equipment
Limit, subject to a maximum of
\$20,000 per loss. This is an
additional amount of insurance.

- Loss or damage occurring at locations other than on premises owned or leased by the Named Insured

Equipment Limit: \$2,500 per loss

Electronic Data and Media Limit: \$1,000 per loss

Loss of Income and Necessary Extra Expense Limit: \$500 per loss

2. Deductible

\$1,000 per loss. Applicable only to loss or damage to equipment

3. Equipment Loss Valuation - Check only one box

- Enhanced Replacement Cost
 Replacement Cost
 Actual Cash Value

**CRIME DECLARATIONS
SECTION G.**

Coverage Agreement	Limit of Coverage	Deductible Amount
1. Employee Theft	\$500,000 Per Occurrence	\$1,000 Per Occurrence
	\$1,000,000 Policy Year Aggregate	\$2,000 Policy Year Aggregate
2. Forgery or Alteration	NOT PROVIDED Per Occurrence	NOT PROVIDED Per Occurrence
3. Theft of Money and Securities	\$10,000 Per Occurrence	\$1,000 Per Occurrence

Employee Benefit Plans:

APM Center Profit Sharing Plan

PRIMARY LIABILITY DECLARATIONS

<u>LIMITS OF COVERAGE</u>		
Combined Policy Year Annual Aggregate Limit - Applicable to Sections I., J., K. and L.		\$3,000,000
Section I.		
Bodily Injury and Property Damage Liability		\$1,000,000
Each Occurrence Limit		
Section J.		
Sexual Abuse Liability		See Endorsement
Each Sexual Abuse Occurrence Limit		
Section K.		
Social Work, Foster Care and Counseling Liability		\$1,000,000
Each Social Work Occurrence Limit		
Section L.		
Medical Liability		See Endorsement
Each Medical Incident Limit		
Section M.		
Personal and Advertising Injury Liability		\$1,000,000
Policy Year Annual Aggregate Limit		
Section N.		
Non-Owned and Hired Auto Liability		NOT PROVIDED
Each Accident Limit		
Section O.		
Medical Payments		\$10,000 per Person \$50,000 per Occurrence \$150,000 Policy Year Annual Aggregate
Section P.		
Employee Benefit Administration Liability		\$1,000,000 each Claim \$1,000,000 Policy Year Annual Aggregate



INTRODUCTION

This document is an insurance policy. It is large and contains the particulars on the insurance coverage provided. The Table of Contents is arranged to help you locate various parts of the policy.

Where we use the terms "you" or "your", we mean the organization shown as Named Insured in the Policy Declarations. The terms "we", "us" or "our" mean the First Nonprofit Insurance Company.

PLEASE READ YOUR POLICY. The Policy Declarations and Declarations for each Section of this policy will show you the types of insurance provided, the locations insured and the Limits of Coverage provided. Other coverages or special conditions may appear in the Policy Declarations or the Declarations for each of the Sections of this policy. The deductible, the amount you pay on a covered loss, will appear in the Declarations for each Section. Information in the Policy Declarations and each Section Declarations as well as the applicability of any other wording in this policy may be changed by endorsement. You should also read any endorsements that are attached.

Throughout this policy, other words and phrases that have special meaning appear in bold face. Refer to the Definitions of each Section of this policy for the meaning of these defined words and phrases.

Various provisions in this policy restrict coverage.

Read the entire policy carefully to determine rights, duties and what is and is not covered.

**MULTIPLE PERIL POLICY
TABLE OF CONTENTS**

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SECTION A GENERAL CONDITIONS APPLICABLE TO THIS ENTIRE POLICY

All Sections included in this policy are subject to the following General Conditions:

A. AUTHORIZATION

The first Named Insured shown in the Policy Declarations shall act on behalf of all persons or organizations insured under this policy with respect to giving notice of claims, giving and receiving notice of cancellation, payment of premium, receiving return premium, and receipt and acceptance of endorsements.

B. BANKRUPTCY

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations.

C. CANCELLATION AND NONRENEWAL

1. Cancellation

- a. If we cancel this policy, we will mail by proof of mail to the first Named Insured shown in the Policy Declarations written notice of cancellation at least:
 - (i) 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
 - (ii) 45 days before the effective date of cancellation if we cancel for any other reason.
- b. The first Named Insured shown in the Policy Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

2. Nonrenewal

- a. If we decide not to renew or continue this policy we will mail by proof of mail to the first Named Insured shown in the Policy Declarations written notice at least 45 days before the end of the Term of Coverage shown in the Policy Declarations.

3. Notice Requirements

- a. If we fail to mail proper notice of nonrenewal and the first Named Insured obtains other insurance, this policy will end on the effective date of that insurance.
- b. We will mail by proof of mail our notice of nonrenewal to the first Named Insured's last mailing address known to us. Proof of mailing will be sufficient proof of notice.

D. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. This policy's terms, including information in all its Declarations, can be amended or waived only by written endorsement issued by us and made a part of this policy.

E. COVERAGE TERRITORY

The Coverage Territory under this Multiple Peril Policy is:

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

provided your responsibility to pay damages is determined in a suit on the merits, in the territory described in subparagraph 1 above or in a settlement we agree to.

F. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the Term of Coverage shown in the Policy Declarations and up to three years afterward.

G. INSPECTIONS AND SURVEYS

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to providing coverage and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not

warrant that conditions are safe or healthful or comply with laws, regulations, codes or standards.

These conditions apply not only to us, but also to any organization that makes inspections, surveys, reports or recommendations on our behalf.

H. LEGAL ACTION AGAINST US

No person or organization may bring a suit against us under this insurance unless there has been full compliance with all of the terms of the applicable Section(s) and said action is filed within 12 months of the inception of loss.

Nor does any person or organization have a right under this insurance to join us as a party or otherwise bring us into a suit asking for damages from an insured unless all of its terms have been fully complied with.

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

I. OTHER INSURANCE

This insurance is primary with respect to any other insurance available to the insured if such other insurance was purchased by and issued to the insured specifically to apply in excess hereof. Otherwise, this insurance shall apply in excess of all other insurance available to the insured. Without waiving the foregoing, if any insurer affording other insurance to the insured denies primary coverage under its policy, we will respond under this policy as though such other insurance were not available, provided that we shall be subrogated to all rights of the insured to such other insurance and the insured shall do all things necessary to enforce such rights.

J. POLICY YEAR

The first Policy Year starts at 12:01 am local time at the location of the mailing address of the Named Insured indicated in the Declarations of this policy on the date shown in the Policy Declarations, and ends at 12:01 am local time on the date indicated in the Declarations of this policy or 365 days after the beginning of the Term of Coverage, whichever is a shorter period. If the policy is extended after issuance for an additional term of less than 365 days then this additional period will be considered part of the immediately preceding Policy Year. In order to determine the number of Policy Years under this policy, divide the number of days in the Term of Coverage by 365. The resulting whole number is the number of Policy Years. For example, a policy with a Term of Coverage of 1,000 days will have two Policy Years: a first Policy Year of 365 days and a second Policy Year of 635

days. A policy with a Term of Coverage of 1,125 days will have three Policy Years: a first and second Policy Year of 365 days each and a third Policy Year of 395 days.

K. PREMIUM AUDIT

If the premium is shown on the applicable Declarations as a provisional premium, we will compute the final earned premium at the end of each audit period shown on the applicable Declarations. If it is more than the provisional premium paid by you, we will bill you for the difference. If the final earned premium is less than the provisional premium paid by you, we will return the difference to you, subject to any minimum premiums indicated on the applicable Declarations. You must maintain records of the information that is necessary for computing the premium. Copies of the records must be sent to us at the end of the audit period or when requested by us.

L. PREMIUMS

The first Named Insured shown in the Policy Declarations is responsible for the payment of all premiums; and will be the payee for any return premiums we pay.

M. REPRESENTATIONS; CONCEALMENT; FRAUD

By accepting this policy, you agree:

- a. The statements in all the Declarations included with this policy are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

In the event of fraud by you at any time, the entire policy is void. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning this policy's Section(s), Covered Property, your interest in Covered Property, or a claim.

N. SUBROGATION: TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this insurance has rights to recover damages or insurance coverage from another, those rights are transferred to us to the extent of our payment and we shall be subrogated to all rights of that person or organization. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. At our request, the insured will bring suit or transfer those rights to us and help us enforce them.

O. TERM OF COVERAGE

The Term of Coverage is shown in the Policy Declarations.

**P. TRANSFER OF YOUR RIGHTS AND DUTIES
UNDER THIS POLICY**

Your rights and duties under this policy may not be transferred without our written consent.

Q. LIBERALIZATION

During the Term of Coverage, if we amend this policy form in such a way that would broaden the coverage without an additional premium, then the broadened coverage feature will apply to losses under this insurance policy which occur subsequent to the effective date of the first broadened policy we issue in the state of your mailing address.

IN WITNESS WHEREOF, we have caused this policy to be signed by our President and Secretary and countersigned on the Policy Declarations of this insurance policy by our duly authorized representative.

SECRETARY

PRESIDENT

SECTION B

TERMS & CONDITIONS – ALL PROPERTY AND RELATED COVERAGES

If one or more of the following types of insurance are provided under this policy:

Section C: General Property Coverage

Section D: Income Protection and Extra Expense Coverage

Section E: Specified Personal Property Coverage

Section F: Computer Coverage

Then the following Terms & Conditions apply to them.

A. EXCLUSIONS & LIMITATIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following, except as otherwise expressly provided herein. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. **Ordinance or Law**

The enforcement of any ordinance or law:

- (1) Regulating the construction, use, occupancy or repair of any property; or
- (2) Requiring the tearing down, physical alteration or upkeep of any property, including the cost of removing its debris.

This exclusion applies whether the loss results from:

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

However, we will pay up to \$100,000 during the Policy Year in the event of physical damage to covered property otherwise excluded above for the increased costs you sustain in the course of repair, rebuilding or replacement of damaged parts of property incurred to comply with enforcement of an ordinance or law regulating the construction or repair of buildings or establishing zoning or land use requirements at the loss location. Such ordinance or law must be in force at the time of loss. The property involved must be insured at its Replacement Cost value. We will not pay these increased costs unless and until the property is actually repaired or replaced.

b. **Earth Movement and Volcanic Eruption**

- (1) Any earth movement such as an earthquake, landslide, sinkhole collapse or

earth sinking, rising or shifting. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage; or

- (2) Volcanic eruption, explosion or effusion. But if loss or damage by fire, building glass breakage or volcanic action results, we will pay for that resulting loss or damage.

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

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

- (3) However, subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, we will pay up to \$10,000 during the Policy Year to cover all loss in total for all locations to your buildings or personal property at locations described in the General Property Declarations, and otherwise insured under Sections C., D. or E. of this policy, caused by earth movement or volcanic eruption during the Term of Coverage, including any resulting collapse of buildings and personal property.

c. **Governmental Action**

Seizure or destruction of property by order of governmental authority. But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would otherwise be covered.

d. **Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. But if loss or damage by fire results, we will pay for that resulting loss or damage.

e. **Service Interruption**

The failure of power or other utility service supplied to the locations described in the General Property Declarations, however caused, if the failure occurs away from the described locations. Failure includes lack of sufficient capacity and reduction in supply. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting physical loss or damage.

f. War and Military Action

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

g. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up from a sewer or drain; or
- (4) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings.
- (5) Water which leaks from plumbing, heating lines or appliances due to freezing or damage to such lines or appliances, unless:
 - (a) You do your best to maintain heat in the building or structure; or
 - (b) You drain the equipment and shut off the water supply if the heat is not maintained;
- (6) Presence or condensation of humidity, moisture or vapor that occurs over a period of 14 days or more.

But if loss or damage by fire, lightning, explosion or sprinkler leakage results, we will pay for that resulting loss or damage subject to the applicable Limit of Coverage.

However, subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, we will pay up to \$100,000 for all occurrences during the Policy Year at all locations for loss or damage to property described in the General Property Declarations due to causes of loss enumerated in items (1), (2), (3), (4), (5) or (6) above. For purposes of determining coverage, a loss is defined as insured damage to all insured locations that occurs within 72 hours following the initial damage.

h. Fungus, Mold, Mildew, Wet Rot, Dry Rot and Bacteria

- (1) Presence, growth, proliferation, spread or any activity of fungus, mold, mildew, wet or dry rot or bacteria.

This exclusion does not apply when fungus, mold, mildew, wet or dry rot or bacteria result from fire or lightning. Also, if fungus, wet or dry rot or bacteria result in fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; or water damage, we will pay for the loss or damage so caused.

(2) However, subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, we will pay up to \$50,000 for all occurrences during the Term of Coverage at locations described in the General Property Declarations, for loss or damage due to fungus, mold, mildew, wet or dry rot, or bacteria that is excluded under paragraph (1) above. Loss or damage includes:

- a. Direct physical loss or damage caused by fungus, mold, mildew, wet or dry rot, or bacteria, including the cost of removal of the fungus, mold, mildew, wet or dry rot, or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the fungus, mold, mildew, wet or dry rot, or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe the fungus, mold, mildew, wet or dry rot, or bacteria are present.

Regardless of the number of claims, the number of claimants, the number of locations, or the number of buildings, \$50,000 is the most we will pay for the total of all loss or damage arising out of all occurrences that take place during the Policy Year. With respect to a particular occurrence of loss resulting in fungus, mold, mildew, wet or dry rot, or bacteria, we will not pay more than \$50,000 even if the fungus, mold, mildew, wet or dry rot, or bacteria continues to be present, or active, or recurs during the Policy Year of a subsequent policy issued to you by us.

i. Equipment Tests

Sudden and accidental breakdown caused by any of the following equipment tests: a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment.

j. **Failure To Protect Perishable Goods**

Your failure to use all reasonable means to protect perishable goods from damage following direct physical loss or damage otherwise insured under this policy.

2. We will not pay for loss or damage caused directly or indirectly by any of the following, except as otherwise expressly provided herein:

- a. Delay, loss of use or loss of market.
- b. Smoke, vapor or gas from agricultural smudging or industrial operations.
- c. (1) Wear and tear;
- (2) Rust, corrosion, decay, color-fading, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by loss or damage otherwise insured under this policy.
- (5) Settling, cracking, shrinking or expansion;
- (6) Insects, birds, rodents or other animals;
- (7) The following causes of loss to personal property:
 - (a) Dampness or dryness of atmosphere;
 - (b) Changes in or extremes of temperature; or
 - (c) Marring or scratching.

But if loss or damage by fire, lightning, wind, explosion, riot, aircraft, vehicles, smoke, falling objects, vandalism and malicious mischief or the abrupt falling down or caving in of building foundations or those of adjacent buildings or structures results from an excluded cause of loss listed in 2.c.(1) through 2.c.(7), we will pay for that resulting loss or damage.

- d. Liquids other than water, powders or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment caused by or resulting from freezing, unless:
 - (1) You do your best to maintain heat in the building or structure; or
 - (2) You drain the equipment and shut off the water supply if the heat is not maintained.
- e. Theft of property while unattended in or on any vehicle or trailer, unless:
 - (1) Contained in a securely locked body or compartment of the vehicle; and

(2) There are visible marks of forced entry.

- f. Dishonest or criminal acts by you, any of your partners, members, managers, employees (including leased employees), directors, officers, trustees, authorized representatives or anyone to whom you entrust the property for any purpose acting alone or in collusion with others and whether or not occurring during the hours of employment.
- g. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense. This includes wrongful conversion.
- h. Rain, snow, ice or sleet to personal property in the open.
- i. Collapse of buildings and personal property, except as expressly provided below:
 - (1) We will pay for direct physical loss to covered buildings caused by collapse arising out of one or more of the following:
 - (a) Fire, lightning, wind or hail, explosion, aircraft, vehicles, smoke, falling objects, riot or civil commotion, vandalism and malicious mischief, leakage from fire extinguishing equipment, falling objects, water damage, or the abrupt falling down or caving in of its foundation or the foundation of adjacent buildings or structures provided that such abrupt falling down or caving in is not caused by earth movement or volcanic eruption.
 - (b) Hidden decay or insect or vermin damage unknown to any of the officers and directors of the Named Insured at the time of the collapse;
 - (c) Weight of contents, equipment, animals or people within the building;
 - (d) Weight or movement of snow, ice, sleet, or rain which collects on a roof; or
 - (e) Use of defective materials or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
 - (2) We will pay for loss or damage to covered personal property directly resulting from collapse of a building that is insured under this policy.
 - j. Your neglect to use all reasonable means to save and preserve property from further damage at and after the time of loss.

- k. Faulty, inadequate, defective or negligent:
 - (1) Planning, zoning, development, surveying or siting;
 - (2) Design, testing, specifications, workmanship, repair, construction, renovation, remodeling, grading or earth compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;
 - of part or all of any property on or off the location(s) described in the General Property Declarations.
- l. Acts, decisions, errors or omissions, including the failure to act or decide, of any person, group, organization or governmental body.
- m. The following causes of loss to Covered Property used for the generation, transmission or utilization of energy or built to operate under vacuum pressure other than weight of contents:
 - (1) Depletion, deterioration, rust, corrosion, erosion, settling or wear and tear;
 - (2) Any gradually developing condition;
 - (3) Any defect, programming error, programming limitation, computer virus, malicious code, loss of electronic data and media, loss of access, loss of use, loss of functionality or other condition within or involving electronic data and media or media of any kind;
 - (4) Contamination by a hazardous substance; or
 - (5) Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.
- b. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to it.
- c. Property that has been transferred to any person or moved to a location beyond your control on the basis of unauthorized instructions.
- d. Building materials and supplies not attached as part of the building or structure unless held for sale by you, caused by or resulting from theft.

- 2. For loss or damage by theft, subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, the following property is covered only up to \$2,500: jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals.
- 3. In the case of loss or damage to any part of a machine or unit consisting of two or more parts when complete for use, our payment will be limited to the value of the part or parts lost or damaged or, at your option, to the cost and expense of repairing or duplicating the lost or damaged part or parts or of repairing the machine or unit.

C. LOSS CONDITIONS

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

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

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

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

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

3. Duties in the Event of Loss or Damage

You must see that the following are done in the event of loss or damage to Covered Property:

- a. Notify the police if a law may have been broken.

B. PROPERTY LIMITATIONS

- 1. We will not pay for loss or damage to property, or any loss that is a consequence of loss, as described and limited below.
 - a. The interior of any building or structure, or personal property in the building, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

- b. Give us prompt notice of the loss or damage. Include a description of the property involved.
- c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses, for consideration in the settlement of the claim.
- e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- f. Permit us to inspect the property and records proving the loss or damage. Also permit us to take samples of damaged property for inspection, testing and analysis.
- g. If requested, permit us to question you under oath and outside the presence of any other insured at such times as may be reasonably required about any matter. In such event, your answers must be signed.
- h. Send us a signed, sworn statement in proof of loss containing the information we request. You must do this within 60 days after our request. We will supply you with the necessary forms.
- i. Cooperate with us in the investigation or settlement of the claim.

4. Loss Payment

- a. In the event of loss or damage covered by this Section at our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality.
- b. We will not pay you more than your financial interest in the Covered Property.
- c. We will give notice of our intentions within 30 days after we receive the sworn statement of loss.
- d. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- e. We will pay for covered loss or damage within 30 days after we receive the sworn statement of loss, if:
 - (1) You have complied with all of the terms of this Section; and
 - (2) (a) We have reached agreement with you on the amount of loss; or

(b) An appraisal award has been made.

5. Privilege to Adjust With Owner

We may adjust losses with the owners of lost or damaged property if other than you. We have the right to settle the loss with the owner(s) of the property. If we pay the owners, such payments will satisfy your claims against us for the owners' property. A receipt for payment from the owner(s) of that property will satisfy any claim of yours. We will not pay the owners more than their financial interest in the Covered Property.

6. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Coverage shown in the General Property Declarations.

7. Vacancy

a. Vacant Building

This Loss Condition applies to each building otherwise insured under this policy that is vacant at the time of loss.

A vacant building is one that is neither:

- (1) A camp building; nor
- (2) A seasonal building; nor
- (3) A new building under construction; nor
- (4) An existing building in the active process of structural renovation or rehabilitation, and

Which has not been used for its intended purpose for a period of 60 consecutive days immediately prior to the date of loss.

b. Security

We will not pay for loss to a vacant building, otherwise insured under this policy, unless all of the following requirements are met at the time of the loss:

- (1) All ground floor windows must be intact, secured or boarded,
- (2) All doors must be locked and secured,
- (3) All buildings must be inspected by the Named Insured weekly,
- (4) The building's heating systems must be operable and kept on during the normal heating season.

c. Cause of Loss or Damage

We will not pay for loss to a vacant building caused by any of the following:

- (1) Vandalism;

- (2) Sprinkler leakage arising from freezing;
- (3) Damage by water other than from sprinkler leakage;
- (4) Theft or attempted theft; or
- (5) Acts of trespassers.

d. Valuation

We will determine the value of loss to a vacant building that complies with the security requirements of subparagraph b. above, and is otherwise insured by this policy at 85% of the Actual Cash Value at the time of such loss, even if the Declarations indicate that Replacement Cost or Functional Value apply.

e. Deductible

Each loss at a vacant building that complies with the security requirements of subparagraph b. above and is otherwise insured by this policy will be subject to a \$25,000 deductible.

8. Valuation

Regardless of the valuation method that applies, we will not pay more for loss or damage than the least of:

- (1) The Limit of Coverage applicable to the lost or damaged property;
 - (2) The cost calculated under the applicable valuation provisions; or
 - (3) The amount you actually expend that is necessary to repair or replace the lost or damaged property.
- a. Actual Cash Value. We will determine the value of Covered Property in the event of loss or damage at Actual Cash Value at the time of loss or damage except as provided in (1), (2), and (3) below or unless otherwise indicated in the Declarations.
- (1) Stock you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
 - (2) Glass at the cost of replacement with safety glazing material if required by law.
 - (3) Tenant's Improvements and betterments at:
 - (a) Actual Cash Value of the lost or damaged property if you make repairs promptly.
 - (b) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (ii) Divide the amount determined in (i) above by the number of days from the

installation of improvements to the expiration of the lease.

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

- (c) Nothing if others pay for repairs or replacement.

b. Replacement Cost. If the Declarations indicate that Replacement Cost is to apply, we will determine the value of Covered Property in the event of loss or damage as follows:

- (1) At Replacement Cost as of the time of loss or damage, without deduction for depreciation, except as provided below.
- (2) We will not pay Replacement Cost for any loss or damage:
 - (a) Until the lost or damaged property is actually repaired or replaced with the requirement that repairs must be made at the same premises as the damaged property; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- (3) We will not pay more for loss or damage on a Replacement Cost basis than the least of:
 - (a) The Limit of Coverage applicable to the lost or damaged property;
 - (b) The cost to replace, on the same premises, the lost or damaged property with other property of comparable material and quality and used for the same purpose; or
 - (c) The amount you actually spend that is necessary to repair or replace the lost or damaged property.
- (4) You may make a claim for loss or damage covered by this insurance on an Actual Cash Value basis instead of on a Replacement Cost basis. In the event you elect to have loss or damage settled on an Actual Cash Value basis, you may still make a claim for Replacement Cost, provided you notify us of your intent to do so within 180 days after the loss or damage.
- (5) Stock owned by you, including merchandise you purchased for resale, shall be valued at the cost for you to replace it, and not your selling price.
- (6) Tenant's Improvements and betterments at:
 - (a) Actual Cash Value of the lost or damaged property if you make repairs promptly.
 - (b) A proportion of your original cost if you do not make repairs promptly. We will

determine the proportionate value as follows:

- (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
- (ii) Divide the amount determined in (i) above by the number of days from the installation of improvements to the expiration of the lease.

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

- (c) Nothing if others pay for repairs or replacement.

c. Functional Value. If the Declarations indicate that Functional Value is to apply, we will determine the value of the building in the event of loss or damage as follows:

- (1) If you contract for repair or replacement of the loss or damage to restore a building(s) shown in the General Property Declarations for the same occupancy and use within 180 days of the damage, we will pay the smallest of the amount established by the following (a), (b) or (c):
 - (a) The Limit of Coverage applicable to the damaged building(s) shown in the Declarations;
 - (b) The Functional Value as defined below:

In the event of a total loss, the reasonable cost to replace the damaged building on the same site with a building that is functionally equivalent to the damaged building without regard to the design or construction of the damaged building, plus the amount you actually spend to demolish and clear the site of the damaged building.

In the event of a partial loss, the reasonable cost to repair or replace the damaged portion of the building, subject to a maximum of the product of the number of square feet of damaged building multiplied by the per square foot cost, as determined by the use of Marshall-Swift service at the time of loss, of new building construction in the same location and of the same construction type and occupancy and use.

- (c) The amount you actually spend that is necessary to repair or replace the lost or damaged building.

- (2) If you do not make a claim under paragraph (1) above, we will pay the smallest of the following (a), (b) or (c):
 - (a) The Limit of Coverage shown in the Declarations as applicable to the damaged building(s);
 - (b) The market value of the damaged building, exclusive of the land value immediately prior to such loss; such market value to be determined by an independent fee appraiser certified as a Member of the American Appraisal Institute and possessing the MAI designation; or
 - (c) The reasonable cost to repair or replace the damaged building to functional use or the functional equivalent on the same site, with less costly material, less allowance for physical depreciation and economic obsolescence.

9. Pairs, Sets or Parts

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

10. Recoveries

Any recovery or salvage on loss will accrue entirely to our benefit until the sum paid by us has been made up.

D. DEFINITIONS

1. Collapse means:

As respects, buildings, an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.

A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.

A building that is standing or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

2. **Computer equipment** means your computers, electronic data processing equipment and component parts thereof, whether your property or the property of others leased, rented or under your control and for which you are liable.
3. **Electronic data and media** 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 which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of **electronic data and media**, means a set of related electronic instructions which 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. **Electronic data and media** does not include your stock of prepackaged software.
4. **Falling objects** does not include loss or damage to:
 - a. Personal property in the open; or
 - b. The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
5. **Hazardous substance** means any substance, other than ammonia, that has been declared hazardous to health by a governmental agency.
6. **Improvements and betterments** are fixtures, alterations, installations or additions:
 - a. Made a part of the building or structure you occupy but do not own;
 - b. You made or acquired at your expense but cannot legally remove.
7. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including asbestos, smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes, by way of description and not limitation, materials to be recycled, reconditioned or reclaimed.
8. **Sinkhole collapse** means loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water.
9. **Stock** means merchandise held for sale or re-sale, raw materials and in-process or finished goods.
10. **Water damage** means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) that is situated on the location(s) described in the General Property Declarations and contains water or steam.

E. PROPERTY CONDITIONS

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

All of the terms of this policy will then apply directly to the mortgage holder.
 - e. If we pay the mortgage holder 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 or one of its Sections:
 - (1) The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.
 - f. If we cancel this policy, we will give written notice to the mortgage holder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 45 days before the effective date of cancellation if we cancel for any other reason.
 - g. If we elect not to renew this policy, we will give written notice to the mortgage holder at least 10 days before the expiration date of this policy.

2. Reinstatement of Limit After Loss

The Limit of Coverage for Sections C, D, E, and F will not be reduced by the payment of any claim.

3. Suspension

When any Covered Property either used for the generation, transmission or utilization of energy or built to operate under pressure is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend insurance from that piece(s) of property. We can do this by mailing or delivering a written notice of immediate suspension to your address as shown in the Policy Declarations, or at the address where the equipment is located. Once suspended in this way, the

insurance can be reinstated only by written notice from us. If we suspend this insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

4. Jurisdictional Inspections

If any Covered Property used either for the generation, transmission or utilization of energy or built to operate under pressure requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf.

SECTION C GENERAL PROPERTY COVERAGE

This Section C applies only if a "Yes" is indicated in the Coverages Provided section of the Policy Declarations and a Limit of Coverage is shown in the General Property Declarations.

Except as expressly described below, this Section is subject to Section A. General Conditions Applicable to this Entire Policy and to Section B. Terms and Conditions - All Property and Related Coverages.

A. COVERAGE AGREEMENT

We will pay for direct physical loss of or damage to Covered Property at the locations described in the General Property Declarations caused by or resulting from any Covered Cause of Loss occurring during the Term of Coverage.

1. Covered Property

Covered Property, as used in this Section, means the following types of property for which a Limit of Coverage is shown in the General Property Declarations:

a. Buildings

Buildings, meaning the building(s) or structure(s) at the locations described in the General Property Declarations including the following within 100 feet of such building(s):

- (1) Completed additions;
- (2) Permanently installed fixtures, machinery and equipment;
- (3) Outdoor fixtures and signs;
- (4) Personal property owned by you, or that you are liable for, that is used to maintain or service the building or structure or its premises, including:

fire extinguishing equipment; outdoor furniture and furniture in public areas; floor coverings, draperies and shades; appliances used for refrigerating, ventilating, cooking, dishwashing or laundering; and storm doors and windows; and

- (5) Materials, equipment, supplies and temporary structures used for making additions, alterations or repairs to the building or structure.

b. Personal Property

Your personal property located in or on the building(s) at the locations described in the General Property Declarations or in the open (or in a vehicle) within 100 feet of such building(s) consisting of the following:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) Stock;
- (4) All other personal property owned by you;
- (5) Labor, materials or services furnished by you or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments; and
- (7) Leased personal property that you have a contractual responsibility to insure.

c. Accounts Receivable

We will pay up to an additional \$50,000 for the actual amount you are unable to collect from third parties because of the loss or damage to your accounts receivable records, and:

- (1) The interest charges on any loan required to offset damaged collections;

- (2) Collection expenses which are above normal because of such loss;
- (3) Expenses you have incurred in order to restore your records; and
- (4) Expenses you have incurred because the records were moved under threat of a Covered Cause of Loss.

d. Personal Property Off Premises

If your personal property is insured under this policy and if your personal property is temporarily away from location(s) described in the General Property Declarations, then we will pay, subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, up to an additional \$10,000 for loss or damage by a Covered Cause of Loss, subject to the following:

- (1) This coverage only applies to the first 90 days that your personal property is at a location within the Coverage Territory other than location(s) described in the General Property Declarations.
- (2) If you are liable, we will cover personal property of others in your care, custody or control.
- (3) We will cover property in transit within the Coverage Territory on vehicles you own, lease or operate.

e. Fences, Walks and Outbuildings

At locations described in the General Property Declarations, we will pay up to an additional \$25,000 for loss or damage to outbuildings, fences and walks.

Outbuildings are buildings used to store vehicles, or store equipment and supplies relating to the service of your premises. Outbuildings do not include buildings used for habitation, recreation, meeting, business or farming operations.

f. Newly Acquired or Constructed Property

- (1) Provided that the loss or damage occurred during the first 90 days of your ownership or other insurable interest, subject to expiration of this policy, and subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, we will pay up to an additional \$500,000 for physical loss or damage to:
 - a. Your new buildings while being built on locations described in the General Property Declarations; and
 - b. Buildings you acquire subsequent to the inception date of this policy at locations other than the locations described in the General Property Declarations,

- (2) We will pay up to an additional \$100,000 per loss for physical loss or damage to personal property which is located within such buildings..

g. Outdoor Swimming Pools

Swimming pools and pool facilities at locations described in the General Property Declarations shall be insured under this policy as buildings.

h. Personal Property of Others

You may extend personal property coverage, as otherwise provided under this policy, to apply to personal effects owned by your officers or your employees or others at locations described in the General Property Declarations.

The most we will pay for loss or damage to such property not owned by you is an additional \$5,000 per person or organization up to an additional \$30,000 per occurrence. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

i. Radio or TV Antennas

Subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, we will pay up to an additional \$2,000 for physical loss or damage to radio or TV antennas attached to the building at locations described in the General Property Declarations.

j. Trees, Lawns, Plants and Shrubs

Subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, we will pay up to an additional \$25,000 at each location for damage caused by fire, lightning, explosion, vehicles, aircraft, riot, civil commotion, vandalism or theft to trees, lawns, plants, and shrubs on the locations described in the General Property Declarations. A maximum of \$1,500 will be paid for any one tree, plant or shrub.

k. Animals

Subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, we will pay up to an additional \$25,000 at each location for damage caused by fire, lightning, explosion, vehicles, aircraft, riot, civil commotion, vandalism or theft to live animals on the locations described in the General Property Declarations. A maximum of \$10,000 for any one animal will be paid.

2. Property Not Covered

Subject to all other provisions, conditions, limitations, restrictions and exclusions of this policy, except as provided above, Covered Property does not include:

- a. Vehicles or self-propelled machines that:
 - (1) Are automobiles; or
 - (2) Are licensed for use on public roads; or
 - (3) Are operated principally at locations other than those described in the General Property Declarations
 - (4) Are aircraft;
 - (5) Are watercraft other than rowboats or canoes out of the water and stored at locations described in the General Property Declarations.
- b. Accounts receivable (other than as provided in Section A.1.c. above), accounts, bills, currency, food stamps, or other evidences of debt, money, notes or securities.
- c. Except as provided in Paragraph A.1.k. above, live animals.
- d. Except as provided in Paragraph A.1.e. above, bridges, roadways, fences, outbuildings, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. The foundations of buildings, structures, equipment or machinery.
- h. Land (including land on which the property is located), septic tanks, cess pools, lawns, growing crops or water;
- i. Harvested crops not located within buildings;
- j. Personal property while airborne or waterborne;
- k. Bulkheads, pilings, piers, wharves or docks;
- l. Property that is covered under another Section of this policy or under any other insurance policy in which it is more specifically described;
- m. Retaining walls that are not part of a building;
- n. Underground pipes, flues or drains;
- o. The cost to research, replace or restore the information on valuable papers, computers, computer discs and other records, other than as provided in paragraph B. Additional Coverages, 9, below.
- p. The reproduction cost of electronic data, software and other data or programs stored on electronic equipment or disks, tapes or drives or other electronic medium.

B. ADDITIONAL COVERAGES

The following expense reimbursement coverages only apply in the event they are directly incurred by the Named Insured and arise out of direct physical loss or damage to Covered Property

at locations described in the General Property Declarations. The limits that apply to these Additional Coverages are included within the Section C. Limit of Coverage shown in the General Property Declarations unless specifically stated otherwise in the provisions for each Additional Coverage.

1. Debris Removal

- a. We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the Term of Coverage. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:
 - (1) The date of direct physical loss or damage; or
 - (2) The date the policy ends.
- b. The most we will pay under this Additional Coverage is 25% of:
 - (1) The amount we pay for the direct loss or damage; plus
 - (2) The deductible in this policy applicable to that loss or damage.
- c. This Additional Coverage does not apply to costs to:
 - (1) Extract pollutants from land or water; or
 - (2) Remove, restore or replace contaminated or polluted land or water.
- d. If
 - (1) The sum of loss or damage and debris removal expense exceeds the applicable Limit of Coverage shown in the General Property Declarations; or
 - (2) The actual amount of debris removal expense exceeds the amount payable under subparagraph b., above;

we will pay up to \$5,000 in addition to the applicable Limit of Coverage for each location listed in the General Property Declarations in any one occurrence.

2. Preservation of Property

If it is necessary to move Covered Property from the location(s) described in the General Property Declarations to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- a. While it is being moved or while temporarily stored at another location; and
- b. Only if the loss or damage occurs within 30 days after the property is first moved.

3. Pollutant Cleanup and Removal

We will pay your expense to extract pollutants from land or water at the location(s) described in the General Property Declarations if the discharge, dispersal, seepage,

migration, release or escape of the pollutants is caused by or results from a Covered Cause of Loss that occurs during the Term of Coverage. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

- a. The date of direct physical loss or damage; or
- b. The date the policy ends.

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

The most we will pay for each location under this Additional Coverage is \$10,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each Policy Year.

4. Expenses for Loss Adjustment

We will pay up to \$1,000 for a Covered Cause of Loss to prepare loss information, inventories and appraisals. However, we will not pay for the services of a public adjuster.

5. Extra Expense When Section D. Is Not Purchased

This Additional Coverage only applies if the Declarations of this Policy indicate that Section D. is not provided.

We will pay up to \$10,000 in addition to the otherwise applicable limit of coverage for your actual operating costs in excess of those necessarily incurred needed to continue normal operations after a covered property loss insured by this Section C.

We will not pay for loss of income or the cost of repairing or replacing damaged property or records. This Additional Coverage applies only for the length of time needed with reasonable speed to repair or replace the damaged property.

In the event any Section D., Income Protection & Extra expense, Limit of Coverage is shown in the General Property Declarations for locations where loss or damage occurs, this Additional Coverage does not apply. Further, this Additional Coverage is not to apply as additional insurance above coverage provided by Section D.

Paragraph E. Deductible of this Section does not apply.

6. Expediting Expense

With respect to Covered Property lost or damaged by a Covered Cause of Loss, we will pay, up to \$25,000 in addition to the otherwise applicable limit of coverage for the reasonable extra cost to make temporary repairs and to expedite permanent repairs or replacement.

Paragraph E. Deductible of this Section does not apply.

7. Fire Department Service Charge

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

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance.

Paragraph E. Deductible of this Section does not apply.

8. Fire Extinguisher Recharge

We will pay the cost to recharge a fire extinguisher if it has been used to combat a fire.

Paragraph E. Deductible of this Section does not apply.

9. Valuable Information and Records - Cost of Research

We will pay your costs to research, reconstruct, replace or restore the lost information on lost or damaged valuable papers and records for which duplicates do not exist. But this Additional Coverage does not apply to valuable papers and records that exist as electronic data and media. This Additional Coverage is limited to fire; lightning; explosion; wind or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; or water damage; and collapse as set forth in A. Exclusions & Limitations, 2. i. Collapse of buildings and personal property, of Section B. The most we will pay under this Additional Coverage is \$50,000 at each location described in the General Property Declarations. We will also pay for the cost of blank material for reproduction of the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Coverage on your personal property and therefore coverage of such costs is not additional insurance.

10. Food Products

In the event of sudden and accidental breakdown of machinery or equipment which is Covered Property used for refrigeration of food, we will pay up to a total of \$25,000 for your loss of food products due to spoilage or contamination from the release of refrigerants, including but not limited to ammonia and any necessary expenses you incur to reduce the amount of loss payable under this Additional Coverage.

11. Water System Damage Repair

If loss or damage insured under this policy is caused by or results from water or other liquid, arising out of the malfunction of an appliance or building system, then we will also pay the cost to tear out and replace any part of the building or structure to facilitate the repair or

replacement of the system or appliance from which the water or other liquid escaped.

We will not pay the cost of repairing or replacing the system or appliance itself.

C. COVERED CAUSE(S) OF LOSS

Covered Cause(s) of Loss means risks of direct physical loss or damage unless excluded or limited in Paragraph A. Exclusions & Limitations of Section B. Terms & Conditions – All Property and Related Coverages of this Policy.

D. EXCLUSIONS & LIMITATIONS

This Section C. is subject to A. Exclusions & Limitations of Section B. Terms & Conditions – All Property and Related Coverages of this policy.

E. LIMITS OF COVERAGE

The most we will pay for loss or damage in any one occurrence is the Section C. Limit of Coverage shown in the General Property Declarations.

F. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the General Property Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the Section C. Limit of Coverage shown in the General Property Declarations. The Deductible will apply only once per occurrence, even when separate Limits of Coverage apply.

SECTION D INCOME PROTECTION & EXTRA EXPENSE COVERAGE

This Section D. applies only if a "Yes" is indicated in the Coverages Provided section of the Policy Declarations and a Limit of Coverage is shown in the General Property Declarations.

Except as expressly described below, this Section is subject to Section A. General Conditions Applicable to this Entire Policy and to Section B. Terms and Conditions – All Property and Related Coverages.

A. COVERAGE AGREEMENT

1. At locations to which this Section D. applies as described in the General Property Declarations, and subject to the Limits of Coverage and other provisions of this policy, we will pay for:
 - a. Actual loss of income you sustain and the
 - b. Necessary extra expense you incur,

During the period of restoration and necessitated by physical loss or damage to covered property at the described locations caused by a Covered Cause of Loss.

If this Section D. applies to an extra expense loss then B. Additional Coverages, 5. Extra Expense, of Section C. does not apply.

2. Further, if the above paragraph applies, we will also pay the extra expense to avoid or minimize the suspension of your operations and to continue operations:

At the location(s) described in the General Property Declarations; or

At replacement premises or at temporary locations, including:

Relocation expenses; and

Costs to equip and operate the replacement or temporary locations.

3. We will pay to repair or replace any property or research, replace or restore the lost information on damaged valuable papers and records to the extent it reduces the amount of loss that otherwise would have been payable under this Section D.

This insurance is subject to the Limit of Coverage in paragraph D. below.

4. Civil Authority

We will pay for the actual loss of income you sustain and necessary extra expense caused by action of civil authority that prohibits access to the locations described in the General Property Declarations due to direct physical loss of or damage to property, other than at the described locations, caused by or resulting from any Covered Causes of Loss. This Additional Coverage will apply for a period of up to four consecutive weeks from the date of that action.

This insurance is subject to the Limit of Coverage in paragraph D. below.

5. Newly Acquired Locations

We will pay for the actual loss of income you sustain and necessary extra expense you incur due to physical loss or damage to covered property at locations not indicated in the General Property Declarations, which you acquire subsequent to the inception date of this policy provided that the loss or damage occurred during the first 90 days

of your ownership or other insurable interest, subject to expiration of this policy.

This insurance is subject to the Limit of Coverage in paragraph D. below.

6. Service Interruption

A. Exclusions & Limitations, i.e. Service Interruption of Section B. does not apply to the coverage under the following two paragraphs.

We will pay for the actual loss of income and extra expense you sustain due to the failure of power or other utility service supplied to the locations to which this Section D. applies as described in the General Property Declarations caused by a Covered Cause of Loss, if the failure occurs away from the described locations.

If the failure of power or other utility service is due to a sudden and accidental breakdown to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply you with those services, this coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the sudden and accidental breakdown.

This insurance is subject to the Limit of Coverage in paragraph D. below.

B. COVERED CAUSES OF LOSS

Covered Cause(s) of Loss means risks of direct physical loss or damage unless excluded or limited in Paragraph A. Exclusions & Limitations of Section B. Terms & Conditions – All Property and Related Coverages of this Policy or in Paragraph C. below.

C. EXCLUSIONS & LIMITATIONS

This Section D. is subject to A. Exclusions & Limitations of Section B. Terms & Conditions – All Property and Related Coverages.

Further, the following additional exclusions and limitations apply:

1. We will not pay for any loss caused by or resulting from:
 - a. Damage to or destruction of finished stock; or
 - b. The time required to reproduce finished stock.

This exclusion does not apply to extra expense.
2. We will not pay for any increase of loss caused by or resulting from:
 - a. Delay in rebuilding, repairing or replacing the property or resuming operations, due to interference at the location of the rebuilding, repair or replacement by strikers or other persons;
 - b. Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or

cancellation is directly caused by the suspension of operations, we will cover such loss that affects your income during the period of restoration;

3. We will not pay for:

- a. Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
 - b. Any extra expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the period of restoration; or
 - c. Any other consequential loss.
4. Section B. Exclusions & Limitations, 1.h. Fungus, Wet Rot, Dry Rot and Bacteria, is replaced with the following: Presence, growth, proliferation, spread or any activity of fungus, wet or dry rot or bacteria.

This exclusion does not apply when fungus, wet or dry rot or bacteria result from fire or lightning.

D. LIMITS OF COVERAGE

1. The most we will pay for loss in any one occurrence under this Section D. is the lesser:

The Section D. Limit of Coverage shown in the General Property Declarations; or

The actual loss sustained for not more than 12 consecutive months from the date of direct physical loss or damage.

2. The most we will pay under Coverage Agreement 4. for each described premises is \$50,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each Policy Year.
3. The most we will pay under Coverage Agreement 5. for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each Policy Year.
4. The most we will pay under Coverage Agreement 6. for each described premises is \$50,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each Policy Year.

E. DEDUCTIBLE

No deductible applies to this Section D.

F. ADDITIONAL LOSS CONDITIONS

The following loss conditions also apply or are modified as follows for this Section D.:

1. **Loss Determination**
 - a. The amount of income loss will be determined based on:

- (1) The net income of the operation before the direct physical loss or damage occurred;
 - (2) The likely net income of the operation if no loss or damage occurred, but not including any 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(s) of Loss on customers or on other businesses;
 - (3) The operating expenses, including payroll expenses, necessary to resume operations with the same quality of service that existed just before the direct physical loss or damage; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.
- b. The amount of extra expense will be determined based on:
- (1) All expenses that exceed the normal operating expenses that would have been incurred by operations during the period of restoration if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the period of restoration, once operations are resumed; and
 - (b) Any extra expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance;
 - (2) All necessary expenses that reduce the income loss that otherwise would have been incurred.

c. **Resumption of Operations**

We will reduce the amount of your:

- (1) income loss, other than extra expense, to the extent you can resume your operations, in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the location(s) described in the General Property Declarations or elsewhere; and
- (2) extra expense loss to the extent you can return operations to normal and discontinue such extra expense.

If you do not resume operations, or do not resume operations as quickly as possible, we will pay based

on the length of time it would have taken to resume operations as quickly as possible.

2. Duties in the Event of Loss

The following additional Duty in the Event of Loss applies:

- j. Resume all or part of your operations as quickly as possible.

G. ADDITIONAL DEFINITIONS

The following definitions also apply to this Section D.:

1. Extra expense means necessary expenditures you incur during the period of restoration that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause(s) of Loss.
2. Finished stock means stock you have manufactured. Finished stock does not include stock you have manufactured that is held for sale on the premises of any retail outlet covered under this Section D.
3. Income means net profit or loss that would have been earned or incurred and continuing normal operating expenses, including payroll, actually incurred.
4. Operations mean the type of activities occurring at location described in the General Property Declarations.
5. Period of Restoration means the period of time that:

Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause(s) of Loss at the location(s) described in the General Property Declarations; and

Ends on the earlier of the date when the property at the described location(s) should be repaired, rebuilt or replaced with reasonable speed and similar quality; or the date when the business is resumed at a new permanent location.

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

 - a. Regulates the construction, use or repair, or requires the tearing down of any property; or
 - b. Regulates the prevention, control, repair, clean up or restoration of environmental damage.

The expiration date of this policy will not cut short the period of restoration.
6. Suspension means the slowdown or cessation of your business activities.

SECTION E SPECIFIED PERSONAL PROPERTY

This Section E applies only if a "Yes" is indicated in the Coverages Provided section of the Policy Declarations and a limit is shown in the General Property Declarations. Except as expressly described below, this Section is subject to Section A. General Conditions Applicable to this Entire Policy and to Section B. Terms and Conditions – All Property and Related Coverages.

A. COVERAGE AGREEMENT

We will pay for direct physical loss of or damage to Covered Specified Personal Property as described in the General Property Declarations.

1. Covered Specified Personal Property

Covered Specified Personal Property means property as described in the General Property Declarations of this policy.

2. Property Not Covered

Covered Specified Personal Property does not include: buildings, structures, land, animals, underground foundations, piping, sideway fences, jewels, jewelry, watches, currency, money, bullion, notes, securities, stamps, deeds, accounts, bills, evidences of debt, letters of

credit, passports, documents, tickets, plans, blueprints, specifications or other valuable papers.

B. COVERED CAUSE(S) OF LOSS

Covered Cause(s) of Loss means risks of direct physical loss unless the loss is excluded or limited in Section B. Terms & Conditions – All Property and Related Coverages.

C. EXCLUSIONS & LIMITATIONS

This Section E. is subject to A. Exclusions & Limitations of Section B., Terms & Conditions – All Property and Related Coverages.

D. LIMITS OF COVERAGE

The most we will pay for loss or damage in any one occurrence is the Section E. Limit of Coverage shown in the General Property Declarations.

E. DEDUCTIBLE

We will not pay for loss in any one occurrence until the amount of loss exceeds the applicable Deductible Amount shown in the General Property Declarations. We will then pay the amount of the loss in excess of the Deductible, up to the applicable Limit of Coverage shown in the General Property Declarations.

SECTION F COMPUTER COVERAGE

This Section applies only if a "Yes" is indicated in the Coverages Provided section of the Policy Declarations and a Limit of Coverage is shown in the General Property Declarations.

Except as expressly described below, this Section is subject to Section A. General Conditions Applicable to this Entire Policy and to Section B. Terms and Conditions – All Property and Related Coverages.

A. COVERAGE AGREEMENT

We will pay for direct physical loss of or damage to covered computers and electronic data or media stored on covered computers due to a covered cause of loss and the loss of income or necessary extra expense you sustain or incur during the thirty days immediately subsequent to such physical loss or damage and arising out of such physical loss or damage.

B. ADDITIONAL COVERAGES

The following coverages only apply in the event they are directly incurred by the Named Insured and arise out of direct physical loss of or damage to covered computers:

1. Duplicate Data

We cover direct physical loss or damage by a covered cause of loss to your duplicate and back-up electronic data and media stored at locations other than those described in the Declarations, subject to a maximum amount of \$25,000 at any one storage location.

2. Mysterious Disappearance

We cover direct physical loss by mysterious disappearance of covered computers subject to the following: