

ADDISON INSURANCE COMPANY
P.O. Box 73909
Cedar Rapids, IA 52407-3909
Phone: 800-332-7977

This is not a bill. You
will be billed separately
when premium is due.

ADDISON INSURANCE COMPANY

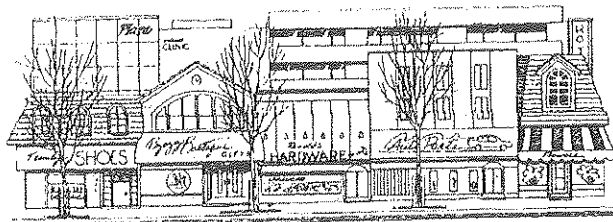
118 2nd Ave SE
Cedar Rapids, IA 52401

1101 VILLAGE ROAD OFFICE CO

326 HIGHWAY 133 STE 290
CARBONDALE CO 81623-1568

ENCLOSED IS YOUR COMMERCIAL POLICY.
YOU WILL RECEIVE YOUR BILLING,
IF ANY, SEPARATELY.

UNI-PAK POLICY



COMMERCIAL LINES POLICY



ADDISON INSURANCE

118 Second Avenue SE
P.O. Box 73909
Cedar Rapids, IA 52407-3909

A handwritten signature in black ink, appearing to read "Kevin J. Seidenberg".

President

A handwritten signature in black ink, appearing to read "K. St. John".

Secretary

A STOCK INSURANCE COMPANY

POLICYHOLDER DISCLOSURE NOTICE MANDATORY AVAILABILITY OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Program Act, as amended, we as a participating insurance company must make available, in all of our insurance policies, coverage for losses arising out of acts of terrorism as defined by the Act. Please refer to the reverse side of this notice for more information on the Terrorism Risk Insurance Act, as amended, and a definition of covered acts of terrorism.

Under the Terrorism Risk Insurance Act, as amended, insurance companies are required to make terrorism coverage available on all policies issued or renewed.

Your policy includes coverage for certified acts of terrorism.

Coverage for certified acts of terrorism is presently provided at no additional charge on Directors & Officers Liability. Lines of business not subject to the Terrorism Risk Insurance Act include: Commercial Auto, Commercial Crime and Professional Liability, except for Directors & Officers Liability.

You have the option to reject coverage for certified acts of terrorism for the renewal policy term that accompanies this notice. Simply check the box below indicating your desire to reject terrorism coverage, complete the requested information and mail the form to our office using the address shown on your policy declarations page.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

Under federal law, you have **thirty (30) days** to consider this offer of coverage for terrorist acts and submit the premium required. If we do not receive a signed rejection from you in 30 days, you will continue to be charged the premium shown, and your policy will include coverage for certified acts of terrorism, except for the above noted cases.

- The premium charge for certified acts of terrorism is shown on your policy declarations page(s) (or on the quote proposal) as a separate line item.
- A signed rejection of certified acts of terrorism below will apply to all coverages on your policy (quote) except for the above noted cases (Directors & Officers coverage), and for workers' compensation coverage as noted below.

Check Box <input type="checkbox"/>	I hereby reject the additional premium for coverage for loss from certified acts of terrorism and elect to have a broad exclusion for loss as a result of terrorism, which will exclude loss from certified acts of terrorism, added to my policy. I also understand that, if my policy includes workers' compensation coverage, certified acts of terrorism cannot be excluded by law; therefore, I will continue to receive a premium charge for certified acts of terrorism for that coverage.
--	---

_____ Policyholder/Applicant's Signature	ADDISON INSURANCE COMPANY _____ Insurance Company
_____ Print Name	60535824 _____ Policy/Quote Number
_____ Date	_____ Agency Name (Quotes Only)

After you sign and date this form, you must return it to the address shown on your policy declarations page.

More information regarding the Terrorism Risk Insurance Act

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

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which may affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is shown on the declarations page for each line of business and does not include any charges for the portion of loss that may be covered by the federal government under the Act.

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

0304

ADDISON INSURANCE COMPANY
PO Box 73909, Cedar Rapids IA 52407

POLICY NUMBER: 60535824

ACCOUNT NUMBER: 3000369217

DIRECT BILL -

ISSUE DATE 10-23-2023 GLG REPLACEMENT OF 0304 60535824		POLICY SUMMARY	
NAMED 1101 VILLAGE ROAD OFFICE INSURED CONDOMINIUM ASSOCIATION INC AND ADDRESS 326 HIGHWAY 133 STE 290 CARBONDALE CO 81623-1568		AGENCY & CODE 020346 GLENWOOD INS AGENCY PO BOX 1270 GLENWOOD SPRINGS CO 81601	
POLICY PERIOD:		FROM: 10-28-2023 TO: 10-28-2024	
The insurance afforded under any coverage part is only in the amounts and to the extent set forth in such coverage part, subject to all terms of the policy having reference thereto.			

UNI-PAK POLICY

COVERAGE PARTS

PREMIUMS

COMMERCIAL GENERAL LIABILITY

\$ 758.00

COMMERCIAL PROPERTY

\$ 7,120.00

TOTAL ADVANCE PREMIUM

\$ 7,878.00

This Policy Summary supersedes and replaces any preceding summary bearing the same policy number for this policy period.

X
(COUNTERSIGNED BY AUTHORIZED REPRESENTATIVE)

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INSURED COPY

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ADDISON INSURANCE COMPANY

PO Box 73909, Cedar Rapids IA 52407

POLICY NUMBER: 60535824

ACCOUNT NUMBER:3000369217

DIRECT BILL -

ISSUE DATE 10-23-2023 GLG REPLACEMENT OF 0304 60535824		POLICY SUMMARY	
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POLICY PERIOD:		FROM: 10-28-2023 TO: 10-28-2024	
<small>We will provide the Insurance described in this policy in return for the premium and compliance with all applicable policy provisions. If we elect to continue this Insurance, we will renew this policy if you pay the required renewal premium for each successive policy period, subject to our premiums, rules and forms then in effect. You must pay us prior to the end of the current policy period or else this policy will terminate after any statutorily required notices are mailed to you. An insufficient funds check is not considered payment. The Insurance afforded under any coverage part set forth below is only in the amounts and to the extent set forth in such coverage part, subject to all terms of the policy having reference thereto.</small>			
COVERAGE		LIMIT	
INTERNET SECURITY & PRIVACY The Premium for this Coverage is shown on the (2) COMMERCIAL GENERAL LIABILITY Declaration. Standard Protection Endorsement Period 10/28/2023 to 10/28/2024 Claims expense is inside limit of liability.		500 Ded 25,000	
ONLINE BANKING THEFT The Premium for this Coverage is shown on the (2) COMMERCIAL GENERAL LIABILITY Declaration. Endorsement Period 10/28/2023 to 10/28/2024 Retroactive Date 10/28/2022 This is a claims made coverage.		250 Ded 25,000	
This Additional Coverages Declaration provides information for coverages endorsed on to a specific coverage line. Please refer to the coverage line indicated above for a copy of the endorsement.		X (COUNTERSIGNED BY AUTHORIZED REPRESENTATIVE)	

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Need to pay your bill or report a claim?

As a United Fire Group policyholder, you have online access to your policy, billing and claims information at **www.ufgPolicy.com**- 24 hours a day, seven days a week. With improved tools, simpler navigation and enhanced content, finding the information you need on our website has never been easier.

- View your insurance policy and other important forms
- Pay your bill
- Register for monthly EFT or RBP
- Turn off paper copies of your bill
- Request billing email alerts
- Report a claim and view previously submitted claims
- Read safety tips and information, including loss control materials

So, if you never had reason to go to www.ufgPolicy.com before, now would be a good time to check or rather “click” it out.

A brief registration process is required. If you need assistance, contact Web Help at 1-800-895-6253 between 8 a.m. and 4:30 p.m. CT Monday through Friday.



ST 16 44 01 12

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NOTICE TO POLICYHOLDERS

**Blanket Exclusion – Designated Operations Covered By A
Consolidated (Wrap-Up) Insurance Program**

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), **the provisions of the policy (including its endorsements)** shall prevail.

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

Your policy has an exclusionary endorsement attached:

CG 71 65 – Blanket Exclusion – Designated Operations Covered By A Consolidated (Wrap-Up) Insurance Program

CU 70 64 – Blanket Exclusion – Designated Operations Covered By A Consolidated (Wrap-Up) Insurance Program

This endorsement clarifies that coverage for this type of exposure is not provided under your policy.

Please review this exclusion.

If you have any questions regarding this change, please contact your agent.

Thank you for doing business with United Fire Group.



ST 16 57 07 09

IMPORTANT NOTICE – INTERNET SECURITY AND PRIVACY

YOUR COMMERCIAL GENERAL LIABILITY, GARAGE LIABILITY, AUTO DEALERS, OR BUSINESSOWNERS POLICY MAY NOW CONTAIN AN INTERNET SECURITY AND PRIVACY INSURANCE ENDORSEMENT THAT ADDRESSES IMPORTANT COVERAGE NOT OTHERWISE COVERED IN A COMMERCIAL GENERAL LIABILITY POLICY, GARAGE LIABILITY POLICY, AUTO DEALERS POLICY, OR BUSINESSOWNERS POLICY. **(NOTE: Please consult the insurance endorsement for Exact Coverage and Conditions Language. This coverage overview is not intended to replace policy language and no coverage is conferred by this explanatory overview.)**

Internet Security And Privacy Endorsement

Key coverages provided under this endorsement include:

- Breach Notice and Identity Theft Remediation
- Privacy Liability and Security Breach Liability
- Regulatory Fines & Penalties
- PCI Fines & Penalties
- Ransomware Services
- Business Interruption
- Media Liability

Please note: All coverages are now considered Standard coverage. The Choice and Choice Professional coverages have now been combined into one Standard endorsement. This would be denoted by the change in form number on the endorsement. Due to the change in coverages, there may also be a premium differential applied on your policy.

Online Banking Theft Endorsement

Your policy may now include an Online Banking Theft Endorsement.

Key coverages provided under this endorsement include:

- Online Banking Theft
- Social Engineering Fraud
- Funds Transfer Fraud

Please be aware that there are items that you can keep in mind when applying this new coverage.

It is never a good practice to use your clients, customers and/or members Social Security Numbers (SSN's) when tracking and storing their information. This holds especially true for colleges, universities, schools and hospital or medical exposures.

For further information on how to access these services (phone number, contact number, etc.) please read the applicable endorsement.

These coverages were endorsed on to your policy as we believe that recent events have demonstrated the perils associated with digitally stored data and that this endorsement will provide you with valuable protection and assistance at a reasonable cost. **Should you wish to decline this endorsement please notify your agent or UFG and you will receive a corresponding credit to your account.**



NOTICE TO POLICYHOLDERS

COMMUNICABLE DISEASE EXCLUSION

This Notice does not form a part of your insurance contract.

No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) shall prevail.

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

This Notice provides information concerning the following endorsement(s), which applies to your policy being issued by us:

Communicable Disease Exclusion Endorsement CG 21 32 05 09
Communicable Disease Exclusion Endorsement CG 33 76 05 09
Communicable Disease Exclusion Endorsement CU 21 58 05 09
Communicable Disease Exclusion Endorsement CX 21 17 04 13
Communicable Disease Exclusion Endorsement BP 14 86 07 13
Communicable Disease Exclusion Endorsement CA 73 84 01 21
Communicable Disease Exclusion Endorsement CA 73 79 01 21
Communicable Disease Exclusion Endorsement CA 73 82 01 21
Communicable Disease Exclusion Endorsement CG 72 30 01 21

When a Communicable Disease Exclusion endorsement is attached to your policy, coverage is excluded for liability arising out of the actual or alleged transmission of a communicable disease (including, but not limited to diseases such as COVID-19).

The attachment of any of these endorsements may result in a reduction of coverage.



NOTICE OF PREMIUM AUDIT NONCOMPLIANCE CHARGE

If the first Named Insured fails to comply with the Premium Audit provisions set forth in the Conditions section of this policy, an Audit Noncompliance Charge will be assessed as a percentage not exceeding the regulatory guidelines, and notice will be sent to the first Named Insured.

We will only assess the Audit Noncompliance Charge:

1. For audits conducted after the end of the policy period; and
2. When we have made three written attempts to obtain audit information from the first Named Insured.



ADDISON INSURANCE COMPANY

PO Box 73909, Cedar Rapids IA 52407

POLICY NUMBER: 60535824

ACCOUNT NUMBER: 3000369217

(2) COMMERCIAL GENERAL LIABILITY (SB)

DIRECT BILL - 150

COMMERCIAL GENERAL LIABILITY COVERAGE PART

ISSUE DATE 10-23-2023 GLG REPLACEMENT OF 0304 60535824		DECLARATIONS RENEWAL EXTENSION																																																																									
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POLICY FROM: 10-28-2023 12:01 AM TO: 10-28-2024 12:01 AM PERIOD: At the named Insured's mailing address shown above. And for successive policy periods as stated below.																																																																											
We will provide the insurance described in this policy in return for the premium and compliance with all applicable policy provisions. If we elect to continue this insurance, we will renew this policy if you pay the required renewal premium for each successive policy period, subject to our premiums, rules and forms then in effect. You must pay us prior to the end of the current policy period or else this policy will terminate after any statutorily required notices are mailed to you. An insufficient funds check is not considered payment.																																																																											
LIMITS OF INSURANCE																																																																											
GENERAL AGGREGATE LIMIT (Other than Products-Completed Operations)		\$	2,000,000																																																																								
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT		\$	2,000,000																																																																								
PERSONAL AND ADVERTISING INJURY LIMIT (Any one person or organization)		\$	1,000,000																																																																								
EACH OCCURRENCE LIMIT		\$	1,000,000																																																																								
DAMAGE TO PREMISES RENTED TO YOU LIMIT (Any one premises)		\$	100,000																																																																								
MEDICAL EXPENSE LIMIT (Any one person)		\$	5,000																																																																								
RETROACTIVE DATE (CG 00 02 Only) Coverage A of this insurance does not apply to "bodily injury" or "property damage" which occurs before the Retroactive Date, if any, shown here. (enter date or "None" if no Retroactive Date applies) NONE																																																																											
BUSINESS DESCRIPTION LRO BUILDING OWNER																																																																											
FORM OF BUSINESS: Individual Joint Venture Partnership <input checked="" type="checkbox"/> Corporation Other																																																																											
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10-28-2023

COMMERCIAL GENERAL LIABILITY SUPPLEMENTAL DECLARATIONS

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POLICY NUMBER:

60535824

FORMS SUPPLEMENTAL DECLARATIONS

The following coverage form(s) govern coverage that is not limited to any specific state even though they are specifically listed in only one state in the declarations.

Other Forms

Applicable to the state of Colorado

*CG0001(04-13)	COMM GENERAL LIAB COVG FORM
*CG2106(05-14)	EXCL-ACCESS/DISCLOSURE OF CONFIDENTIAL/PERSONAL
*CG2132-(05-09)	COMMUNICABLE DISEASE EXCL
*CG2144(04-17)	LIMITATION OF COVG TO DESIGNATED PREMISES PROJECT
*CG2147(12-07)	EMPLOYMENT-RELATED PRACTICES EXCL
*CG2150(04-13)	AMENDMENT OF LIQUOR LIAB EXCLUSION
*CG2165-(12-04)	TOTAL POLLUTION EXCL W/BLDG HEATING COOLING
*CG2167(12-04)	FUNGI/BACTERIA EXCL
*CG2170(01-15)	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
*CG2187(01-15)	CONDITIONAL EXCL OF TERRORISM
*CG2196(03-05)	SILICA/SILICA-RELATED DUST EXCL
*CG2279(04-13)	EXCL-CONTRACTORS-PROFESSIONAL LIAB
*CG4015(12-20)	CANNABIS EXCL WITH HEMP EXCEPTION
*CG7001(03-23)	COMMERCIAL GENERAL LIABILITY COVERAGE PART
*CG7004(02-05)	COMM GENERAL LIABILITY SUPPLEMENTAL DECLARATIONS
*CG7079(02-99)	DISCRIMINATION EXCL
*CG7165(10-21)	BLANKET EXCL-DESIGNATED OPERATIONS (WRAP-UP)
*CG7296(03-19)	MULTIPLE LIAB COVGS LIMITATION
*IL0017(11-98)	COMMON POLICY CONDITIONS
*IL0021(09-08)	NUCLEAR ENERGY LIAB EXCL END
*IL0125(11-13)	CO-CHGS-CIVIL UNIONS
*IL0228(09-07)	CO-CHGS CANCEL & NONRENEW
*IL7009-(04-91)	AMENDATORY END PUNITIVE/EXEMPLARY DAMAGES EXCL
*IL7068(01-10)	EXCL-LEAD-HAZARDOUS PROPERTIES
*IL7069(01-10)	EXCL-UNDERGROUND STORAGE TANKS
*IL7070(09-12)	ABSOLUTE ASBESTOS EXCL
*IL7095(01-20)	INTERNET SECURITY & PRIVACY INSURANCE END
*IL7105(10-14)	PRIMARY & NONCONTRIBUTORY-OTHER INSURANCE CONDITIO
*IL7147(01-20)	ONLINE BANKING THEFT INSURANCE END
*IL7177(08-22)	ABSOLUTE PFAS EXCLUSION
*ST1644-(01-12)	POLICY WEBSITE STUFFER
*ST1657(07-09)	NOTICE-BLANKET EXCL DESIGNATED OPERATIONS(WRAP-UP)
*ST1813(01-20)	IMPORTANT NOTICE-INTERNET SECURITY & PRIVACY
*ST1882(06-16)	NOTICE-LOCATION & PREMISES CLARIFICATION
*ST1965(01-21)	NOTICE TO POLICYHOLDERS-COMMUNICABLE DISEASE EXCL
*ST2003(11-21)	NOTICE OF PREM AUDIT NONCOMPLIANCE CHARGE

UW 70 02 04 96

INSURED COPY

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Premises: AS SHOWN ON THE DEC
Project Or Operation:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If this endorsement is attached to Commercial General Liability Coverage Form **CG 00 01**, the provisions under this Paragraph A. apply:

1. Paragraph 1.b. under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

b. This insurance applies to "bodily injury" and "property damage" caused by an "occurrence" that takes place in the "coverage territory" only if:

(1) The "bodily injury" or "property damage":

(a) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

(b) Arises out of the project or operation shown in the Schedule;

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

2. Paragraph 1.b. under **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

b. This insurance applies to "personal and advertising injury" caused by an offense committed in the "coverage territory" but only if:

(1) The offense arises out of your business:

(a) Performed on the premises shown in the Schedule; or

- (b) In connection with the project or operation shown in the Schedule; and
 - (2) The offense was committed during the policy period.
- However, with respect to Paragraph 1.b.(1)(a) of this Insuring Agreement, if the "personal and advertising injury" is caused by:
- (1) False arrest, detention or imprisonment; or
 - (2) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- then such offense must arise out of your business performed on the premises shown in the Schedule and the offense must have been committed on the premises shown in the Schedule or the grounds and structures appurtenant to those premises.
3. Paragraph 1.a. under **Section I – Coverage C – Medical Payments** is replaced by the following:
- a. We will pay medical expenses as described below for "bodily injury" caused by an accident that takes place in the "coverage territory" if the "bodily injury":
 - (1) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or
 - (2) Arises out of the project or operation shown in the Schedule;
 provided that:
 - (a) The accident takes place during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

B. If this endorsement is attached to Commercial General Liability Coverage Form **CG 00 02**, the provisions under this Paragraph B. apply:

- 1. Paragraph 1.b. under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:
 - b. This insurance applies to "bodily injury" and "property damage" caused by an "occurrence" that takes place in the "coverage territory" only if:
 - (1) The "bodily injury" or "property damage":
 - (a) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or
 - (b) Arises out of the project or operation shown in the Schedule;
 - (2) The "bodily injury" or "property damage" did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and
 - (3) A claim for damages because of the "bodily injury" or "property damage" is first made against any insured, in accordance with Paragraph 1.c. of this Insuring Agreement, during the policy period or any Extended Reporting Period we provide under Section V – Extended Reporting Periods.
- 2. Paragraph 1.b. under **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:
 - b. This insurance applies to "personal and advertising injury" caused by an offense committed in the "coverage territory" but only if:
 - (1) The offense arises out of your business:
 - (a) Performed on the premises shown in the Schedule; or
 - (b) In connection with the project or operation shown in the Schedule;
 - (2) The offense was not committed before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and

- (3) A claim for damages because of the "personal and advertising injury" is first made against any insured, in accordance with Paragraph 1.c. of this Insuring Agreement, during the policy period or any Extended Reporting Period we provide under Section V – Extended Reporting Periods.

However, with respect to Paragraph 1.b.(1)(a) of this Insuring Agreement, if the "personal and advertising injury" is caused by:

- (1) False arrest, detention or imprisonment; or
- (2) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

then such offense must arise out of your business performed on the premises shown in the Schedule and the offense must have been committed on the premises shown in the Schedule or the grounds and structures appurtenant to those premises.

3. Paragraph 1.a. under **Section I – Coverage C – Medical Payments** is replaced by the following:

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident that takes place in the "coverage territory" if the "bodily injury":

- (1) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or
- (2) Arises out of the project or operation shown in the Schedule;

provided that:

- (a) The accident takes place during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.



Notice to Policyholders — Location and Premises Clarification

This notice does not provide you with any coverage and is intended solely as a clarification of our intent.

Wherever any reference to location is made in the Declarations, Supplemental Declarations, Coverage Forms, or endorsements that comprise this policy, that reference shall also be deemed to apply to premises, and likewise any reference to premises shall be deemed to apply to location.



This notice is provided to you as certain documents that comprise your policy may use these terms interchangeably.

If you have any questions regarding this notice please contact your agent.

Thank you for doing business with United Fire Group.



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COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. 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. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants".

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

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

- (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.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (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.

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE C – MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by;
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by; you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
- a. Medical expenses under Coverage C;
- b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage B.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

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

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) 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:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part 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; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I – Coverage A – Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations 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.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured 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.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
 4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;
- provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
 6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
 7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
 8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

If such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY – WITH
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.p. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

- p. **Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

- B. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT- RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF LIQUOR LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following replaces Exclusion c. under Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person, including causing or contributing to the intoxication of any person because alcoholic beverages were permitted to be brought on your premises, for consumption on your premises;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or

- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

This exclusion applies only if you:

- (1) Manufacture, sell or distribute alcoholic beverages;
- (2) Serve or furnish alcoholic beverages for a charge whether or not such activity:
 - (a) Requires a license;
 - (b) Is for the purpose of financial gain or livelihood;
- (3) Serve or furnish alcoholic beverages without a charge, if a license is required for such activity; or
- (4) Permit any person to bring any alcoholic beverages on your premises, for consumption on your premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to:

- (a) "Bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or
- (b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:
- (i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B. The following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C. The following definition is added to the Definitions Section:**

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

- A. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

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

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

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

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

(1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

(2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or

(3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.

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

a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and

b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.

3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.

B. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:

a. That involve the following or preparation for the following:

- (1) Use or threat of force or violence; or
- (2) Commission or threat of a dangerous act; or
- (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

b. When one or both of the following applies:

- (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
- (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

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

C. The following exclusion is added:

EXCLUSION OF TERRORISM

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

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or

3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or

5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or

6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:

- a. Physical injury that involves a substantial risk of death; or
- b. Protracted and obvious physical disfigurement; or
- c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs C.5. or C.6. are exceeded.

With respect to this Exclusion, Paragraphs C.5. and C.6. describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part or Policy.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

C. The following definitions are added to the Definitions Section:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – CONTRACTORS – PROFESSIONAL LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability**:

1. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
 - a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and
 - b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.
2. Subject to Paragraph 3. below, professional services include:
 - a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional services by you or on your behalf with respect to the operations described above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANNABIS EXCLUSION WITH HEMP EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. The following exclusion is added:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of
 - a. The design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis"; or
 - b. The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "cannabis"; or
2. "Property damage" to "cannabis".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved that which is described in Paragraph A.1. or A.2. above.

However, Paragraph A.1.b. does not apply to "bodily injury" or "property damage" arising out of the actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, or contact with, "cannabis" by:

- (1) An insured; or
- (2) Any other person for whom you are legally responsible;

but only if the "bodily injury" or "property damage" does not arise out of your selling, serving or furnishing of "cannabis" to any person described above.

B. The exclusion in Paragraph A. does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of goods or products containing or derived from hemp, including, but not limited to:
 - a. Seeds;
 - b. Food;
 - c. Clothing;
 - d. Lotions, oils or extracts;
 - e. Building materials; or
 - f. Paper.
2. "Property damage" to goods or products described in Paragraph B.1. above.

However, Paragraphs B.1. and B.2. above do not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state wherein:

- (1) The "bodily injury" or "property damage" occurs;
 - (2) The "occurrence" which caused the "bodily injury" or "property damage" takes place; or
 - (3) The offense which caused the "personal and advertising injury" was committed
3. "Personal and advertising injury" arising out of the following offenses:
 - a. False arrest, detention or imprisonment; or
 - b. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor.

C. The following definition is added to the Definitions section:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph C.1. above includes, but is not limited to, any of the following containing such THC or cannabinoid:

- a.** Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or

b. Any compound, by-product, extract, derivative, mixture or combination, such as:

(1) Resin, oil or wax;

(2) Hash or hemp; or

(3) Infused liquid or edible cannabis;

whether or not derived from any plant or part of any plant set forth in Paragraph C.2.a.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BLANKET EXCLUSION – DESIGNATED OPERATIONS
COVERED BY A CONTROLLED (WRAP-UP)
INSURANCE PROGRAM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2. Exclusions of SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY.

1. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury":
 - a. Arising out of your ongoing operations; or
 - b. Included within the "products-completed operations hazard":
at any location or project for which a "Controlled (wrap-up) insurance program" has been provided by the prime contractor, project manager or owner of the construction project in which you are involved. In the event your operations performed in connection with a project where you are enrolled in a "Controlled (wrap-up) insurance program" are carried on at a premises or location away from the main project site and coverage is not provided as part of the "Controlled (wrap-up) insurance program" this exclusion does not apply. However, this insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis.
2. This exclusion applies whether or not the "Controlled (wrap-up) insurance program":
 - a. Provides coverage identical to that provided by this Coverage Part; or
 - b. Has limits adequate to cover all claims; or
 - c. Remains in effect.

B. The following definition is added to Section V – Definitions:

"Controlled (wrap-up) insurance program" means a centralized insurance program under which one party has secured either insurance or self-insurance covering some or all of the contractors or subcontractors performing work on one or more specific project(s).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MULTIPLE LIABILITY COVERAGES LIMITATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
OWNERS & CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM
RAILROAD PROTECTIVE LIABILITY COVERAGE FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY

In consideration of the premium charged, it is agreed that coverage provided under any of the above forms does not extend to any loss where coverage is provided under the following:

BUSINESS AUTO COVERAGE FORM
AUTO DEALERS COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
GARAGE COVERAGE FORM
BUSINESSOWNERS COVERAGE FORM



COMMON POLICY CONDITIONS

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

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES – CIVIL UNION

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
 ELECTRONIC DATA LIABILITY COVERAGE PART
 FARM COVERAGE PART
 FARM UMBRELLA LIABILITY POLICY
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCT WITHDRAWAL COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
 UNDERGROUND STORAGE TANK POLICY

A. The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Colorado law.

B. Under the Commercial Automobile Coverage Part, the term "family member" is replaced by the following and supersedes any other provisions to the contrary:

"Family member" means a person related to:

1. The individual Named Insured by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of such Named Insured's household, including a ward or foster child;
2. The individual named in the Schedule by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individuals endorsement is attached.

C. With respect to coverage for the ownership, maintenance or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of your household, including a ward or foster child.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph 2. of the Cancellation Common Policy Condition is replaced by the following:

2. If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.

B. The following is added to the Cancellation Common Policy Condition:

7. Cancellation Of Policies In Effect For 60 Days Or More

- a. If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy by mailing through first-class mail to the first Named Insured written notice of cancellation:
 - (1) Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or

- (2) At least 45 days before the effective date of cancellation if we cancel for any other reason.

We may only cancel this policy based on one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) A false statement knowingly made by the insured on the application for insurance; or
- (3) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

C. The following is added and supersedes any other provision to the contrary:

NONRENEWAL

If we decide not to renew this policy, we will mail through first-class mail to the first Named Insured shown in the Declarations written notice of the nonrenewal at least 45 days before the expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

D. The following condition is added:

INCREASE IN PREMIUM OR DECREASE IN COVERAGE

We will not increase the premium unilaterally or decrease the coverage benefits on renewal of this policy unless we mail through first-class mail written notice of our intention, including the actual reason, to the first Named Insured's last mailing address known to us, at least 45 days before the effective date.

Any decrease in coverage during the policy term must be based on one or more of the following reasons:

1. Nonpayment of premium;
2. A false statement knowingly made by the insured on the application for insurance; or
3. A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

If notice is mailed, proof of mailing will be sufficient proof of notice.



AMENDATORY ENDORSEMENT
PUNITIVE OR EXEMPLARY DAMAGES EXCLUSION

Regardless of any other provision of this policy, this policy does not apply to punitive or exemplary damages.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – LEAD – HAZARDOUS PROPERTIES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
 COMMERCIAL GENERAL LIABILITY COVERAGE FORM
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM
 RAILROAD PROTECTIVE LIABILITY COVERAGE FORM
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
 BUSINESS AUTO COVERAGE FORM
 GARAGE COVERAGE FORM
 TRUCKERS COVERAGE FORM
 MOTOR CARRIER COVERAGE FORM

- A. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, resulting from, caused by or contributed to by the hazardous properties of lead, including, but not limited to, the absorption, ingestion or inhalation of lead or lead contamination.

This exclusion includes, but is not limited to, any loss, cost or expense arising out of any:

1. Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of lead or any item containing lead; or
2. Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way respond to, or assessing the effects of lead or any item containing lead.

- B. The following Definitions are added:

"Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 2. Regarding web-sites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
- "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
1. False arrest, detention or imprisonment;
 2. Malicious prosecution;
 3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 6. The use of another's advertising idea in your "advertisement"; or
 7. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNDERGROUND STORAGE TANKS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
 COMMERCIAL GENERAL LIABILITY COVERAGE FORM
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM
 RAILROAD PROTECTIVE LIABILITY COVERAGE FORM
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
 BUSINESS AUTO COVERAGE FORM
 GARAGE COVERAGE FORM
 TRUCKERS COVERAGE FORM
 MOTOR CARRIER COVERAGE FORM

A. The following exclusion is added:

This insurance does not apply to:

Underground Storage Tanks

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any solid, gaseous or liquid substance, including petroleum products, from any "underground storage tank".

B. The following Definitions are added:

"Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
2. Regarding web-sites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

"Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
6. The use of another's advertising idea in your "advertisement"; or
7. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

"Underground storage tank" means any storage tank, including any attached pumps, valves or piping, buried below the surface of the ground or water, or which, at one time, had been buried under the surface of the ground or water and then subsequently exposed by any means. For the purposes of this definition buried means that at least 10% of it is below the surface of the ground or water.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABSOLUTE ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
 COMMERCIAL GENERAL LIABILITY COVERAGE FORM
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM
 RAILROAD PROTECTIVE LIABILITY COVERAGE FORM
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
 BUSINESS AUTO COVERAGE FORM
 GARAGE COVERAGE FORM
 TRUCKERS COVERAGE FORM
 MOTOR CARRIER COVERAGE FORM
 COMMERCIAL EXCESS LIABILITY COVERAGE FORM

A. This insurance does not apply to:

1. "Bodily injury", "property damage", or "personal and advertising injury" arising out of, resulting from, caused or contributed to by asbestos or exposure to asbestos;
2. The costs of abatement, mitigation, removal, or disposal of asbestos;
3. Any supervision instructions, recommendations, warnings or advice given or which should have been given in connection with (1) or (2) above.
4. Any obligation to share damages with or repay someone else who must pay damages because of such injury or damage.

It is further agreed that we shall have no duty or obligation to provide or pay for the investigation or defense of any loss, cost, expense, claim or "suit" excluded herein.

B. The following Definitions are added:

"Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 2. Regarding web-sites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
- "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
1. False arrest, detention or imprisonment;
 2. Malicious prosecution;
 3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 6. The use of another's advertising idea in your "advertisement"; or
 7. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INTERNET SECURITY AND PRIVACY INSURANCE ENDORSEMENT

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
 BUSINESSOWNERS COVERAGE FORM
 COMMERCIAL GENERAL LIABILITY COVERAGE FORM
 GARAGE COVERAGE FORM

SCHEDULE

Additional Premium	\$
Limit of Liability	\$
Media Liability Sublimit	\$
Deductible	\$
Endorsement Period	From (Inception Date): (both days at 12.01 am. Local Standard time at the first address of the named insured in the declarations) To (Expiration Date):
Claim Expense	Outside Limit of Liability <input type="checkbox"/> Inside Limit of Liability <input type="checkbox"/>

The changes described herein apply only with respect to this Internet Security and Privacy Insurance Endorsement. All provisions of the policy to which this endorsement is attached apply unless modified by this endorsement. With respect to the insurance afforded by this endorsement, the Limit of Liability shown in the Schedule above is not subject to or part of, and is in addition to, the Limits of Liability stated in the policy Declarations.

UNLESS THE SCHEDULE ABOVE SHOWS THAT "CLAIM EXPENSE" IS "OUTSIDE THE LIMIT OF LIABILITY," (BY A CHECKMARK IN THE BOX FOR "OUTSIDE LIMIT OF LIABILITY") THE COVERAGE PROVIDED BY THIS ENDORSEMENT APPLIES ON A DEFENSE WITHIN LIMITS BASIS, AND ANY "CLAIM EXPENSE" PAID WILL REDUCE THE AVAILABLE LIMIT OF LIABILITY AND MAY EXHAUST IT COMPLETELY.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following coverages and terms are added to the policy:

A. Privacy Breach Liability Coverage

We will pay for all "loss" in excess of the Deductible in the Schedule to an "impacted individual" resulting from a "privacy breach" to which this insurance applies provided that the "privacy breach" first occurs during the "endorsement period" and is first notified to us by you in accordance with section M.1.a. of this endorsement.

B. Security Breach Liability Coverage

We will pay for all "loss" in excess of the Deductible in the Schedule resulting from a "security breach" to which this insurance applies provided that the "security breach" first occurs during the "endorsement period" and is first notified to us by you in accordance with section M.1.a. of this endorsement.

C. Breach Notice Response Services Coverage

We will provide you with "breach notice response services" in excess of the Deductible in the Schedule for a "privacy breach" to which this insurance applies provided that the "privacy breach" first occurs during the "endorsement period" and requires you to comply with any "breach notice laws" and is first notified to us by you in accordance with section M.1.a. of this endorsement.

D. Regulatory Response & Penalties Supplemental Coverage

We will pay:

- (1) "Claim expenses" required to evaluate or respond to a "claim" from any state or federal regulatory agency or other government agency; and
- (2) Fines or penalties imposed by law; due to or resulting from an actual or alleged "privacy breach" or "security breach".

Any "claim" under this Supplemental Coverage must be first issued or communicated to you during the "endorsement period" and notice provided to us by you in accordance with section M.1.a. of this endorsement.

You agree to the use of an attorney retained by us, or hired by you with our written consent.

The most we will pay under this Supplemental Coverage is \$25,000 per "endorsement period".

The \$25,000 limit provided by this Supplemental Coverage is part of and not in addition to the Limit of Liability shown in the Schedule.

Part i. under the "loss" definition does not apply to this Supplemental Coverage. Exclusion 14. does not apply to this Supplemental Coverage.

E. Payment Card Industry Fines and Penalties Supplemental Coverage

We will pay for PCI fines or penalties stipulated in a written contract that you are required to pay because of your failure to comply with Payment Card Industry Data Security Standards (PCIDSS) for the handling of information in connection with payment card transactions provided that the PCI fine or penalty is levied against you during the "endorsement period" and notice provided by you to us in accordance with section M.1.a. of this endorsement.

The most we will pay under this Supplemental Coverage is \$10,000 per "endorsement period".

The \$10,000 limit provided by this Supplemental Coverage is part of and not in addition to the Limit of Liability shown in the Schedule.

Part i. under the "loss" definition does not apply to this Supplemental Coverage.

You agree to use due diligence to prevent and mitigate any fines or penalties covered under this Supplemental Coverage. This includes, but is not limited to, making reasonable efforts to require your vendors, financial institutions, credit or debit card companies, credit or debit card processors, or other independent operators you use to accept payment, comply with reasonable and industry - accepted standards and protocols for protecting transactions, such as processing credit card, debit card and check payments.

F. Ransomware Supplemental Coverage

We will provide you with "ransomware support services" if "your computer system" is held hostage by "ransomware" and you receive a ransom demand during the "endorsement period". "Ransomware support services" means assistance provided to you if "your computer system" becomes infected with "ransomware". These services will be performed by a computer consultant who will attempt to free "your computer system" of the "ransomware" and regain access and restore system functionality. The assistance may be over the phone or in person. If it is not possible to free "your computer system" of "ransomware", the consultant can, at your request, assist you in restoring "your computer system" with a previously made backup of "your computer system", provided one is available.

"Ransomware" means any type of "malicious code" that is used to extort money by:

- a. Locking down a computer system and restricting access to it; or
- b. Encrypting some or all of a computer system's data files.

You agree to the use of a computer consultant retained by us, or hired by you with our written consent.

The most we will pay under this Supplemental Coverage is \$5,000 per "endorsement period". The \$5,000 limit provided by this Supplemental Coverage is part of and not in addition to the Limit of Liability shown in the Schedule. This Supplemental Coverage does not apply to payment of any ransom demand.



G. Media Liability Coverage

We will pay for all "loss" in excess of the Deductible in the Schedule resulting from a "suit" which first occurs during the "endorsement period" and notice provided by you to us in accordance with section M.1.a. of this endorsement, for one or more of the following acts or allegations of "media activities";

- a. product disparagement, trade libel, infliction of emotional distress, mental anguish, outrage or outrageous conduct;
- b. false light, public disclosure of private facts, or the intrusion and commercial appropriation of a name, persona or likeness;
- c. plagiarism, piracy (excluding patent infringement), or the misappropriation or unauthorized use of advertising ideas, advertising material, titles, literary or artistic formats, styles or performances;
- d. the infringement of copyright, domain name, trademark, trade name, trade dress, title or slogan, service mark, or service name; or
- e. negligence with respect to your creation or dissemination of "content".

H. Cyber Business Interruption Coverage

We will pay "business interruption costs" incurred as a result of a "business interruption event" lasting in excess of the cyber business interruption retention, expressed in hours, stated in the schedule, which first occurs during the "endorsement period" and is notified to us by "you" in accordance with section M.1.a. of this endorsement, for alleged "business interruption costs" to which this insurance applies. Our obligation to pay "business interruption costs";

- a. is not triggered unless "you" take reasonable steps to minimize or avoid the "business interruption event;"
- b. ends an hour after either:
 - (1.) the interruption to or degradation in the availability of your website, intranet, network, programs, electronic data or "your computer system" ceases or
 - (2.) the "business interruption costs" cease, whichever is earlier.

I. Interrelated Events

Regardless of the number of insureds, "suits", instances of unauthorized access to or unauthorized use of "your computer system", "denial of service attacks", thefts or loss of data storage devices, hardware, attacks, vulnerabilities, damages, acts, errors or omissions, all "interrelated events" shall be considered a single "privacy breach" or a single "security breach", such "privacy breach" or "security breach" shall be deemed to have first occurred on the date of the earliest "privacy breach" or "security breach", and only the Limit of Liability in effect, if any, on the date the first "privacy breach" or "security breach" occurred will apply to all "loss" arising out of all "interrelated events" of one or more insureds.

J. Defense of Suits

We will have the right and duty to defend the insured against any "suit" seeking "loss" to which this insurance applies even if the allegations of the "suit" are groundless, false or fraudulent. However, we will have no duty to defend the insured against any "suit" seeking "loss" to which this insurance does not apply.

We may, at our discretion, investigate and settle any "suit" that may result. But:

1. The amounts we will pay under this endorsement are limited as described in Section L. below.
2. Our right and duty to defend end when we have used up the applicable Limit of Liability. If the Schedule above show that "claim expense" is outside the Limit of Liability, our right and duty to defend and our obligation to pay "claim expense" terminate once the Limit of Liability shown in the Declarations above is exhausted by payment of "loss," other than "claim expense", or "breach notice response services".
3. Once the Limit of Liability shown in the Schedule above is exhausted, we will have no further obligation to pay "loss", "claim expense", "breach notice response services", or to undertake or continue the defense of any "suit". We will have the right to withdraw from the further defense of any "suit" by tendering control of the defense to you. You will also be responsible for providing notification and "credit monitoring services" to "impacted individuals" and may continue to utilize any vendors recommended by us to provide such services.

*If the Schedule above shows that "claim expense" is Inside the Limit of Liability.

K. Exclusions

The following exclusions apply in addition to those in the policy:

This insurance does not apply to any "loss" "privacy breach", "security breach", or "suit":

1. Alleging or arising out of any willful, deliberate, malicious, fraudulent, dishonest or criminal act, error or omission by an insured, or any intentional or knowing violation of law, or intentional "security breach" or "privacy breach" by an insured. This exclusion does not apply to "claim expense" incurred in defending an insured against any such "suit", but we will have no obligation to pay any "loss" for such conduct. However, if a court of competent jurisdiction or arbitrator determines that the insured's conduct was willful, deliberate, malicious, fraudulent, dishonest or criminal, we will have the right to recover all "claim expense" we incurred to defend those insureds found to have committed such conduct.

The insured shall reimburse us for all "claim expense" incurred defending the "suit" and we shall have no further liability for "claim expense". Such conduct shall not be imputed to the named insured shown in the policy if it occurs without the participation, knowledge, consent or acquiescence of any "management personnel".

2. Made against a natural person insured alleging or arising out of any willful, deliberate, malicious, fraudulent, dishonest or criminal act, error or omission by such natural person insured, or any intentional or knowing violation of the law, or intentional "security breach", or "privacy breach" by such natural person insured.
3. Brought by an entity which:
 - a. You own or partly own, operate, manage or in which you have an ownership interest in excess of 15%, or in which you are an officer or director, except this provision will not apply to a "suit" that employee data is the subject of a "privacy breach" or violation of a "privacy regulation"; or
 - b. Wholly or partly owns, operates, controls or manages you.

4. Alleging or arising out of any:

- a. Physical injury, sickness, disease or death of any person, and if arising out of the foregoing, mental anguish or injury, pain and suffering, shock or emotional distress; or
- b. Injury, impairment, destruction, corruption or distortion of any tangible property, including the loss of use of tangible property even when the tangible property has not itself been physically impaired, injured or destroyed.

5. Alleging or arising out of your insolvency, financial impairment or bankruptcy.
6. Alleging or arising out of any "suit", act, error, omission, circumstance, "privacy breach", "security breach", "interrelated events" or potential "suit" reported to a prior insurer.
7. Alleging or arising out of any act, error, omission, circumstance, vulnerability, "privacy breach", "security breach" or "interrelated events", if prior to the inception date of this endorsement, you knew, or reasonably could have foreseen, that such act, error, omission, circumstance, vulnerability, "privacy breach", "security breach" or "interrelated events" might form the basis of a "suit" or potential "suit".
8. Alleging or arising out of any contractual liability or obligation, including without limitation, any liability assumed under contract, or alleging or arising out of or resulting from breach of contract or agreement, either oral or written, including without limitation, any breach of express warranty or guarantee.
9. Alleging or arising out of any violation, misappropriation or infringement of any copyright, trademark, patent or other intellectual property right, or any copying, infringement, misappropriation, display, disclosure, publication or misappropriation of any trade secret.
10. Due to any actual or alleged electrical or mechanical breakdown, failure or interruption, disturbance, surge, spike, brownout or blackout; or outages to gas, water, telephone, cable satellite, telecommunications or other infrastructure comprising or supporting the Internet including service provided by the Internet service provider that hosts your website.



11. Alleging or arising out of any fire, smoke, explosion, lightning, wind, flood, surface water, earthquake, volcanic eruption, tidal wave, landslide, hail, act of God or any other physical event, however caused.

12. Alleging or arising out of any existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any property.

13. Alleging or arising out of any:

a. War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

b. Act of terrorism.

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

We also exclude loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to a. and/or b. above.

14. Brought by or on behalf of the Federal Trade Commission, Department of Health and Human Services, Office of Civil Rights, the Federal Communications Commission, or any other state, federal, local or foreign governmental entity.

15. Alleging or arising out of any of the following:

a. Trading losses, trading liabilities or change in value of accounts; any loss, transfer or theft of monies, securities or tangible property of others in your care, custody or control; or

b. The monetary value of any transactions or electronic fund transfers by you or on your behalf which is lost, diminished, or damaged during transfer from, into or between accounts.

16. Made by one insured against another insured. However, this exclusion does not apply to a "suit" brought against you by your employee resulting from a "privacy breach" that is otherwise covered under **A. - Privacy Breach Liability Coverage** above.

17. Alleging or arising out of any wrongful employment practice, including, but not limited to harassment, hostile work environment, wrongful dismissal, discharge or termination, retaliation, wrongful disciplinary action, deprivation of career opportunity, failure to employ or promote, inadequate work place policies or procedures, or negligent evaluation of employees. However, this exclusion does not apply to any "suit" resulting from a "privacy breach" that is otherwise covered.

18. Alleging or arising out of or any act, error or omission or breach of duty by any "management personnel" in the discharge of their duties if the "suit" is brought by you or any of your principals, directors or officers, stockholders, members or employees in their capacity as such.

19. Alleging or arising out of the:

a. Unauthorized collection or acquisition of "personally identifiable information" by you, on your behalf, or with your consent or cooperation; or

b. Failure to comply with a legal requirement to provide individuals with the ability to assent to or withhold assent (e.g. opt-in or opt-out) from the collection, disclosure or use of "personally identifiable information".

20. Alleging or arising out of the:

a. Distribution of unsolicited email, direct mail or facsimiles, wire tapping, audio or video recording, or telemarketing by you or a third party on your behalf; or

- b. Violation of any federal, state or local statute, ordinance or regulation that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.
21. Alleging or arising out of your activities as a trustee, partner, officer, director or employee of any employee trust, charitable organization, corporation, company or business other than the named insured shown in the policy.
22. Alleging or arising out of any false, deceptive or unfair trade practice or violation of any consumer protection laws.
23. Alleging or arising out of any of the following:
- a. Any violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act or RICO), as amended, or any regulation promulgated thereunder or any similar federal law or legislation, or law or legislation of any state, province or other jurisdiction similar to the foregoing, whether such law is statutory, regulatory or common law;
 - b. Any violation of any securities law, regulation or legislation, including but not limited to the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Act of 1940, any state or provincial blue sky or securities law, any other federal securities law or legislation, or any other similar law or legislation of any state, province or other jurisdiction, or any amendment to the above laws, or any violation of any order, ruling or regulation issued pursuant to the above laws;
 - c. Any violation of the Fair Labor Standards Act of 1938, the National Labor Relations Act, the Worker Adjustment and Retraining Act of 1988, the Certified Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act of 1970, or any similar law or legislation of any state, province or other jurisdiction, or any amendment to the above law or legislation, or any violation of any order, ruling or regulation issued pursuant to the above laws or legislation;
 - d. Any breach of fiduciary duty, responsibility, or obligation in connection with any employee benefit or pension plan, including violation of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 as amended;
 - e. Any violation of any local, state or federal laws concerning antitrust or restraint of trade, or any false, deceptive or misleading advertising, or any violation of the Sherman Antitrust Act, the Clayton Act, or the Robinson-Patman Act, as amended; or
 - f. The knowing offshore movement, storage, processing or outsourcing of data to a legal jurisdiction outside of the United States and its Territories by you or a third party on your behalf.
24. Alleging or arising out any wireless access transmission (including without limitation WIFI or WIMAX) that is unencrypted or encrypted utilizing weak encryption.
25. Alleging or arising out of any use of or visit to social media, including without limitation any "malicious code" infection resulting from an individual's use of social media.
- L. Limit of Liability**
- 1. The Limit of Liability shown in the Schedule and the provisions below determine the most we will pay regardless of the number of:
 - a. Insureds;
 - b. "Suits" brought;
 - c. Persons or organizations making "claims"; or
 - d. "Privacy breaches" or "security breaches".
 - 2. The Limit of Liability shown in the Schedule is the most we will pay for the sum of all "loss"*, and "breach notice response services" covered by this endorsement.
- *If the Schedule above does not show that "claim expense" is Outside the Limit of Liability.

3. The Limit of Liability applies in excess of the Deductible shown in the Schedule. The Deductible applies to payments for "loss", "claim expense"* and "breach notice response services" covered by this endorsement. We will only be liable for "loss", "claim expense"* and "breach notice response services" in excess of the Deductible. With respect to Privacy Breach Liability Coverage and Security Breach Liability Coverage, the Deductible applies to each "suit". With respect to Breach Notice Response Services Coverage the Deductible applies to each "privacy breach". We may pay any part or all of the Deductible to settle or defend a "suit". You agree to promptly reimburse us for any payments applicable to your Deductible.

*If the Schedule above shows that "claim expense" is Inside the Limit of Liability.

4. The most we will pay for "loss" from Media Liability covered by this endorsement is the amount set forth in the Schedule as Media Liability; this sublimit of liability is subject to, part of, and is not in addition to, the Limit of Liability shown in the Schedule.

M. Conditions

1. Duties In The Event Of Privacy Breach, Security Breach, Business Interruption Event or Suit

- a. As a condition precedent to coverage and our liability under Breach Notice Response Services Coverage "you" must provide written notice to us as soon as practicable of any "privacy breach". As a condition precedent to coverage or our liability under Cyber Business Interruption Coverage "you" must provide written notice to us as soon as practicable. As a condition precedent to coverage and our liability under the Privacy Breach Liability Coverage, Security Breach Liability Coverage and Media Liability of this endorsement, "you" must notify us in writing of any "suit" against "you" as soon as practicable after the date such "suit" was first made against "you".

To the extent possible, notice should include:

- (1) The circumstances surrounding the "privacy breach", "security breach", "business interruption event", or media liability "suit" including how, when, and where it took place;
 - (2) The names and addresses of persons involved and any witnesses;
 - (3) The nature of the harm resulting from the "privacy breach", "security breach", "business interruption event", or media liability "suit";
 - (4) The date the "suit" was received; and
 - (5) An indication of the number of individuals that may be impacted, the type of information involved, and the actions taken to mitigate or contain the "loss", "privacy breach", "security breach", or "business interruption event".
- b. You and any other involved insured must:
- (1) Authorize us to obtain records and other information;
 - (2) Cooperate with us in the investigation, settlement or defense of the "suit", "privacy breach", "security breach"; or "business interruption event";
 - (3) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to an insured because of "loss" to which this insurance may also apply; and
 - (4) Provide us with a copy of or link to your relevant "privacy policy" and information security policy if applicable.
- c. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
- d. It is a condition precedent to coverage under this endorsement that you obtain our written consent before you admit liability, make any payment, assume any obligation, incur any expense, enter into any settlement, stipulate to any judgment or award, agreement or other means of disposing of any claim or "suit" or any portion of any "claim" or "suit".

2. The following Conditions are applicable:

a. **Computer System Protection**

- (1) It is a condition precedent to coverage under this endorsement that at all times during the "endorsement period" you or your independent contractor shall:
 - (a) Maintain anti-virus software on any computer that is part of "your computer system" and routinely update the protection as reasonably necessary;
 - (b) Maintain firewalls on any computer that is part of "your computer system" and connected to the Internet; and
 - (c) Take reasonable security precautions when processing, storing, or transmitting credit card payment data or "personally identifiable information".
- (2) It is a condition precedent to coverage under this endorsement arising out of any "privacy breach" "security breach", or "business interruption event", involving a laptop computer, external hard-drive, thumb-drive, PDA, flash storage device or data storage device that such laptop computer, external hard-drive, thumb-drive, PDA, flash storage device or data storage device is subject to regular strong encryption processes and protected by reasonable access controls to prevent unauthorized access to such hardware.

b. **Reimbursement**

In the event of a determination that there is no coverage under this endorsement, you agree to reimburse us for any and all "loss", "business interruption event" and "breach notice response services" that we paid for any "privacy breach", "suit", or "business interruption event" or any portion of any "privacy breach" or "suit" or "business interruption event" that was determined not to be covered.

N. **Additional Services**

The following **Additional Services** will reduce the available Limit of Liability and may exhaust it completely. Once the Limit of Liability shown in the Schedule is exhausted, we will have no further obligation to pay **Additional Services**:

1. **Privacy Breach Management Services**

In the event of a possible or actual "privacy breach" that may require you to comply with any "breach notice laws", we will provide you with "privacy breach management services" performed by the breach services consultants of our choice. The possible or actual "privacy breach" must be reported to us as soon as practicable after you first reasonably suspect or actual discovery of facts revealing a potential or actual "privacy breach" has occurred.

"Privacy breach management services" are available as needed for any one "privacy breach" for up to 12 consecutive months from the inception of the service. "Privacy breach management services" are available to you regardless of whether or not you have actually suffered a "privacy breach" and whether or not an actual "suit" under this endorsement results.

2. **Identity Restoration Case Management Services**

In the event of a "privacy breach" that requires you to comply with any "breach notice laws", we will provide "identity restoration case management services" performed by a "fraud specialist."

"Identity restoration case management services" are available so long as any "identity fraud" related activity is first discovered by the "impacted individual" following a "privacy breach" under this endorsement. "Identity restoration case management services" are available as needed for any "identity fraud" for up to 12 consecutive months from the inception of the service.

"Identity restoration case management services" are provided without regard to whether the person or persons committing the "identity fraud" are identified so long as the "impacted individual" is willing to complete a fraud victim affidavit and file a police report or incident report concerning the "identity fraud".



3. Definitions Applicable to Additional Services

- a. "Account takeover" means the takeover by a third party of one or more existing deposit accounts, credit card accounts, debit card accounts, ATM cards, or lines of credit in the name of an "impacted individual".
- b. "Fraud specialist" means an expert who will assist in resolving the fraudulent use, or suspected fraudulent use, of personal information and to restore it to pre-incident status to the extent possible and feasible under the law. This assistance may include contacting credit reporting agencies, credit grantors, collection agencies and government agencies or other activities needed to restore the identity information of the "impacted individual".
- c. "Identity fraud" means and includes any fraudulent activity associated with an "account takeover" or "identity theft" suffered by an "impacted individual".
- d. "Identity restoration case management services" means assistance to an "impacted individual" by a "fraud specialist" who will work on a one-on-one basis and provide help and guidance specific to the "impacted individual's" classification as an "account takeover" or "identity theft" victim.
- e. "Identity theft" means a fraud committed or attempted by a third party using the identifying information of another person without authority and resulting in the creation of one or more new accounts, or a new identity in public records (such as a driver's license) or elsewhere.
- f. "Privacy breach management services" means those services provided to you including:

(1) Proactive Breach Preparation Services - Tools, educational material information or requests for information that can be used to instruct staff and prevent and prepare for a "privacy breach".

(2) Reactive Breach Response Services -

We will assist you with the handling and management of a "privacy breach". Such assistance may include guidance about best practices, documentation, or the overall process of responding to the "privacy breach". We may also assign breach services consultants to work directly with your breach management team, management or legal counsel.

(3) Computer and Network Forensic Evaluation Consulting Services -

We will provide general consulting on technical aspects of the "privacy breach" including assistance with determining if and what type of specific computer and network forensics you should undertake. Computer and Network Forensic Evaluation Consulting Services does not include the actual performance of digital forensic services on "your computer systems" or networks and does not include suggestions or consulting regarding corrective actions to be taken by you to address inadequacies in "your computer system's" or network's security.

O. Definitions

The following definitions apply to this endorsement:

- 1. "Breach notice legal and forensic expenses" means:
 - a. Fees incurred for the services of a third party computer forensics professional to conduct an investigation to identify whether data containing "personally identifiable information" was accessed by an unauthorized person as a result of a covered "privacy breach"; and
 - b. Attorney fees for an outside attorney to determine whether any "breach notice laws" apply and the obligations of such applicable laws, and assist you to comply with such laws, including but not limited to drafting notice letters to "impacted individuals".
- 2. "Breach notice law" means any governmental statute or regulation that requires an organization to provide notice to those individuals whose "personally identifiable information" was actually, or was reasonably believed to have been, accessed by an unauthorized third party.

3. "Breach notice response services" means any of the following expenses incurred by us, or by you with our prior written consent, with respect to "impacted individuals":
- "Breach notice legal and forensic expenses";
 - "Notice fulfillment services" for "privacy breaches" requiring you to comply with any "breach notice laws"; and
 - "Credit monitoring services" for "privacy breaches" requiring you to comply with any "breach notice laws".
4. "Business interruption costs" means your loss of net income (net profit or loss before taxes) plus the expenses necessary to maintain or restore the operation, including payroll and functionality or service of your business as a result of the "business interruption event". "Business interruption costs" also includes costs to avoid or mitigate the effects of a system outage, unavailability of your website, intranet, programs, electronic data or the interruption of "your computer system" and to discover and minimize such interruption and preserve evidence and substantiate your loss. "Business interruption costs" do not; however include any other extra expenses or any loss of sales due to a "business interruption event". When "you" experience a "business interruption event" "you" agree to calculate your "business interruption costs" as soon as practicable and submit them to us with your supporting rationale and/or supporting documents. We agree to pay the amount which we determine is reasonable, but if the amount we agree to pay differs from the amount submitted by you, we will provide our rationale and allow you a second opportunity to convince us otherwise. This second submitted amount must be sent to us with your supporting rationale and/or supporting documents as soon as practical. After this we will review your second submission and the amount we agree to pay will be final.
5. "Business Interruption event" means the interruption to or degradation to 75% of normal capacity in the availability of your website, intranet, network, programs, electronic data, or "your computer system," resulting in business interruption costs as a direct result of:
- the activities of a third party that maliciously blocks electronic access to your website, intranet, network, programs, electronic data, or "your computer system;"

- a "hacker."
6. "Claim" means a notice, complaint or demand.
7. "Claim expense" means only those reasonable legal fees, costs or expenses incurred by us or you with our prior written consent, to defend or investigate a "suit". "Claim expense" does not include any salaries, overhead, lost productivity, or other internal costs, expenses or charges you incur; costs or expenses for mitigation of a "privacy breach" or "security breach"; the costs or expenses for or arising out of any security or privacy measures, controls, policies, procedures, assessments or audits; or the costs or expenses of any investigation of or compliance with any "breach notice law".
8. "Content" means any data, text, sounds, images or similar matter disseminated electronically on your website or on non - electronic printed material, including but not limited to promotional material (including branding, co-branding, sponsorships and/or endorsements), publicly disseminated by "you" or on your behalf. "Content" shall not include the actual goods, products or services described, illustrated or displayed on your website or on any non-electronic printed material. For purposes of the forgoing sentence, "goods, products, or services" shall be deemed to include any labelling, packaging, warnings, instructions or similar materials that are incorporated into, are included within or with, or form part of, such goods, products, or services.
9. "Credit monitoring services" means twelve (12) months of "credit monitoring services" provided to each "impacted individual", but only if such individual actually enrolls for and redeems such services. This endorsement does not cover any expenses related to or arising out of "credit monitoring services" where an "impacted individual" has not enrolled for and redeemed such services. "Credit monitoring services" notify an affected individual by e-mail when there is any change or suspicious activity on a credit record on file with a credit reporting agency.
10. "Denial of service attack" means an intentional and malicious attack by a third party intended by such to block or prevent access to "your computer system" or a third party's computer system if launched from "your computer system."



11. "Endorsement period" means the period of insurance beginning on the Inception Date identified in the Schedule, and ending on the earlier of the Expiration Date in the Schedule or the date the policy is cancelled or otherwise expires; provided that if no dates are included in the "Endorsement Period" section of the Schedule, "Endorsement Period" shall mean the period of insurance beginning on the inception date of the policy's policy period or period of insurance (however described), and ending on the earlier of the expiration date of the policy's policy period or period of insurance (however described) or the date the policy is cancelled or otherwise expires.
12. "Impacted individual" means a natural person whose "personally identifiable information" was compromised as a result of a "privacy breach".
13. "Interrelated events" means "privacy breaches" or "security breaches" which arise out of or have as a common basis any:
 - a. Related causes, circumstances, situations, events, transactions or facts;
 - b. Series of related causes, circumstances, situations, events, transactions or facts; or
 - c. Common pattern of conduct.
14. "Loss" means:
 - a. Any amount which an insured becomes legally obligated to pay as compensatory damages resulting from a "suit" for a "privacy breach" or "security breach", or media liability (as applicable) to which this insurance applies and shall include judgments and settlements; and
 - b. "Claim expense.""Loss" shall not include:
 - (1) Fines or penalties imposed by law;
 - (2) Taxes;
 - (3) Punitive or exemplary damages or any damages that are multiples of compensatory or any other damages assessed against an insured;
 - (4) Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than monetary amounts; or
 - (5) Amounts or matters which may be deemed uninsurable under the law pursuant to which the endorsement shall be construed.
15. "Malicious code" means any virus, Trojan, worm or other similar malicious software program, code or script (including without limitation any of the foregoing that are specifically targeted or generally targeted at multiple computers or networks) intentionally designed to infect and harm a computer system, harm data on a computer system, or steal data from a computer system.
16. "Management personnel" means your officers, directors, risk managers, partners, managing members of an LLC, or staff attorneys (including without limitation any CIO, CSO, CEO, COO, GC, CISO, or CFO), or any individual in a substantially similar position, or having substantially similar responsibilities, as the foregoing, irrespective of the exact title.
17. "Media Activities" means the publishing dissemination, releasing, gathering, transmission, production, webcasting, or other distribution of "content" by "you" or on your behalf.
18. "Notice fulfillment services" means fulfillment services to provide notice to "impacted individuals" as required under applicable "breach notice laws", including printing services, email notice, media notice, mailing services and postage.
19. "Personally identifiable information" means any of the following information in electronic or paper form or media in your care, custody and control, or the care, custody or control of a third party that provides services on your behalf pursuant to a written agreement which fully indemnifies you for any "claims", loss and costs arising out of any unauthorized access or use of such information:
 - a. A person's first and last name, or first initial and last name in combination with: social security number, passport number or any other national identification number; drivers license number or any other state identification number; medical or healthcare data including protected health information; or any account number, credit or debit card number in combination with any required password or security code that would permit access to the financial account;
 - b. Non-public personal information as defined in any "privacy regulation"; or
 - c. An Internet Protocol (IP) address where utilizing reasonable knowledge means you can identify a specific individual with such IP address.

20. "Privacy breach" means any of the following:

- a. Theft or loss of "personally identifiable information" in your possession or control; or
- b. Your negligent failure to destroy or delete "personally identifiable information," or allow a person to access or correct his or her "personally identifiable information," in violation of your existing "privacy policy".

21. "Privacy policy" means your written and publicly disclosed policies identifying your practices for the collection, use, disclosure, sharing, allowing of access to, and correction of "personally identifiable information".

22. "Privacy regulation" means any statute or regulation addressing the control, use or protection of "personally identifiable information".

23. "Security breach" means:

- a. The inability and failure of your existing technical or physical security measures of "your computer system" to prevent unauthorized access to or unauthorized use of "your computer system" or a "denial of security attack";
- b. Physical theft or loss of a data storage device that results in unauthorized access to "personally identifiable information", including a laptop computer; or
- c. Transmission of "malicious code" from "your computer system" to a third party's computer system;

24. "Suit" means a civil proceeding in which damages because of a "privacy breach" (for **Privacy Breach Liability Coverage**) or a "security breach" (for **Security Breach Liability Coverage**) or for **Media Liability** to which this insurance applies are alleged; provided that "suit" shall not mean any action by any state, federal, local or foreign governmental entity.

25. "You", "your", "yours", or "insured" means:

- a. The named insured specified in the policy acting within the scope of duties in connection with its business;
- b. Any subsidiary of the named insured specified in the policy if at the inception of, and throughout, the "endorsement period", the named insured owns interests representing more than fifty percent (50%) of the voting, appointment or designation power for the selection of a majority of the Board of Directors of a corporation, the management committee members of a joint venture or partnership, or the members of the management board of a limited liability company (as applicable), and only with respect to conduct which takes place while it is a subsidiary of the named insured, that is within the scope of its duties in connection with its business, and otherwise covered by this endorsement; and
- c. Any employee of the named insured specified in the policy, but only with respect to acts within the scope of his or her employment by you.

26. "Your computer system" means any computer hardware, software or firmware, laptop computer, external hard-drive, thumb-drive, non-phone PDAs or flash storage device and components thereof including data stored thereon, that is:

- a. Leased or owned and which is under your direct operational control; or
- b. Under the direct operational control of an independent contractor or other third party that provides services on your behalf to your clients or customers; provided that such independent contractor or other third party has agreed pursuant to a written contract with you to fully indemnify you for any "claims", loss and costs arising out of any unauthorized access or use of such computer hardware, software or firmware, components and data.

Provided, however, "your computer system" does not mean or include any phone devices (including without limitation any smart phone).



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY - OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
COMMERCIAL UMBRELLA COVERAGE PART

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance;
- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured;
- (3) The additional insured gives us prompt written notice of any "occurrence" which may result in a claim and prompt written notice of "suit";
- (4) The additional insured immediately forwards all legal papers to us, cooperates in the investigation or settlement of the claim or defense against the "suit", and otherwise complies with policy conditions.
- (5) The additional insured must tender the defense and indemnity of any claim or "suit" to any other insurer which also insures against a loss we cover under this policy. This includes, but is not limited to, any insurer which has issued a policy of insurance in which the additional insured qualifies as an insured. For the purpose of this requirement, the term "insures against" refers to any self-insurance and to any insurer which issued a policy of insurance that may provide coverage for the loss, regardless of whether the additional insured has actually requested that the insurer provide the additional insured with a defense and/or indemnity under that policy of insurance.
- (6) The additional insured agrees to make available any other insurance that the additional insured has for a loss we cover under this policy.

Online Banking Theft Insurance Endorsement

NOTICE

PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED. WORDS AND PHRASES THAT APPEAR IN QUOTES ARE DEFINED IN THE DEFINITIONS SECTION OF THIS ENDORSEMENT. VARIOUS PROVISIONS RESTRICT COVERAGE.

THIS IS A CLAIMS MADE AND REPORTED ENDORSEMENT. THIS ENDORSEMENT WILL NOT PROVIDE COVERAGE FOR LOSS OF "FUNDS" THAT OCCURRED PRIOR TO THE RETROACTIVE DATE SHOWN IN THE SCHEDULE. THE RETROACTIVE DATE MAY PROCEED OR BE LATER THAN THE INCEPTION DATE OF THIS ENDORSEMENT.



SCHEDULE

Additional Premium	\$
Limit of Liability	\$
Deductible	\$
Endorsement Period	From (Inception Date): To (Expiration Date): (both days at 12.01 am. Local Standard time at the address shown of the first named insured)
Retroactive Date	
*If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.	

The changes described herein apply only with respect to this "Online Banking Theft" Insurance Endorsement. All provisions of the policy, to which this endorsement is attached, apply unless modified by this endorsement. With respect to the insurance afforded by this endorsement, the Limit of Liability shown in the Schedule above is not subject to or part of, and is in addition to, the Limits of Liability stated in the policy Declarations of the policy to which this endorsement is attached.

The following are added to the policy:

I. INSURING AGREEMENTS

1. Online Banking Theft

"We" shall pay for loss of "funds," in excess of the Deductible in the Schedule, caused by "online banking theft" provided that the loss of "funds" first occurs during the "Endorsement Period" and is first notified to "us" by "you" in accordance with section D of this endorsement.

2. "Funds" Transfer Fraud & "Social Engineering Fraud"

- a. "We" will pay for loss of "funds," in excess of the Deductible in the Schedule, for "funds" transfer fraud directly caused by a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from "your transfer account," provided that the loss of "funds" first occurs during the "Endorsement Period" and is first notified to us by you in accordance with section IV. - **Conditions** of this endorsement.



- b. "We" will pay for loss of "funds" in excess of the Deductible in the Schedule, for a "social engineering fraud" caused by the transferring, paying, or delivering of "funds" to any business or person under false pretenses by "social engineering fraud," provided that the loss of "funds" first occurs during the "Endorsement Period" and is first notified to us by "you" in accordance with section IV. - **Conditions** of this endorsement.

II. DEFINITIONS

1. "Account" means any commercial account at a "bank" established by or for the benefit of an "accountholder."
2. "Accountholder" means the named insured who is a commercial "account" customer of a United States domiciled "bank" conducting online banking with one or multiple "accounts" comprised of common ownership and/or the same Federal Tax Identification Number.
3. "Bank" means an officially chartered United States bank or financial institution, organized under the laws of either the federal or a state government, and authorized to provide services such as accepting deposits, making loans and providing checking and/or savings "accounts."
4. "Computer System" means any computer hardware, laptop computer, tablet computer, phone devices including smart phones, gaming consoles, televisions and the software or firmware of any components thereof that are under the ownership, direct custody or operational control or are leased by the named insured or "accountholder" and that can access the internet.
5. "Endorsement period" means the period of insurance beginning on the Inception Date identified in the Schedule, and ending on the earlier of the Expiration Date in the Schedule or the date the policy is cancelled or otherwise expires; provided that if no dates are included in the "Endorsement Period" section of the Schedule, "Endorsement Period" shall mean the period of insurance beginning on the inception date of the policy's policy period or period of insurance (however described), and ending on the earlier of the expiration date of the policy's policy period or period of insurance (however described), or the date the policy is cancelled or otherwise expires.
6. "Fraudulent instruction" means (1) an electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by "you" or an employee, but which was in fact fraudulently transmitted by someone else without "your" knowledge or consent and (2) a written instruction issued by "you" or an employee, which was forged or altered by someone other than "you" without "your" knowledge or consent or which purports to have been issued by "you" or an employee, but was in fact fraudulently issued without "your" knowledge or consent.
7. "Funds" mean "money" and "securities."
8. "Money" means (1) currency, coins, and bank notes in current use and having face value and (2) travelers checks, registered checks and "money" orders held for sale to the public. "Money" does not; however mean e-currency such as bitcoin.
9. "Online banking theft" means the unauthorized access to or use of an "accountholder's" commercial "account" that results in a loss of "funds" arising out of a failure or violation of the security of a "bank's" or an "accountholder's" "computer system" which has been reported to the "bank" by an "accountholder."
10. "Pollutants" means, but are not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, mold, spores, fungi, germs, soot, fumes, asbestos, acids, alkalis, chemicals and waste. Waste includes, but is limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.
11. "Related online banking thefts" means all "online banking thefts" which arise out of or relate to the same, related or continuous events, acts, errors or omissions. All "related online banking thefts" shall be considered to have occurred at the time the first such "online banking theft" occurred. "Securities" means negotiable or nonnegotiable instruments or contracts representing either "money" or property and includes; (1) tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use and (2) evidences of debt issued in connection with credit or charge cards, which cards are not issued by "you." "Securities" does not, however mean e-currency such as bitcoin.

12. "Social engineering fraud" means the intentional misleading or deception of "you" or an "employee" through pretexting, phishing, spear phishing or any other confidence trick communicated by email, text, instant message, telephone or other electronic means.
13. "Transfer account" means an account maintained by "you" at a financial institution from which "you" or an employee with "your" permission can initiate the transfer, payment or delivery of "funds," (1) by means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic "funds" transfer system; or (2) by means of written instructions establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic "funds" transfer system.
14. "We," "Us," and "Our" means the insurer issuing this Endorsement.
15. "You," "your," or "yours," means:
- The named insured specified in the policy acting within the scope of duties in connection with its business.

III. LIMITS OF LIABILITY

- The Limit of Liability shown in the Schedule is the most "we" will pay for the sum of all loss of "funds" events covered by this endorsement.
- The Limit of Liability applies in excess of the Deductible shown in the Schedule. The Deductible applies to each loss of "funds" event. "We" may pay any part of or all of the Deductible at our discretion. "You" agree to promptly reimburse us for any payments applicable to "your" Deductible.

IV. CONDITIONS

- Duties In The Event of a Loss of "funds" from "Online Banking Theft,"
 - The named insured shall, as a condition precedent to "our" obligations under this endorsement, give written notice to us of any "online banking theft" as soon as practicable after first discovered by the "bank" or "accountholder," but in all events not later than: (i) the end of the "endorsement period" or Extended Reporting Period (if applicable); or (ii) within thirty (30) days after the end of the "endorsement period," as long as discovered by the "bank" or "accountholder" within the final thirty (30) days of the endorsement period."

- Notice of an "online banking theft" must include:
 - the name of the "bank" and "accountholder(s)" affected;
 - a description of the "online banking theft" and the circumstances surrounding it;
 - if multiple "accounts" are affected by the "online banking theft," a list of "accounts" affected;
 - the amount of "loss" of each "account" affected by the "online banking theft," and
 - a copy of all notices and correspondence sent to or received by the named insured or "accountholder" concerning the "online banking theft."
- If written notice of any "online banking theft" has been given to "us" pursuant to paragraph 1.a. above, then any subsequent "online banking theft" arising out of, based upon or attributable to the facts giving rise to such "online banking theft" for which such notice has been given, or alleging any "related online banking" theft thereto, shall be considered made at the time such notice was given.
- Under no circumstances, shall the named insured or the "accountholder" admit any liability, assume any financial obligations, pay any "money," or incur any expense in connection with any "online banking theft" without "our" prior written consent.
- The named insured shall require that the "accountholder" take reasonable steps to prevent an "online banking theft" and to mitigate the "loss" arising out of an "online banking theft." In all events, the named insured shall take no action, without "our" prior written consent, which prejudices "our" rights under this endorsement.



2. Duties In The Event of a loss of "funds" from "Funds" Transfer Fraud or "Social Engineering Fraud"

a. The named insured shall, as a condition precedent to our obligations under this endorsement, give written notice to us of any "loss" of "funds" from "Funds" Transfer Fraud or "Social Engineering Fraud" as soon as practicable after first discovered by you but in all events not later than: (i) the end of the "endorsement period" or Extended Reporting Period (if applicable); or (ii) within thirty (30) days after the end of the "endorsement period," as long as discovered by "you" within the final thirty (30) days of the "endorsement period."

b. To the extent possible, notice should include:

I. The circumstances surrounding the loss of "funds" including how, when, and where it took place;

II. The names and addresses of persons involved and any witnesses;

III. The date a loss of "funds" occurred.

3. Other Duties In The Event of a Loss of "funds" from "Online Banking Theft" or "Funds" Transfer Fraud or "Social Engineering Fraud"

a. "You" and any other involved insured must:

I. Authorize "us" to obtain records and other information;

II. Cooperate with "us" in the investigation and/or settlement of any loss of "funds;"

III. Assist "us," upon "our" request, in the enforcement of any right against any person or organization which may be liable to an insured because of loss of "funds" to which this insurance applies.

b. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without "our" consent.

V. EXCLUSIONS

The Coverages provided by this Endorsement shall not apply to:

1. Any loss of "funds" arising out of or attributable to a claim, suit, action or proceeding against the named insured, "bank," or "acountholder" that is brought by or on behalf of any federal, state or local government agency;

2. Any loss of "funds" from "online banking theft" which results from the "acountholder" allowing any party (other than its employees or the "bank") to access its "computer system;"

3. Any expenses, other than loss of "funds," arising out of, based upon or attributable to an "online banking theft," including without limitation, expenses incurred to bring an "acountholder" or "bank" into compliance with any security standard;

4. Any expenses incurred for, or as a result of, regularly scheduled, recurring or routine security assessments, regulatory examinations, inquiries or compliance activities;

5. Any (i) gaining of a profit or advantage to which the named insured or "acountholder" or any of their respective employees is not legally entitled or (ii) expenses or charges of the named insured or an "acountholder," including employee compensation and benefits, overhead, over-charges or cost over-runs;

6. Any loss of "funds" arising out of, based upon or attributable to any of the following:

a. Fire, smoke, explosion, lightening, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, an act of God or any other physical event, however, caused;

b. Strikes or similar labor action, war, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any action taken to hinder or defend against these actions; or

c. Electrical or mechanical failures, including any electrical power interruption, surge, brownout or blackout; a failure of telephone lines, data transmission lines, satellites or other infrastructure comprising or supporting the internet, unless such lines or infrastructure were under the named insured's operational control;

d. Emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any property;

- e. Any act of terrorism. For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear;
7. Any loss of "funds" arising out of, based upon or attributable to the presence of or the actual, alleged or threatened discharge, dispersal, release or escape of "pollutants" (including nuclear materials), or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize "pollutants," or in any way respond to or assess the effects of "pollutants;"
8. Any loss of "funds" that was not properly reported to us pursuant to the terms of this endorsement;
9. Any loss of "funds" that first occurred prior to the Retroactive Date;
10. Any loss of "funds" arising from liability or obligation of the named insured or "accountholder" under any contract or agreement, however, this exclusion shall not apply to liability the named insured or "accountholder" would have in the absence of such contract or agreement;
11. Any loss of "funds" arising out of, based upon or attributable to the infringement of copyright, patent, trademark, trade secret or other intellectual property rights;
12. Any loss of "funds" arising out of, based upon or attributable to any discrimination against any person or entity on any basis, including but not limited to: race, creed, color, religion, ethnic background, national origin, age, handicap, disability, sex, sexual orientation or pregnancy;
13. Any loss of "funds" arising out of, willful, deliberate, malicious, fraudulent, dishonest or criminal act, error or omission by an insured, or any intentional or knowing violation of law by "you" or an "accountholder."
14. Any loss of "funds" covered by the Electronic Funds Transfer Act, 15 U.S.C. §1693 *et. seq.*, (as amended) and its implementing regulations;
15. Any loss of "funds" alleging or arising out of any of the following:
- a. Trading losses, trading liabilities or change in value of accounts, any loss, transfer or theft of monies, "securities" or tangible property of others in "your" care, custody or control; or
 - b. The monetary value of any transactions or electronic fund transfers by "you" or on "your" behalf which is lost, diminished, or damaged during transfer from, into or between accounts; or
 - c. Loss of or damage to "funds" while in the mail or in custody of any carrier for hire, including but not limited to any armored motor vehicle company; or
 - d. Loss of "funds" due to any investment in "securities" or ownership in any corporation, partnership, real property, or similar instrument, whether or not such investment is genuine; or
16. Any loss of "funds" due to gambling, game of chance, lottery or similar game;
17. Any loss of "funds" due to the extension of any loan, credit or similar promise to pay.

VI. CANCELLATION

1. This endorsement may be cancelled by the named insured by surrender of this endorsement to "us" or by giving written notice to "us" stating the date cancellation is to be effective.
2. "We" may not cancel this endorsement at any time during the "endorsement period," except if an insurance commissioner determines that the Policy is in violation of a state insurance code.
3. If this endorsement is cancelled by either party there will be no return of premium unless required under state law, except if notice of cancellation or surrender of the endorsement is received by "us" within 5 days of the effective date of the Policy, in which case, "we" will refund the full amount of the premium.

VII. CONDITIONS PRECEDENT

It is a condition precedent to coverage under this endorsement that at all times during the "endorsement period" the named insured, "accountholder" or "your" independent contractor shall:

1. Maintain anti-virus software on any device that is part of "your computer system" update the protection at regular intervals but no less than at least once every 30 days; and
2. Maintain firewalls on any device that is part of "your computer system;" and
3. Maintain reasonable access controls to prevent unauthorized access to "your" computer system; and
4. When accessing "your" "account" use, at all times, minimum standard security protocols required by the "bank;" and
5. Each person authorized to access "your" "account" must have and use a unique set of login credentials (i.e. Id & Password); and
6. Each person authorized to access the "account" must employ a mobile banking app created by the "bank" for that purpose when using a smart phone, tablet or other mobile device.

VIII. OTHER CONDITIONS AFFECTING COVERAGE

1. Concealment, Misrepresentation or Fraud

No coverage will be provided for, any "loss" arising out of or resulting, directly or indirectly, from any dishonest, fraudulent, criminal or malicious act, or any intentional or knowing violation of the law, if committed by the named insured's:

- a. past or present directors, officers, trustees, governors, management committee members, members of the management board or partners (or the equivalent positions), whether acting alone or in collusion with other persons; or
- b. past or present employees (other than those listed in subparagraph 1.a. above) if any of those listed in subparagraph 1. a. above participated in, approved of, acquiesced to, or knew or had reason to know prior to the act of, the dishonest, fraudulent, malicious, or criminal or malicious act committed by such employee that caused a direct "loss" to the named insured or any other person.

2. Legal Action Against "Us"

No person or organization has a right to:

- a. Join "us" as a party or otherwise bring "us" into an action or suit; or
- b. Sue "us" or bring any other action against "us;"

unless and until, as condition precedent thereto, "you" have fully complied with all the terms and conditions of this Endorsement. In no event shall "we" be liable for any amounts that are not covered and payable under the terms of this Endorsement or that are in excess of any applicable Limit of Liability.

No one may bring an action against "us" until there has been full compliance with all the terms of this Endorsement and not more than two (2) years after the date on which an "online banking theft" is first discovered by the named insured or "accountholder."

3. Conformity to Statute

"We" agree that any terms of this endorsement not in conformity with the statutes of the state in which this endorsement is issued, are amended to comply with those applicable state statutes.

4. Coverage Territory

Subject to its terms, conditions and exclusions, this endorsement applies to loss of "funds" incurred in the United States as a result of a "Funds" Transfer Fraud or "Social Engineering Fraud" or "online banking theft" occurring anywhere in the world.

5. Subrogation

In the event "we" are required to make any form of payment under this endorsement, "we" shall be subrogated to all "your" rights of recovery against any person or organization and "you" must execute and deliver instruments and papers and do whatever else is necessary to secure such rights. "You" must not do anything to prejudice such rights.

6. Other Insurance and Banking Regulations

This endorsement shall be excess with respect to any other valid and collectible insurance available to the named insured, "bank" or "accountholder," unless such other valid and collectible insurance is also stated to be excess. In that case, "we" will share with all other insurance by the method described below.

- a. If all of the other insurance permits contribution by equal shares, "we" will follow this method also. Under this approach, each insurer shall contribute equal amounts in excess of the applicable retention until it has paid its applicable limit of insurance or none of the "loss" remains, whichever comes first.
- b. If any of the other insurance does not permit contribution by equal shares, "we" will contribute by limits. Under this method, each insurer's share shall be based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

Unless excluded under this endorsement, this endorsement shall be excess of any statutory, contractual, or other obligations or liability of a "bank" to its "accountholders" for any monetary loss of "funds".

7. Assignment

This endorsement may not be assigned to any party unless "we" consent in writing to the assignment.

8. Mergers and Acquisitions

If "you" consolidate into, merge into or are acquired by another entity, then all coverage under this endorsement shall terminate at the date of the consolidation, merger or acquisition unless "we" have issued an endorsement extending coverage and "you" have agreed to any additional terms of coverage required by "us," and agreed to and paid any additional premiums required by "us."

9. Recoveries

Payments made under this endorsement to or on behalf of the named insured shall be repaid to "us" by the named insured in the event and to the extent that the named insured shall not be entitled to such payment. Any recovery or salvage on a "loss" will accrue entirely to "our" benefit until "we" have been fully reimbursed for our payment.

10. Automatic Extended Reporting Period

If "we" or the named insured of the policy shall cancel or elect not to renew the coverage provided under this endorsement, "you" shall have the right following the effective date of such cancellation or nonrenewal to a period of sixty (60) days (herein referred to as the Automatic Extended Reporting Period) in which to give written notice to "us" of loss of "funds" during the Automatic Extended Reporting Period for any "Online Banking Theft," Funds Transfer Fraud or "Social Engineering Fraud" occurring prior to the end of the "endorsement period" and otherwise covered by this endorsement. The Automatic Extended Reporting Period shall not apply to loss of "funds" that are covered under any subsequent insurance "you" purchase or which is purchased for "your" benefit.

11. Optional Extended Reporting Period

If "we" or the named insured of the policy shall cancel or elect not to renew the coverage provided under this endorsement, "you" shall have the right to a period of up to two (2) years following the effective date of such cancellation or nonrenewal (herein referred to as the Optional Extended Reporting Period), upon payment of an additional premium;

- a. 100% of the full annual premium, for a period of one (1) year, or
- b. 200% of the full annual premium, for a period of two (2) years,

in which to give written notice to "us" of loss of "funds" discovered during the Optional Extended Reporting Period for any "Online Banking Theft," "Funds" Transfer Fraud or "Social Engineering Fraud" first occurring prior to the end of the "endorsement period" and otherwise covered by this endorsement. As used herein, full annual premium means the premium level as stated in the SCHEDULE of this endorsement in effect immediately prior to the end of the "endorsement period."



The rights contained in this clause shall terminate, however, unless the named insured of the policy provides written notice of such election together with the additional premium due to "us" within thirty (30) days of the effective date of cancellation or non-renewal of the endorsement. The additional premium for the Optional Extended Reporting Period shall be fully earned at the inception of the Optional Extended Reporting Period. The Optional Extended Reporting Period is not cancelable. This clause and the rights contained herein shall not apply to any cancellation resulting from non-payment of premium. "Our" offer of renewal terms, conditions, limits of liability and/or premiums different from those of the expiring Online Banking Theft Endorsement shall not constitute a refusal to renew. If the named insured exercises its right to purchase an Optional Extended Reporting Period, the Automatic Extended Reporting Period shall be deemed void from its inception date.

The Limit of Liability for any applicable Extended Reporting Period shall be part of, and not in addition to, "our" Limit of Liability set forth in the Schedule for this endorsement, and any applicable sublimits of liability.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABSOLUTE PFAS EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM

RAILROAD PROTECTIVE LIABILITY COVERAGE FORM

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM

BUSINESS AUTO COVERAGE FORM

GARAGE COVERAGE FORM

AUTO DEALERS COVERAGE FORM

MOTOR CARRIER COVERAGE FORM

COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

COMMERCIAL EXCESS LIABILITY COVERAGE FORM

A. This insurance does not apply to:

1. "Bodily injury", "property damage", or "personal and advertising injury" arising out of, resulting from, caused or contributed to by any PFAS or exposure to any PFAS;
2. The costs of abatement, mitigation, removal, or disposal of any PFAS
3. Any supervision instruction, recommendations, warnings or advice given or which should have been given in connection with (1) or (2) above.
4. Any obligation to share damages with or repay someone else who must pay damages because of such injury damage.

It is further agreed that we shall have no duty or obligation to provide or pay for the investigation or defense of any loss, cost, expense, claim or "suit" excluded herein.

B. For the purpose of this endorsement "PFAS" means Per- and Polyfluoroalkyl Substances (PFAS), including but not limited to:

1. Perfluorooctane sulfonate (PFOS),
2. Perfluorooctanoic acid (PFOA),
3. Perfluorobutane sulfonic acid (PFBS),
4. Perfluorobutanesulfonate,
5. Potassium Perfluorobutane Sulfonate,
6. Sodium fluoroacetate, 2,2-Difluoropropane, 1-Chloro1,1-difluoroethane, 1,1,1,2 - Tetrafluoroethane, 1,1,1 - Trifluoroethane, 1,1 - Difluoroethane, Dichlorodifluoromethane, Trichlorofluoromethane, Chlorodifluoromethane, and 1,1,2 - Trichloro1,2,2 -trifluoroethane, and other per-

and polyfluoroalkyl substances (PFAS), including, but not limited to, all substances listed on the USEPA Master List of PFAS Substances, which has been available online at:

https://comptox.epa.gov/dashboard/chemical_lists/pfasmaster, and any of their associated homologues, isomers, salts, esters, alcohols, acids, precursor chemicals, additives, derivatives, degradation products, by-products and individual chemical components

C. If these terms are not already defined in the coverage form to which this is endorsed the following Definitions are added:

“Advertisement” means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
2. Regarding web-sites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered and "advertisement".

"Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful

entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
5. Oral or written publication, in any manner, of material that violates a person's right of privacy;

6. The use of another's advertising idea that your "advertisement"; or

7. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

- D. The addition of this endorsement to the policy does not imply that other policy provisions, including but not limited to any applicable pollution exclusion, do not exclude coverage for PFAS or PFAS-related exposures.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DISCRIMINATION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance does not apply to any actual or alleged "bodily injury", "property damage" or "personal and advertising injury" arising out of any form of discrimination prohibited by law or by ordinance including, but not limited to, discrimination based, in whole or in part, upon race, color, creed, gender, national origin, age, physical or mental impairment, religion or sexual preference.

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IMPORTANT ENHANCEMENT TO YOUR PROPERTY POLICY.**PLEASE READ CAREFULLY.**

YOUR PROPERTY POLICY NOW CONTAINS AN EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT THAT ADDRESSES IMPORTANT PERILS NOT OTHERWISE COVERED IN A PROPERTY POLICY. (NOTE: Please consult the Policy Endorsement and the Property Policy to which this endorsement attaches for Exact Coverage and Conditions Language. This coverage overview is not intended to replace policy language and no coverage is conferred by this explanatory overview.)

Extension of Coverage – Overview**What Property Policy Exclusions are addressed by the Equipment Breakdown Coverage Endorsement?**

Equipment Breakdown pays for losses caused by or resulting from direct physical loss to covered equipment. Direct physical loss as described below:

- Mechanical Breakdown, including rupture or bursting caused by centrifugal force
- Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires
- Explosion of steam boilers, steam pipes, steam engines or steam turbines owned by you or under your control

Why is Equipment Breakdown Coverage Important?

Property Policies do not cover the perils of mechanical, electrical and pressures systems breakdown, or the income and extra expense loss potential associated with these types of perils unless they are endorsed to do so.

What types of equipment are covered?

- | | |
|----------------------------|------------------------|
| • Air Conditioning Systems | • Generators |
| • Boilers | • Gears / Gear Sets |
| • Compressors | • Motors |
| • Computers | • Production Equipment |
| • Copiers | • Pumps |
| • Distribution Systems | • Refrigeration Units |
| • Electrical Systems | • Switchboards |
| • Engines | • Telephone Systems |
| • Fired Vessels | • Transformers |
| • Fired Water Heaters | • Unfired Vessels |

What costs are covered?

- Business Income, Extra Expense [follows property policy]
- CFC Refrigerants
- Data Restoration (Valuable papers, media)
- Demolition and Increased Cost of Construction (ordinance or law) [follows property policy]
- Drying Out Coverage
- Expediting Expense (rush ordering)
- Perishable Goods (contamination, loss due to spoilage)
- Physical Damage Repair and Replacement
- Service Interruption

IF YOU HAVE ANY QUESTIONS REGARDING EQUIPMENT BREAKDOWN COVERAGE, PLEASE CONTACT YOUR AGENT.

Want to view your policy, billing and claims information online?

Need to pay your bill or report a claim?

Visit our website at www.ufgPolicy.com today.

As a United Fire Group policyholder, you have online access to your policy, billing and claims information at www.ufgPolicy.com - 24 hours a day, seven days a week. With improved tools, simpler navigation and enhanced content, finding the information you need on our website has never been easier.

At www.ufgPolicy.com, you can accomplish a lot in a few clicks:

- View your insurance policy and other important forms
- Pay your bill
- Register for monthly EFT or RBP
- Turn off paper copies of your bill
- Request billing email alerts
- Report a claim and view previously submitted claims
- Read safety tips and information, including loss control materials

You also have the option of using Express Bill Pay to pay your bill online without logging on to our website - a great timesaving tool.

So, if you never had reason to go to www.ufgPolicy.com before, now would be a good time to check or rather "click" it out.

A brief registration process is required. If you need assistance, contact Web Help at 1-800-895-6253 between 8 a.m. and 4:30 p.m. CT Monday through Friday.



ST 16 44 01 12

50034980

IMPORTANT NOTICE – IDENTITY THEFT 911

THE PROPERTY SECTIONS OF YOUR GARAGE-PRO POLICY, YOUR BUSINESSOWNERS POLICY, or YOUR COMMERCIAL OUTPUT POLICY INCLUDE FORMS WHICH REFERENCE THE TRADEMARKED NAMES OF Identity Theft 911's Security Breach Services and/or Identity Theft 911®.

Effective immediately, all references in the forms to "IDT911" and "CC911" shall be replaced with "CyberScout" and "CyberScout Claims," respectively.

These references will be updated in a future edition date of the forms. There is no change in the coverage provisions.



ST 19 43 01 20

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0304

ADDISON INSURANCE COMPANY

PO Box 73909, Cedar Rapids IA 52407

POLICY NUMBER:

60535824

ACCOUNT NUMBER:3000369217 (2) COMMERCIAL PROPERTY (SB)

DIRECT BILL - 150

COMMERCIAL PROPERTY COVERAGE PART

ISSUE DATE 10-23-2023 GLG REPLACEMENT OF 0304 60535824	DECLARATIONS RENEWAL EXTENSION
NAMED 1101 VILLAGE ROAD OFFICE INSURED CONDOMINIUM ASSOCIATION INC AND ADDRESS 326 HIGHWAY 133 STE 290 CARBONDALE CO 81623-1568	AGENCY & CODE 020346 GLENWOOD INS AGENCY PO BOX 1270 GLENWOOD SPRINGS CO 81601

POLICY PERIOD: FROM: 10-28-2023 12:01 AM TO: 10-28-2024 12:01 AM
At the named insured's mailing address shown above. And for successive policy periods as stated below.

We will provide the insurance described in this policy in return for the premium and compliance with all applicable policy provisions. If we elect to continue this insurance, we will renew this policy if you pay the required renewal premium for each successive policy period, subject to our premiums, rules and forms then in effect. You must pay us prior to the end of the current policy period or else this policy will terminate after any statutorily required notices are mailed to you. An insufficient funds check is not considered payment.

PREM/ BLDG	DESCRIBED PREMISES AND COVERAGES	LIMIT OF INSURANCE	RATE	PREMIUM
	EQUIPMENT BREAKDOWN			272
	ULTRA PROPERTY PLUS			958
	BUSINESS INCOME INCL RENTAL VALUE-WITH EE	250,000		Incl
	WATER BACKUP	50,000		Incl
01 01	1101 VILLAGE RD CARBONDALE CO 81623-2518 FRAME NON-GOVERNMENTAL OFFICES			
	BUILDING	7,178,000	.080	5,743
	Special Causes of Loss	10,000 Ded		
	Replacement Cost	100% Coins		
	Automatic Valuation Adjustment			
	YOUR BUSINESS PERSONAL PROPERTY	1,081	.335	5
	Special Causes of Loss	10,000 Ded		
	Replacement Cost	100% Coins		
	8% Inflation Guard			
	Certified Acts of Terrorism Coverage			140

ABBREVIATIONS: BLDG=BUILDING COINS=COINSURANCE DED=DEDUCTIBLE INCL=INCLUDED PREM=PREMISES

Premium Charge Forms	Advance Premium	Premium Charge Forms	Advance Premium
SEE UW7002			

Other Forms	SEE UW7002
-------------	------------

AMEND REASON:

PREMIUM FOR THIS COVERAGE PART \$7,118 + 2.00 OTHER CHARGES = 7,120.00 TOTAL
Endorsement Adjustment Premium \$

This Declarations Page supersedes and replaces any preceding declarations page bearing the same policy number for this policy period.

X

(COUNTERSIGNED BY AUTHORIZED REPRESENTATIVE)

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10-28-2023

POLICY NUMBER: 60535824

OTHER CHARGES SUMMARY

	PREMIUM
COLORADO HAZARD MITIGATION FEE	2

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POLICY NUMBER:

60535824

FORMS SUPPLEMENTAL DECLARATIONS

The following coverage form(s) govern coverage that is not limited to any specific state even though they are specifically listed in only one state in the declarations.

Other Forms

Applicable to the state of Colorado

*CP0017(10-12) CONDO ASSOC COVG FORM
*CP0090(07-88) COMM PROP CONDITIONS
*CP0140(07-06) EXCL OF LOSS DUE TO VIRUS/BACTERIA
*CP1030(09-17) CAUSES OF LOSS-SPECIAL FORM
*CP1075(12-20) CYBER INCIDENT EXCLUSION
*CP7001(03-23) COMM PROP DEC
*CP7003(11-86) AUTOMATIC VALUATION ADJUSTMENT-APPLIES TO BLDG
*CP7067(08-17) EQUIP BREAKDOWN ENHANCEMENT END
*CP7088(09-14) ULTRA PROP PLUS
*CP9904(12-19) EXCL-CANNABIS WITH HEMP EXCEPTION
*IL0017(11-98) COMMON POLICY CONDITIONS
*IL0169(09-07) CO-CHGS CONCEALMENT MISREPRESENTATION/FRAUD
*IL0228(09-07) CO-CHGS CANCEL & NONRENEW
*IL0952(01-15) CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
*IL0995(01-07) CONDITIONAL EXCL OF TERRORISM
*IL7083(08-10) PAYMENT OF LOSSES
*ST0013(05-08) EQUIPMENT BREAKDOWN STUFFER
*ST1644-(01-12) POLICY WEBSITE STUFFER
*ST1882(06-16) NOTICE-LOCATION & PREMISES CLARIFICATION
*ST1943(01-20) IMPORTANT NOTICE-IDENTITY THEFT 911
*UW7024(06-15) OTHER CHARGES SUMMARY

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Notice to Policyholders — Location and Premises Clarification

This notice does not provide you with any coverage and is intended solely as a clarification of our intent.

Wherever any reference to location is made in the Declarations, Supplemental Declarations, Coverage Forms, or endorsements that comprise this policy, that reference shall also be deemed to apply to premises, and likewise any reference to premises shall be deemed to apply to location.

This notice is provided to you as certain documents that comprise your policy may use these terms interchangeably.

If you have any questions regarding this notice please contact your agent.

Thank you for doing business with United Fire Group.



CONDOMINIUM ASSOCIATION COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H. Definitions.

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.** Property Not Covered, if a Limit Of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, outside of individual units, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering that are not contained within individual units;
- (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;

- (b) Materials, equipment, supplies, and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure; and

- (6) Any of the following types of property contained within a unit, regardless of ownership, if your Condominium Association Agreement requires you to insure it:

- (a) Fixtures, improvements and alterations that are a part of the building or structure; and
- (b) Appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

But Building does not include personal property owned by, used by or in the care, custody or control of a unit-owner except for personal property listed in Paragraph **A.1.a.(6)** above.

- ##### b. Your Business Personal Property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following:

- (1) Personal property owned by you or owned indivisibly by all unit-owners;
- (2) Your interest in the labor, materials or services furnished or arranged by you on personal property of others; and
- (3) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.



But Your Business Personal Property does not include personal property owned only by a unit-owner.

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you;
- c. Automobiles held for sale;
- d. Bridges, roadways, 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. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions 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. This paragraph, n., does not apply to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;
- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or autos you manufacture or warehouse;
- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or

q. The following property while outside of buildings:

- (1) Grain, hay, straw or other crops; or
- (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
 - (b) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
 - (c) Remove property of others of a type that would not be Covered Property under this Coverage Form;
 - (d) Remove deposits of mud or earth from the grounds of the described premises;
 - (e) Extract "pollutants" from land or water; or
 - (f) Remove, restore or replace polluted land or water.

(3) Subject to the exceptions in Paragraph (4), the following provisions apply:

- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.
- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.
- Therefore, if (4)(a) and/or (4)(b) applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

Example 1

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 50,000
Amount of Loss Payable:	\$ 49,500
	(\$50,000 - \$500)
Debris Removal Expense:	\$ 10,000
Debris Removal Expense Payable:	\$ 10,000
	(\$10,000 is 20% of \$50,000.)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example 2

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 80,000
Amount of Loss Payable:	\$ 79,500
	(\$80,000 - \$500)
Debris Removal Expense:	\$ 40,000
Debris Removal Expense Payable	
Basic Amount:	\$ 10,500
Additional Amount:	\$ 25,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000, capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 = 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph (4). Thus, the total payable for debris removal expense in this example is \$35,500; \$4,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary for you to move Covered Property from the described premises 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:

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

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 for service at each premises described in the Declarations unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

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

No Deductible applies to this Additional Coverage.

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

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

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Increased Cost Of Construction

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in e.(3) through e.(9) of this Additional Coverage.
- (3) The ordinance or law referred to in e.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
 - (a) You were required to comply with before the loss, even when the building was undamaged; and
 - (b) You failed to comply with.
- (5) Under this Additional Coverage, we will not pay for:
 - (a) The enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
 - (b) Any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

- (7) With respect to this Additional Coverage:
 - (a) We will not pay for the Increased Cost of Construction:
 - (i) Until the property is actually repaired or replaced, at the same or another premises; and
 - (ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - (b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the same premises.
 - (c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the new premises.
- (8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

- (9) The costs addressed in the Loss Payment and Valuation Conditions and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of or compliance with an ordinance or law. The amount payable under this Additional Coverage, as stated in e.(6) of this Additional Coverage, is not subject to such limitation.

f. Electronic Data

- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data. This Additional Coverage does not apply to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
- (3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:
- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.
- (c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Electronic Data.

- (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, Electronic Data, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

You may extend the insurance that applies to Building to apply to:

- (a) Your new buildings while being built on the described premises; and

- (b) Buildings you acquire at locations, other than the described premises, intended for:

- (i) Similar use as the building described in the Declarations; or
- (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
- (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

- (b) This Extension does not apply to:

- (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;

- (b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.



- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing 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 Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

d. Property Off-premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
- (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
- (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;

- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others.

f. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
- (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. Business Personal Property Temporarily In Portable Storage Units

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the described premises.
- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.
- (3) Coverage under this Extension:
 - (a) Will end 90 days after the business personal property has been placed in the storage unit;
 - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
- (4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.
- (5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost Of Construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

Example 1

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance – Building 1:	\$ 60,000
Limit of Insurance – Building 2:	\$ 80,000
Loss to Building 1:	\$ 60,100
Loss to Building 2:	\$ 90,000

The amount of loss to Building 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building 1:

\$ 60,100

– 250

\$ 59,850 Loss Payable – Building 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building 2. Loss payable for Building 2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:

\$59,850 + \$80,000 = \$139,850

Example 2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example 1.

Loss to Building 1: \$ 70,000

(Exceeds Limit of Insurance plus Deductible)

Loss to Building 2: \$ 90,000

(Exceeds Limit of Insurance plus Deductible)

Loss Payable – Building 1: \$ 60,000

(Limit of Insurance)

Loss Payable – Building 2: \$ 80,000

(Limit of Insurance)

Total amount of loss payable: \$ 140,000

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

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

a. Pay its chosen appraiser; and

b. Bear the other expenses of the appraisal and umpire equally.

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

3. Duties In The Event Of Loss Or Damage

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

(1) Notify the police if a law may have been broken.

(2) Give us prompt notice of the loss or damage. Include a description of the property involved.

(3) As soon as possible, give us a description of how, when and where the loss or damage occurred.

(4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

(6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

(7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

(8) Cooperate with us in the investigation or settlement of the claim.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:

- (1) Pay the value of lost or damaged property;
- (2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;
- (3) Take all or any part of the property at an agreed or appraised value; or
- (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

- g. We will pay for covered loss or damage to Covered Property within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

- (1) We have reached agreement with you on the amount of loss; or
- (2) An appraisal award has been made.

If you name an insurance trustee, we will adjust losses with you, but we will pay the insurance trustee. If we pay the trustee, the payments will satisfy your claims against us.

- h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

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

6. Unit-owner's Insurance

A unit-owner may have other insurance covering the same property as this insurance. This insurance is intended to be primary and not to contribute with such other insurance.

7. Vacancy

a. Description Of Terms

(1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

(a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

(b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

(i) Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its customary operations; and/or

(ii) Used by the building owner to conduct customary operations.

(2) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

(1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:

(a) Vandalism;

(b) Sprinkler leakage, unless you have protected the system against freezing;

(c) Building glass breakage;

(d) Water damage;

(e) Theft; or

(f) Attempted theft.

(2) With respect to Covered Causes of Loss other than those listed in b.(1)(a) through b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

8. Valuation

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

a. At actual cash value as of the time of loss or damage, except as provided in b. and c. below.

b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property. However, the following property will be valued at the actual cash value, even when attached to the building:

(1) Awnings or floor coverings;

(2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or

(3) Outdoor equipment or furniture.

c. Glass at the cost of replacement with safety-glazing material if required by law.

9. Waiver Of Rights Of Recovery

We waive our rights to recover payment from any unit-owner of the condominium that is shown in the Declarations.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

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

(1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;

(2) Divide the Limit of Insurance of the property by the figure determined in Step (1);

(3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and

(4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

Example 1 (Underinsurance)

When: The value of the property is: \$ 250,000
 The Coinsurance percentage for it is: 80%
 The Limit of Insurance for it is: \$ 100,000
 The Deductible is: \$ 250
 The amount of loss is: \$ 40,000

Step (1): $\$250,000 \times 80\% = \$200,000$
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$100,000 \div \$200,000 = .50$

Step (3): $\$40,000 \times .50 = \$20,000$

Step (4): $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Example 2 (Adequate Insurance)

When: The value of the property is: \$ 250,000
 The Coinsurance percentage for it is: 80%
 The Limit of Insurance for it is: \$ 200,000
 The Deductible is: \$ 250
 The amount of loss is: \$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$250,000 \times 80\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$39,750 (\$40,000 amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

Example 3

When: The value of the property is:
 Building at Location 1: \$ 75,000
 Building at Location 2: \$ 100,000
 Personal Property at Location 2: \$ 75,000
 \$ 250,000

The Coinsurance percentage for it is: 90%

The Limit of Insurance for Buildings and Personal Property at Locations 1 and 2 is: \$ 180,000

The Deductible is: \$ 1,000

The amount of loss is:

Building at Location 2: \$ 30,000

Personal Property at Location 2: \$ 20,000
 \$ 50,000

Step (1): $\$250,000 \times 90\% = \$225,000$
 (the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2): $\$180,000 \div \$225,000 = .80$

Step (3): $\$50,000 \times .80 = \$40,000$

Step (4): $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

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

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

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

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:

- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

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

1. Agreed Value

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

- c. The terms of this Optional Coverage apply only to loss or damage that occurs:

- (1) On or after the effective date of this Optional Coverage; and
- (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.

- b. The amount of increase will be:

- (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
- (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
- (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example

If: The applicable Limit of Insurance is: \$ 100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of increase is:
 $\$100,000 \times .08 \times 146 \div 365 = \$ 3,200$

3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, of this Coverage Form.

- b. This Optional Coverage does not apply to:

- (1) Personal property of others;
- (2) Contents of a residence; or
- (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac.

Under the terms of this Replacement Cost Optional Coverage, personal property owned indivisibly by all unit-owners, and the property covered under Paragraph A.1.a.(6) of this Coverage Form, are not considered to be the personal property of others.

- c. 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 the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d. We will not pay on a replacement cost basis for any loss or damage:
 - (1) Until the lost or damaged property is actually repaired or replaced; and
 - (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.
- e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:
 - (1) The Limit of Insurance applicable to the lost or damaged property;
 - (2) The cost to replace the lost or damaged property with other property:
 - (a) Of comparable material and quality; and
 - (b) Used for the same purpose; or
 - (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph 3.b.(1) of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

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

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

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

C. INSURANCE UNDER TWO OR MORE COVERAGES

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

D. LEGAL ACTION AGAINST US

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

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

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

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

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.

2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America including its territories and possessions;
 - b. Puerto Rico; and
 - c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

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

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

This will not restrict your insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY**

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
 2. Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.



CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section G. Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this policy.

B. Exclusions

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

a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

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

This exclusion, Ordinance Or Law, applies whether the loss results from:

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

b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

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

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

With respect to coverage for Volcanic Action as set forth in (5)(a), (5)(b) and (5)(c), all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature or is otherwise caused.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

d. Nuclear Hazard

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

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

e. Utility Services

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

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

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

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

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

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

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 (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

- (2) Mudslide or mudflow;

- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

- (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; or

- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs (1) through (5), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

h. "Fungus", Wet Rot, Dry Rot And Bacteria

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

But if "fungus", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungus", wet or dry rot or bacteria result from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions B.1.a. through B.1.h. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

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

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

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

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

- b. Delay, loss of use or loss of market.**
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.**

d.(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

(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 an excluded cause of loss that is listed in 2.d.(1) through (7) results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

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

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

- g.** Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
- (1) You do your best to maintain heat in the building or structure; or
 - (2) You drain the equipment and shut off the supply if the heat is not maintained.
- h.** Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1) Applies whether or not an act occurs during your normal hours of operation;
 - (2) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- i.** 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.
- j.** Rain, snow, ice or sleet to personal property in the open.
- k.** Collapse, including any of the following conditions of property or any part of the property:
- (1) An abrupt falling down or caving in;
 - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above.

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

This exclusion, **k.**, does not apply:

- (a) To the extent that coverage is provided under the Additional Coverage, Collapse; or
- (b) To collapse caused by one or more of the following:
 - (i) The "specified causes of loss";
 - (ii) Breakage of building glass;
 - (iii) Weight of rain that collects on a roof; or
 - (iv) Weight of people or personal property.
- l.** Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion, **l.**, does not apply to damage to glass caused by chemicals applied to the glass.
- m.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- 3.** We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
 - a.** Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.
 - b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c.** Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;

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

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form

We will not pay for:

- (1) Any loss caused by or resulting from:
 - (a) Damage or destruction of "finished stock"; or
 - (b) The time required to reproduce "finished stock".This exclusion does not apply to Extra Expense.
- (2) 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.
- (3) 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; or
 - (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 Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- (5) Any other consequential loss.

b. Leasehold Interest Coverage Form

- (1) Paragraph B.1.a., Ordinance Or Law, does not apply to insurance under this Coverage Form.
- (2) We will not pay for any loss caused by:
 - (a) Your cancelling the lease;
 - (b) The suspension, lapse or cancellation of any license; or
 - (c) Any other consequential loss.

c. Legal Liability Coverage Form

- (1) The following exclusions do not apply to insurance under this Coverage Form:
 - (a) Paragraph B.1.a. Ordinance Or Law;
 - (b) Paragraph B.1.c. Governmental Action;
 - (c) Paragraph B.1.d. Nuclear Hazard;
 - (d) Paragraph B.1.e. Utility Services; and
 - (e) Paragraph B.1.f. War And Military Action.
- (2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- (i) Your assumption of liability was executed prior to the accident; and
- (ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusion

The following provisions apply only to the specified property:

Loss Or Damage To Products

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

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated:

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

 - (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
 - (2) Business Income Coverage or Extra Expense Coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
 - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
 - (2) Changes in or extremes of temperature;
 - (3) Disease;
 - (4) Frost or hail; or
 - (5) Rain, snow, ice or sleet.
2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or
 - (2) Containers of property held for sale.
 - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

 - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income Coverage or to Extra Expense Coverage.

3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

- a. \$2,500 for furs, fur garments and garments trimmed with fur.
- b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- c. \$2,500 for patterns, dies, molds and forms.
- d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

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

This limitation, C.3., does not apply to Business Income Coverage or to Extra Expense Coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

- a. Results in discharge of any substance from an automatic fire protection system; or
- b. Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage, Collapse, applies only to an abrupt collapse as described and limited in D.1. through D.7.

1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means 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.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

- (1) A cause of loss listed in 2.a. or 2.b.;
- (2) One or more of the "specified causes of loss";
- (3) Breakage of building glass;
- (4) Weight of people or personal property; or
- (5) Weight of rain that collects on a roof.

3. This **Additional Coverage – Collapse** does not apply to:

- a. A building or any part of a building that is in danger of falling down or caving in;
- b. A part of a building that is standing, even if it has separated from another part of the building; or
- c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

- b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in 2.a. through 2.d., we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

- a. The collapse of personal property was caused by a cause of loss listed in 2.a. through 2.d.;
- b. The personal property which collapses is inside a building; and
- c. The property which collapses is not of a kind listed in 4., regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- 6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- 7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.
- 8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in D.1. through D.7.

E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in E.2. and E.6. only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", 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", 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 that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under E.2. of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

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

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.

6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:

a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

b. Loss or damage must be caused by or result from one of the following causes of loss:

(1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.

(2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.

(3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension F.3. does not increase the Limit of Insurance.

G. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Specified causes of loss" means the following: 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; water damage.
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or 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.
 - c. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and

- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in c.(1) or c.(2) of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

**A. The following exclusion is added to Paragraph B.
Exclusions:**

We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Cyber Incident

1. Unauthorized access to or use of any computer system (including electronic data).
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs A.1. through A.3. of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Additional Coverage

The exclusion in Paragraph A. does not apply to the extent that coverage is provided in the:

- a. Additional Coverage – Electronic Data; or
- b. Additional Coverage – Interruption Of Computer Operations.

3. Electronic Commerce Endorsement

The exclusion in Paragraph A. does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

C. Vandalism

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Standard Property Policy or the Causes Of Loss – Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph A.

EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

As respects this Equipment Breakdown Enhancement Endorsement, this endorsement changes coverage provided by the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM**CAUSES OF LOSS – BASIC FORM****CAUSES OF LOSS – BROAD FORM****CAUSES OF LOSS - SPECIAL FORM**

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

BUILDING AND PERSONAL PROPERTY COVERAGE FORM**I. A. Coverage****4. Additional Coverages**

The following **Additional Coverages** are added as a part of and not in addition to the limit per loss:

g. Pollutant Clean Up and Removal

We will pay for the Pollutant Clean Up and Removal for loss resulting from an "Equipment Breakdown". The most we will pay for the Pollutant Clean Up and Removal is \$250,000 unless another limit is provided by the Deductible and Limits Exceptions Schedule to which this endorsement can be attached. In that case, the limit provided by the Deductible and Limits Exceptions Schedule will apply.

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.

h. Expediting Expenses

We will pay for the expediting expense loss resulting from an "Equipment Breakdown" with respect to your damaged Covered Property. We will pay the reasonable extra cost to:

- (1) Make temporary repairs;
- (2) Expedite permanent repairs; and
- (3) Expedite permanent replacement

Reasonable extra cost shall mean "the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation."

i. Refrigerant Contamination

We will pay the loss from contamination by refrigerant used in refrigerating, cooling or humidity control equipment at the described premises as a result of an "Equipment Breakdown".

The most we will pay for Refrigerant Contamination is \$250,000 unless another limit is provided by the Deductible and Limits Exceptions Schedule to which this endorsement can be attached. In that case, the limit provided by the Deductible and Limits Exceptions Schedule will apply.

j. Spoilage

We will pay for loss of "perishable goods" due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by an "Equipment Breakdown".

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:



Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freezing, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

The most we will pay for Spoilage is \$250,000 unless another limit is provided by the Deductible and Limits Exceptions Schedule to which this endorsement can be attached. In that case, the limit provided by the Deductible and Limits Exceptions Schedule will apply.

k. CFC Refrigerants

We will pay for the additional cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances.

Additional costs mean those in excess of what would have been required to repair or replace covered property, had no CFC refrigerant been involved. We also pay for additional loss as described under the Spoilage or Loss of Income Coverages provided by this endorsement, caused by the presence of a refrigerant containing CFC substances.

We pay no more than the least of the following:

- (1) The cost to repair the damaged property and replace any lost CFC refrigerant;
- (2) The cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or
- (3) The cost to replace the system with one using a non-CFC refrigerant.

l. Computer Equipment

We will pay for loss or damage to your "computer equipment" caused by an "Equipment Breakdown". "Computer equipment" means Covered Property that is electronic computer or other data processing equipment, including peripherals used in conjunction with such equipment, and electronic media and records.

m. Service Interruption

Any insurance provided for Business Income, Extra Expense, Spoilage, or Data Restoration is extended to apply to your loss, damage or expense caused by an "Equipment Breakdown" to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, "cloud computing", wide area networks or data transmission. The equipment must meet the definition of "Equipment Breakdown" except that it is not Covered Property.

"Cloud computing" means on-demand network access to a shared pool of computing resources via networks, servers, storage, applications and services provided by an organization with whom you have a contract with using the following service models: Software as a Service (SaaS), Platform as a Service (PaaS) and Infrastructure as a Service (IaaS) on the following deployment models: public cloud, community cloud, hybrid cloud and private cloud.

n. Data Restoration

We will pay for your reasonable and necessary cost to research, replace and restore the lost information on electronic media and records as a result of an "Equipment Breakdown".

The most we will pay for Data Restoration is \$100,000.

o. Unauthorized Instruction

We will pay for loss or damage to your "computer equipment" caused by an "unauthorized instruction" which results in an "equipment breakdown".

"Unauthorized instruction" means a virus, harmful code or similar instruction introduced into or enacted on a computer system or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation.

p. Risk Improvement

If Covered Property suffers direct physical loss or damage due to an "equipment breakdown", we will pay for the insured to improve the "power quality" of the electrical system or equipment at the loss location where the "equipment breakdown" occurred. "Power quality" means the conditions that allow electrical systems or equipment to operate as intended by limiting voltage fluctuations and other power influences that would adversely affect the operational performance and/or reduce the reliability, or the life-span of the electrical system.

We will pay the reasonable extra cost to improve "power quality" for the following electrical systems and/or equipment improvements:

- (1) Installation of surge protection devices (SPD's) which are installed at the loss location's line disconnect, load disconnect, or on specific pieces of equipment and that are certified by Underwriter Laboratories (UL) or has an equivalent certification.

However SPD's do not include any SPD's which are cord-connected surge strips, direct plug-in SPD's or receptacle SPD's;

- (2) An upgrade and/or replacement of; electrical panels, switchgear and/or circuit breakers; or
- (3) Electrical wire and wiring improvements which include installation of; flexible conduit, junction boxes and/or ground wiring.

We will not pay more than 10%, to a maximum limit of \$10,000, of the loss amount paid. An invoice for implementation of this Additional Coverage must be sent to us within 180 days after the payment of the loss is received.

q. Off-Premises Coverage

We will pay for loss or damage to Covered Property resulting from a covered "equipment breakdown" while temporarily at a premises or location that is not a described premises.

The most we will pay for Off-Premises Coverage is \$25,000.

r. Temperature Fluctuation

We will pay for loss of "perishable goods" only caused by or resulting from any condition or event to Covered Property that can be resolved by calibrating, resetting, tightening, adjusting or cleaning.

However, we will not pay for loss of "perishable goods" as a result of resetting the power supply to the Covered Property containing the "perishable goods".

The most we will pay for this Temperature Fluctuation is \$5,000 including any insurance provided for Business Income or Extra Expense.

II. F. Additional Conditions

The following **Additional Conditions** are added:

3. Suspension

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the perils covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension/coverage reinstatement to:

- (a) Your last known address; or
- (b) The address where the property is located.

If we suspend your 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 under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

5. Environmental, Safety and Efficiency Improvements

If Covered Property requires replacement due to an "Equipment Breakdown", we will pay your additional cost to replace with equipment that is better for the environment, safer, or more energy efficient than the equipment being replaced.

However, we will not pay more than 150% of what the cost would have been to repair or replace with like kind and quality. This Condition does not apply to any property to which Actual Cash Value applies.

6. Green Environmental and Efficiency Improvements

If Covered Property requires repair or replacement due to an "Equipment Breakdown", we will pay;

- a. The lesser of the reasonable and necessary additional cost incurred by the Insured to repair or replace physically damaged Covered Property with equipment of like kind and quality which qualifies as "Green". "Like kind and quality" includes similar size and capacity.
- b. The additional reasonable and necessary fees incurred by the Insured for an accredited professional certified by a "Green Authority" to participate in the repair or replacement of physically damaged Covered Property as "Green".
- c. The additional reasonable and necessary cost incurred by the Insured for certification or recertification of the repaired or replaced Covered Property as "Green".
- d. The additional reasonable and necessary cost incurred by the Insured for "Green" in the removal, disposal or recycling of damaged Covered Property.
- e. The business interruption (if covered within the Policy to which this **Equipment Breakdown Enhancement Endorsement** is attached) loss during the additional time required for repair or replacement of Covered Property, consistent with "Green", in the coverages above.

We will not pay more than 150%, to a maximum limit of \$100,000, of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any business interruption loss incurred as stated above.

Green Environmental and Efficiency Improvements does not cover any of the following:

- a. Covered Property does not include stock, raw materials, finished goods, "production machinery", merchandise, electronic data processing equipment not used in the functional support of the real property, process water, molds and dies, property in the open, property of others for which the Insured is legally liable, or personal property of others.
- b. Any loss adjusted on any valuation basis other than a repair or replacement basis as per the Valuation section of this policy.
- c. Any loss covered under any other section of this policy.
- d. Any cost incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the time of the "Equipment Breakdown".

III. H. DEFINITIONS

The following **Definitions** are added:

4. "Electronic equipment" means devices which operate using many small electrical parts such as, but not limited to, microchips, transistors or circuits.
5. "Electronic equipment deficiency" means the quality or condition inside of "electronic equipment" which renders this equipment unexpectedly inoperable and which is operable again once a piece of "electronic equipment" has been replaced.

However, "electronic equipment deficiency" will not include replacement of "electronic equipment" for any condition that could have been resolved without replacement of the "electronic equipment" including but not limited to "computer equipment" maintenance or the reinstallation or incompatibility of software.

6. "Equipment Breakdown" as used herein means:

a. Physical loss or damage both originating within:

(1) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:

- a. waste disposal piping;
- b. any piping forming part of a fire protective system;
- c. furnaces; and
- d. any water piping other than:

(1) boiler feed water piping between the feed pump and the boiler;

(2) boiler condensate return piping; or

(3) water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.

(2) All mechanical, electrical "electronic equipment" or fiber optic equipment; and

b. Caused by, resulting from, or consisting of:

(1) Mechanical breakdown;

(2) Electrical or "electronic equipment deficiency" breakdown; or

(3) Rupture, bursting, bulging, implosion, or steam explosion.

However, "Equipment Breakdown" will not mean:

a. Physical loss or damage caused by or resulting from any of the following; however, if loss or damage not otherwise excluded results, then we will pay for such resulting damage:

(1) Wear and Tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents or other animals;

(6) Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs or soft-ware;

(7) Scratching and marring.

b. Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freezing, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

7. "Green" means products, materials, methods and processes certified by a "Green Authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.



8. "Green Authority" means an authority on "Green" buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), "Green" Building Initiative Green Globes®, Energy Star Rating System or any other recognized "Green" rating system.
9. "Perishable Goods" means stock preserved and maintained under controlled conditions and susceptible to loss or damage if the controlled conditions change
10. "Production machinery" means any machine which processes, forms, shapes, or transports raw materials, materials in process, waste materials or finished products.

IV. FOR THE PURPOSES OF THE COVERAGE PROVIDED BY THIS ENDORSEMENT ONLY, THE FOLLOWING CAUSES OF LOSS ENDORSEMENTS ARE AMENDED AS FOLLOWS:

CAUSES OF LOSS – BASIC FORM

A. Covered Causes of Loss

The following **Covered Causes of Loss** is added:

12. "Equipment Breakdown".

B. Exclusions

The following **Exclusions** do not apply:

B.2.d. and B.2.e.

The following **Exclusions** are deleted and replaced with the following:

B.2.a. Magnetic or electromagnetic energy that disturbs, disrupts or otherwise interferes with any:

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

For the purposes of this exclusion, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (b) Pulse of electromagnetic energy; or
- (c) Electromagnetic waves or microwaves.

However, if damage results causing an "Equipment Breakdown", we will pay for the loss or damage caused by that "Equipment Breakdown".

CAUSES OF LOSS – BROAD FORM

A. Covered Causes of Loss

The following **Covered Causes of Loss** is added:

15. "Equipment Breakdown".

B. Exclusions

The following **Exclusions** do not apply:

B.2.b. and B.2.c.

The following **Exclusions** are deleted and replaced with the following:

B.2.a. Magnetic or electromagnetic energy that disturbs, disrupts or otherwise interferes with any:

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

For the purposes of this exclusion, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (b) Pulse of electromagnetic energy; or
- (c) Electromagnetic waves or microwaves.

However, if damage results causing an "Equipment Breakdown", we will pay for the loss or damage caused by that "Equipment Breakdown".

CAUSES OF LOSS - SPECIAL FORM

A. Covered Causes of Loss

Covered Causes of Loss also means "Equipment Breakdown".

B. Exclusions and Limitations

The following **Exclusions** and **Limitations** do not apply:

- a. Exclusions **B.2.d. (6)** and **B.2.e**;
- b. Limitations **C.1.a.** and **C.1.b.**

The following **Exclusions** are deleted and replaced with the following:

B.2.a. Magnetic or electromagnetic energy that disturbs, disrupts or otherwise interferes with any:

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

For the purposes of this exclusion, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (b) Pulse of electromagnetic energy; or
- (c) Electromagnetic waves or microwaves.

However, if damage results causing an "Equipment Breakdown", we will pay for the loss or damage caused by that "Equipment Breakdown".

The **Exclusions** are modified as follows:

- a. The following is added to Exclusion **B.1.g.** However, if electrical Covered Property requires drying out because of the above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies.

G. Definitions

The following is added to the "Specified Causes of Loss" definition:

"Specified Causes of Loss" also means "Equipment Breakdown".

ULTRA PROPERTY PLUS

The following items modify insurance provided under the following:
BUILDING AND PERSONAL PROPERTY COVERAGE FORM

- A. Wherever the words "within 100 feet" appear in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** they are replaced by "within 1,000 feet".
- B. At **Section A. Coverage 4. Additional Coverages a. Debris Removal (4)** the \$25,000 amount listed is deleted and replaced by \$50,000.
- C. At **Section A. Coverage 4. Additional Coverages c. Fire Department Service Charge** the amount of \$1,000 is deleted and replaced by \$10,000.
- D. At **Section A. Coverage 4. Additional Coverages d. Pollutant Clean Up and Removal** the amount of \$10,000 is deleted and replaced by \$25,000.
- E. **Section A. Coverage 4. Additional Coverages e. Increased Cost of Construction** is deleted as broader coverage is included in **Section H. Additional Coverages 1. Ordinance or Law Coverage**.
- F. At **Section A. Coverage 4. Additional Coverages f. Electronic Data** the amount of \$2,500 is deleted and replaced by \$25,000.
- G. At **Section A. Coverage 4. Additional Coverages** the following provisions for optional additional coverages are added:
Optional Business Income and Extra Expense Coverage
 - a. **Business Income**
Business Income means the:
 - (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
 - (2) Continuing normal operating expenses incurred, including payroll.
For manufacturing risks, Net Income includes the net sales value of production.
Coverage is provided as Business Income including "Rental Value".
We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle(s), the described premises include the area within 1,000 feet of the site at which the described premises are located.

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

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

b. Coverage Options for Business Income

(1) Unlimited Coverage

We will only pay for loss of Business Income that you sustain during the "period of restoration" and that occurs within the 12 consecutive months after the date of direct physical loss or damage.

(2) Limited Coverage

We will only pay for loss of Business Income up to the limit shown in the policy Declarations that you sustain during the "period of restoration" and that occurs within the 12 consecutive months after the date of direct physical loss or damage.

Coverage for this Additional Coverage – Business Income, is only applicable if one of the Coverage Options above is shown in the policy Declarations.

c. Extra Expense Coverage

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

(1) We will pay Extra Expense (other than the expense to repair or replace property) to:

- (a)** Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- (b)** Minimize the "suspension" of business if you cannot continue "operations".

- (2)** We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Optional Additional Coverage.

d. Coverage Options for Extra Expense

(1) Unlimited Coverage

We will only pay for Extra Expense that you incur during the "period of restoration" and that occurs within the 12 consecutive months after the date of direct physical loss or damage.

(2) Limited Coverage

We will only pay for Extra Expense up to the limit shown in the policy Declarations that you incur during the "period of restoration" and that occurs within the 12 consecutive months after the date of direct physical loss or damage.

Coverage for this Additional Coverage – Extra Expense is only applicable if one of the Coverage Options above is shown in the policy Declarations.

e. Covered Causes of Loss, Exclusions And Limitations for Business Income and Extra Expense

See Applicable Causes of Loss Form as shown in the Declarations.

f. Additional Limitation for Business Income and Extra Expense - Interruption of Computer Operations

- (1) Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage – Interruption Of Computer Operations.
- (2) Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage – Interruption Of Computer Operations.
- (3) Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enables the computer or device to receive, process, store, retrieve, or send data.
- (4) This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

g. Additional Coverages for Business Income and Extra Expense

These Additional Coverages are applicable only if one of the Coverage Options for Business Income is shown in the policy Declarations.

(1) Civil Authority

In this Additional Coverage – Civil Authority, the described premises are premises to which this coverage form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have uninterrupted access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (a) Four consecutive weeks after the date of that action; or
- (b) When your Civil Authority Coverage for Business Income ends;

Whichever is later.

(2) Alterations And New Buildings

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

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

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

(3) Extended Business Income "Rental Value"

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

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (3)(a) above.

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

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

(4) Extended Business Income Other Than "Rental Value"

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

- (a) Begins the date property (except "finished stock:") is actually repaired and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (4)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located. Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(5) Interruption of Computer Operations

(a) Under this Additional Coverage, electronic data has the meaning described under **G.f.3 Optional Business Income and Extra Expense Coverage** in this form at **Additional Limitation for Business Income and Extra Expense - Interruption of Computer Operations**.

(b) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss. However, we will not provide coverage under this Additional Coverage when the Additional Limitation - Interruption of Computer Operations does not apply based on Paragraph **G.f.(4)** of this endorsement.

(c) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

(i) If the Causes of Loss - Special Form applies, coverage under this Additional Coverage - Interruption of Computer Operations is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.

(ii) If the Causes of Loss - Broad Form applies, coverage under this Additional Coverage - Interruption of Computer Operations includes Collapse as set forth in that form.

(iii) If the Causes of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage - Interruption of Computer Operations.

(iv) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, repair or replace that system.

(d) The most we will pay under this Additional Coverage - Interruption of Computer Operations is \$10,000 for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in

the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

- (e) This Additional Coverage – Interruption of Computer Operations does not apply to loss sustained or expense incurred after the end of the “period of restoration” even if the amount of insurance stated in (d) above has not been exhausted.

h. Coverage Extensions for Business Income and Extra Expense

These Coverage Extensions are applicable only if one of the Coverage Options for Business Income is shown in the policy Declarations

(1) Newly Acquired Locations

You may extend your Optional Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.

The most we will pay under this Extension, for the sum of Business Income and Extra Expense incurred, is \$100,000 at each location.

Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

- (a) This policy expires;
- (b) 30 days expire after you acquire or begin to construct the property; or
- (c) You report values to us.

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

(2) Utility Services – Time Element

You may extend your Optional Business Income and Extra Expense Coverage to apply to any “suspension” of “operations” at any of the described premises caused by an interruption in utility service to those premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the **Utility Services** property described below.

Coverage under this Extension does not apply to Business Income or Extra Expense loss related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

Utility Services include:

- (a) Water Supply Services, meaning the following types of property supplying water to the described premises:

- (i) Pumping stations; and

- (ii) Water mains.

- (b) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:

- (i) Communication transmission lines including fiber optic transmission lines;

- (ii) Coaxial cables; and

- (iii) Microwave radio relays except satellites.

Communication Supply Services does not include overhead transmission lines.

- (c) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

- (i) Utility generating plants;

- (ii) Switching stations;

- (iii) Substations;

- (iv) Transformers; and

- (v) Transmission lines

Power Supply Services does not include overhead transmission lines. As used in this coverage extension, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

We will only pay for loss you sustain after the first 12 hours, and up to a maximum of 180 days, following the direct physical loss or damage to the Utility Services property to which this Extension of Coverage applies.

(3) Business Income and Extra Expense From Dependent Properties

We will pay for the actual loss of Business Income you sustain due to the necessary “suspension” of your “operations” during the “period of restoration” caused by direct physical loss of or damage to “dependent property” by a Covered Cause of Loss.

However, coverage under this Extension does not apply when the only loss to “dependent property” is loss or damage to electronic data, including destruction or corruption of electronic data. If the “dependent property” sustains loss or damage to electronic data and other property, coverage under this Extension will not continue once the other property is repaired, rebuilt or replaced. The term electronic data has the meaning set forth in the Building and Personal Property Coverage Form to which this endorsement applies.

The most we will pay under this Extension is \$25,000.

Under **Loss Determination** in the Loss Conditions, the following is added to the **Resumption of Operations** provision:

We will reduce the amount of your Business Income loss, other than Extra Expense, to the

extent you can resume "operations" in whole or in part, by using any other available:

(a) Source of materials; or

(b) Outlet for your products.

"Period of Restoration", with respect to "dependent property", means the period of time that:

(a) Begins 72 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises or the "dependent property", and

(b) Ends on the date when the property at the premises of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

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

(a) Regulates the construction, use or repair, or requires the tearing down of any property; or

(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "pollutants".

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

i. Loss Conditions for Optional Business Income and Extra Expense

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

(1) Appraisal

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

(1) Pay its chosen appraiser; and

(2) Bear the other expenses of the appraisal and umpire equally.

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

(2) Additional Duties for Optional Business Income and Extra Expense Coverage in the Event of Loss or Damage

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

(3) Loss Determination for Optional Business Income and Extra Expense Coverages

(a) The amount of Business Income loss will be determined based on:

i. The Net Income of the business before the direct physical loss or damage occurred;

ii. The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

iii. 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

iv. Other relevant sources of information, including:

(1) Your financial records and accounting procedures;

(2) Bills, invoices and other vouchers; and

(3) Deeds, liens or contracts.

(b) The amount of Extra Expense will be determined based on:

i. All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

(1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

(2) Any Extra Expense that is paid for by any other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

ii. Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

(4) Resumption of Operations for Optional Business Income and Extra Expense

We will reduce the amount of your:

(i) Business Income loss, other than Extra Expense, to the extent you can resume your "operations" in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

- (ii) 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.

(5) Loss Payment for Optional Business Income and Extra Expense

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- (a) We have reached agreement with you on the amount of loss; or
(b) An appraisal award has been made.

(6) Limits of Insurance for Optional Business Income and Extra Expense

The most we will pay for loss in any one occurrence is the applicable Limit of Insurance, if Limited coverage is shown in the Declarations. Payments under the following coverages will not increase the applicable Limit of Insurance:

1. Alterations and New Buildings;
2. Civil Authority;
3. Extra Expense;
4. Extended Business Income;
5. Utility Services – Time Element; or
6. Business Income and Extra Expense from Dependent Properties.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage.

H. At Section A. Coverage 4. Additional Coverages
the following provisions are added:

1. Ordinance or Law Coverage

a. Coverage A – Coverage For Loss To The Undamaged Portion Of The Building

With respect to the building that has sustained covered direct physical damage, we will pay under this Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of or compliance with any ordinance or law that requires demolition of undamaged parts of the same building.

This Coverage A is included within the limit of insurance shown in the Declarations as applicable to the covered building. This Coverage A does not increase the Limit of Insurance.

b. Coverage B - Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the

cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of or compliance with any ordinance or law that requires demolition of such undamaged property.

We will not pay more under this Coverage B - Demolition Cost Coverage than the lesser of the following.

- (1) The amount you actually spend to demolish and clear the site of the described premises; or
- (2) \$100,000.

c. Coverage C – Increased Cost of Construction Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;
- (3) When the increased cost is a consequence of enforcement of or compliance with the minimum requirements of the ordinance or law. However:
 - (a) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
 - (b) We will not pay the increased cost of construction if the building is not repaired, reconstructed or remodeled.

When a building is damaged or destroyed and this Coverage C applies to that building in accordance with c. (1). above, coverage for the increased cost of construction also applies to repair or reconstruction of the following subject to the same conditions stated in c.(1):

- (1) The cost of excavations, grading, backfilling and filling;
- (2) Foundation of the building;
- (3) Pilings; and
- (4) Underground pipes, flues and drains.

The items listed in (1) through (4) above are deleted from Property Not Covered, but only with respect to the coverage described in this Provision.

We will not pay more under this Coverage C – Increased Cost of Construction Coverage than the lesser of the following:

- (1) Whether you repair or replace the building at the same premises or at another location, whether required by an ordinance or law or not, the amount you actually spend to repair or replace the building; or
- (2) \$100,000.

d. Application of Coverages

The coverages provided by this Ordinance or Law Additional Coverage apply only if both (1) and (2) below are satisfied and are then subject to the qualifications set forth in (3) below.

(1) The ordinance or law:

(i) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and

(ii) Is in force at the time of loss.

(iii) Coverage under this Additional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this Additional Coverage.

(2) (i) The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of or compliance with any ordinance or law; or

(ii) The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of or compliance with any ordinance or law.

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

(3) In the situation described in d.(2)ii above, we will not pay the full amount of loss otherwise payable under the terms of Coverages A, B, and/or C of this Additional Coverage. Instead we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

2. Data Processing Equipment Coverage

We will pay up to \$25,000 for loss or damage to "Data Processing Equipment" including component parts of that equipment.

- a. Owned by you; or
- b. Leased or rented to you; or
- c. Under your control

At a location described in the Declarations.

Covered property does not include property you lease or rent to others while it is away from your premises.

In addition to the exclusions contained in the Causes of Loss form attached to this policy, we will not pay for loss or damage under this Additional Coverage caused directly or indirectly by actual work upon, installation or testing of property. But we will pay for direct loss caused by resulting fire or explosion.

Off-site Coverage. We will pay up to \$10,000 for loss or damage to laptops, palmtops, notebook PC's, other portable computer devices and accessories including, but not limited to, multimedia projectors while:

- a. At your residence or the residence of your officers, partners, or "employees"; or
- b. Temporarily at a premises that is not described on the Declaration for more than 60 days; or
- c. In transit.

3. Arson Reward Payment

We will reimburse you for any Arson Reward that you give to someone that discloses information that leads to the conviction of a person or persons for arson committed at a premises described in the policy Declarations.

The loss resulting from the arson act must be to a covered property that was covered by us at the time of the arson act.

The most we will pay under this Additional Coverage – Arson Reward Payment is \$25,000 for all eligible arson rewards paid during the policy period.

No deductible applies to the Additional Coverage.

4. Loss Data Preparation Cost

We will pay the reasonable costs you incur, up to \$10,000 in collecting and preparing loss data required by applicable policy conditions or requested by us. This includes the cost of:

- a. Taking inventory; and
- b. Getting appraisals; and
- c. Preparing other data in order to determine the extent of loss.

This coverage does not apply to costs incurred under the Appraisal Provision Loss Condition.

No deductible is applicable to this Additional Coverage.

The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

5. Tenant's Building Glass Coverage

If you are a tenant and no Limit of Insurance is shown in the Declarations for Building Coverage you may extend the insurance provided for Your Business Personal Property to cover direct physical loss or damage to building glass that is part of the exterior or interior walls, floors or ceilings of the building or structure occupied by you at the premises shown in the Declarations.

We will also pay for necessary:

- a. Expenses incurred to put up temporary plates or board up openings;
- b. Repair or replacement of encasing frames; and
- c. Expenses incurred to remove or replace obstructions.

This Additional Coverage only applies to glass owned by you or glass owned by others in your care, custody or control and for which you are legally, or have contractually agreed to be, responsible.

Our payment for glass owned by others will only be for the account of the owner of the glass.

Payments under this Additional Coverage will not increase the applicable Limit of Insurance for Your Business Personal Property.

This Additional Coverage is subject to the deductible applicable to Your Business Personal Property as shown in the policy Declarations.

The most we will pay for all losses under this Additional Coverage is \$10,000.

6. Brands and Labels Coverage

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, but retains a salvage value, you may, at your expense:

- Stamp the word SALVAGE on the merchandise or its containers if the stamp will not physically damage the merchandise; or
- Remove the brands or labels, if doing so will not physically damage the merchandise.

You must re-label the merchandise or its containers to comply with the law.

We will pay for any reduction in value of the salvage merchandise resulting from either a. or b. above.

The most we will pay for loss or damage under this Additional Coverage is \$25,000.

7. Pairs or Sets Coverage

You may extend the insurance that applies to Your Business Personal Property for direct loss or damage to an item that is part of a pair or set.

If one item in a pair or set is broken and cannot be replaced, we will replace the entire set.

The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set.

The loss is not considered a total loss of the pair or set.

Pairs or sets of articles are covered for either the:

- Cost to repair or replace any part to restore the pair or set to its original value; or
- Difference between the Actual Cash Value of the property before and after the loss.
- However, for jewelry and fine arts, when there is a loss to a pair or set, the scheduled amount will be paid for the pair or set if the insured surrenders the remaining of the pair or set to the insurance company.

We may choose any of the above options.

This Coverage Extension is subject to the Business Personal Property deductible in the Commercial Property Declarations.

The most we will pay for loss or damage to pairs or sets under this Additional Coverage is \$10,000.

8. Identity Recovery Services

Your United Fire Group policy provides Security Breach Services to you as well as Identity Services to you, your employees, spouse or party to a civil union recognized under state law and/or other household family members including any relative under the age of 26.

The following language offers an explanation of the services provided through our affiliation with the service provider, Identity Theft 911.

Security Breach Services

Confidential information entrusted to you, including SSN's and credit card data can sometimes be compromised. If such a security breach occurred, you might be required by law to notify the affected individuals. Identity Theft 911's Security Breach services will prepare you for the event of a potential breach and guide you through the process of notifying the affected individuals should a breach occur.

Identity Services

Identity Services from Identity Theft 911 give you unlimited one-on-one access to a highly experienced fraud specialist who will act as a personal advocate in a wide range of identity-compromising situations. Whether you have a serious identity theft crisis or need to take preventative measures regarding a lost or stolen wallet you don't have to struggle on your own.

Assistance

In the event of a security breach, identity theft or identity-related concern, you, your employees and household family members should contact United Fire Group at **1-800-343-9131** between 7:30a.m. and 4:30p.m. CT Monday through Friday.

Please identify this call to the operator as a security breach, identity theft or identity-related concern so the call can be routed to the correct team at United Fire Group. Please have your policy number handy.

United Fire Group will then connect you, your employees and household family members to Identity Theft 911 and highly trained fraud specialists will provide personal assistance.

More information about these services is available on our policyholder website at www.ufgPolicy.com including a flyer that can be printed, e-mailed or posted on your company's bulletin board or intranet to inform employees of the free identity theft services available to them. We also recommend that you visit Identity Theft 911's website at www.unitedfiregroup.breachresponse.com to access the latest identity theft tips, media alerts, in-depth newsletters and more. Use the following login codes: Username: **unitedfire**; Password: **UnitedFire1**.

9. Identity Theft Expense Reimbursement Coverage

We will provide Identity Theft Expense Reimbursement Coverage if the following requirements are met:

- (1) There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this policy; and
- (2) Such "identity theft" is first discovered by the "identity recovery insured" during the policy period

for which this Identity Theft Expense Reimbursement Coverage is applicable; and

- (3) Such "identity theft" is reported to us within 60 days after it is first discovered by the "identity recovery insured".

If all three of these requirements listed above have been met, then we will provide reimbursement of necessary and reasonable "identity theft expenses" incurred as a direct result of the "identity theft" to the "identity theft insured".

Identity Theft Expense Reimbursement Exclusions

The following additional exclusions apply to this coverage:

We do not cover:

- (1) "Identity theft expenses" incurred to restore a professional or business identity.
- (2) "Identity theft expenses" incurred due to fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", by any authorized representative of an "identity recovery insured", whether acting alone or in collusion with other.
- (3) Loss other than "identity theft expenses".
- (4) "Identity theft expenses" arising from any "identity theft" by or with the knowledge of any relative or former relative of the "identity recovery insured".
- (5) Loss arising from an "identity theft" that is first discovered by the "identity recovery insured" prior to the policy period or after the policy period, whether or not such "identity theft" began or continued during the policy period.
- (6) Loss arising from an "identity theft" that is not reported to us within 60 days after it is first discovered by the "identity recovery insured".
- (7) Loss arising from an "identity theft" that is not reported in writing to the police.

Identity Theft Expense Reimbursement Limits

Identity Theft Expense Reimbursement Coverage is subject to an annual aggregate limit of \$15,000 per "identity recovery insured". Regardless of the number of claims, this limit is the most we will pay for the total of all loss or expense arising out of all "identity thefts" to any one "identity coverage insured" which are first discovered by the "identity recovery insured" during a 12 month period starting with the beginning of the present annual policy period. If an "identity theft" is first discovered in one policy period and continues into other policy periods, all loss and expense arising from such "identity theft" will be subject to the aggregate limit applicable to the policy period when the "identity theft" was first discovered.

Legal costs as provided under item d. of the definition of "identity theft expenses" are part of, and not in addition to, the Identity Theft Expense Reimbursement Coverage Limit.

Identity Theft Expense Reimbursement Deductible

Identity Theft Expense Reimbursement Coverage is subject to a deductible of \$250. Any one "identity recovery insured" shall be responsible for only one

deductible under this coverage during any one policy period.

Identity Theft Reimbursement Expense Conditions Claims:

- (1) For expense reimbursement claims, call United Fire Group at 1-800-343-9131, United Fire Group can provide the "identity recovery insured" with instructions on how to submit a claim for expense reimbursement to United Fire Group.
- (2) The "identity recovery insured" must send to us, within 60 days after our request, receipts, bills or other records that support his or her claim for "identity theft expenses".

Computer Security

It is the responsibility of each "identity recovery insured" to use and maintain his or her computer system security, including firewalls, anti-virus software and proper disposal of used hard drives.

Services

The following conditions apply as respects any service provided by us or our designees to any "identity recovery insured" under this endorsement:

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

I. At Section A. Coverage 5. Coverage Extensions a. Newly Acquired or Constructed Property at:

1. **Buildings** the amount of \$250,000 is deleted and replaced by \$500,000.
2. **Your Business Personal Property** the amount of \$100,000 is deleted and replaced by \$250,000; and
3. The provisions at 3. **Period of Coverage** are deleted and replaced by the following language:
 3. With respect to insurance provided under this Coverage Extension for Newly Acquired or Constructed Property, coverage will end when any of the following first occurs:
 - a. This policy expires;
 - b. 90 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
 - c. You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

- J. Section A. Coverage 5. Coverage Extensions b. Personal Effects and Property of Others** the amount of \$2,500 is deleted and replaced by the amount of \$25,000.

The following condition is added to this Coverage Extension:

The increased Limit of Coverage under this Coverage Extension of \$25,000 does not apply to your customer's property that is left in a vehicle and while that vehicle is in your care, custody, or control.

However, the \$2,500 Additional Coverage limit in the Building and Personal Property Coverage Form for Personal Effects and Property of Others would apply to your customer's property left in a vehicle and while it is in your care, custody or control.

- K. At Section A. Coverage 5. Coverage Extensions c. Valuable Papers and Records (Other Than Electronic Data)** the amount of \$2,500 is deleted and replaced by the amount of \$25,000.

- L. At Section A. Coverage 5. Coverage Extensions d. Property Off Premises** the amount of \$10,000 is deleted and replaced by the amount of \$50,000.

- M. At Section A. Coverage 5. Coverage Extensions e. Outdoor Property** is replaced with the following

e. Outdoor Property
You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), signs (whether attached to the building or not), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The additional perils listed below are being added but only with respect to outdoor fences and signs (whether attached to the building or not):

- (6) Windstorm;
- (7) Hail;
- (8) Vandalism;
- (9) Malicious Mischief;
- (10) Struck by Automobile.

The most we will pay for loss or damage under this extension is \$10,000, but not more than \$500 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage

Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

- N. At Section A. Coverage 5. Coverage Extensions** the following provisions are added:

- h. Fire Extinguisher and Fire Suppression System Recharge and Clean-up Expenses**

You may extend the insurance provided by this coverage form to cover expenses you incur to recharge portable fire extinguishers, dry chemical, carbon dioxide or liquid automatic fire extinguishing systems to include the cost of resetting automatic fuel shut off connections, if any of the above are discharged to fight a fire or are discharged due to a mechanical malfunction.

When a fire suppression device is discharged to save or protect covered property, you may also extend this insurance to clean up the discharged fire suppression materials.

The most we will pay for loss or damage under this Coverage Extension is \$10,000 in any one occurrence.

For purposes of this Coverage Extension all fire events within a 48 hour period shall be deemed to be one occurrence.

No deductible applies to this Coverage Extension.

- i. Food Spoilage Coverage**

For this Coverage Extension Only, **Section A. Coverage 1. Covered Property** is deleted and replaced by the following:

- 1. Covered Property**
 - a. Covered Property means "perishable stock" at the described premises owned by you or by others that is in your care, custody and control.

For this Coverage Extension only, the following is added to **Section A. Coverage 2. Property Not Covered**:

- r. Property located**

- a. On buildings;
- b. In the open; or
- c. In vehicles.

For this Coverage Extension only, **Section A. Coverage 3. Covered Causes of Loss** is deleted and replaced by:

- 3. Covered Causes of Loss**

- a. Breakdown or contamination, meaning:
 - (i) Change in temperature or humidity resulting from mechanical breakdown or failure of refrigerating, cooling, or humidity control apparatus or equipment, only while such equipment or apparatus is at the described premises; and



(ii) Contamination by the refrigerant.

- b. Power outage, meaning change in temperature or humidity resulting from complete or partial interruption of electric power, either on or off the described premises, due to conditions beyond your control.

For this Coverage Extension only, **Section B. Exclusions and Limitations** is deleted and replaced by the following language:

B. Exclusions and Limitations

- (i) Only the following Exclusions apply to Food Spoilage Coverage:
- (a) Earth Movement;
 - (b) Governmental Action;
 - (c) Nuclear Hazard;
 - (d) War and Military Action; and
 - (e) Water.
- (ii) We also will not pay for loss or damage caused by or resulting from:
- (a) The disconnection of any refrigeration, cooling, or humidity control system from the source of power;
 - (b) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current;
 - (c) The inability of an Electrical Utility Company or other power source to provide sufficient power due to lack of fuel or government order;
 - (d) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand; or
 - (e) Breaking of any glass that is a permanent part of any refrigerating, cooling, or humidity control unit.

For this Coverage Extension only, **Section G. Optional Coverages** is deleted.

The most we will pay under this Coverage Extension is \$10,000 at each described premises for any occurrence.

j. Accounts Receivable

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Your customer's accounts which you are unable to collect because of direct loss or damage to your records of accounts receivable;
- (2) Interest charges on any loan taken out by you to offset accounts that are uncollectible because of loss or damage to accounts;

- (3) Collection expenses in excess of normal collection costs made necessary because of loss or damage to accounts;

- (4) Other reasonable expenses incurred to reestablish records of accounts receivable following loss or damage.

For valuation purposes, the agreed total amount of Accounts Receivable will be:

- (1) The amount of all outstanding accounts receivable at the end of the same month in the preceding year multiplied by
- (2) The percentage of change in the average monthly total of accounts receivable for the 12 months preceding the month in which the loss occurs;
- (3) Adjusted by deductions for:
 - a. Records not lost or stolen;
 - b. Accounts the insured is able to collect; and
 - c. An allowance for probable bad debts which would normally be uncollectible by the insured.

The most we will pay under this Coverage Extension is \$25,000 at each described premise(s).

k. Fine Arts

We will pay for loss or damage to paintings, etchings, pictures, tapestries, art glass windows and other bona fide works of art of rarity, historical value, or artistic merit caused by or resulting from a Covered Cause of Loss.

The most we will pay under this extension is \$10,000 for any one occurrence.

The value of Fine Arts will be the market value at the time of physical loss or physical damage.

l. Utility Services – Direct Damage

We will pay for loss or damage to Covered Property described in (1), (2) or (3) below, caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss.

Coverage under the Coverage Extension for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which the Coverage Extension applies.

Covered property for Utility Services

- (1) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - (a) Pumping stations; and
 - (b) Water mains.
- (2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (a) Communication transmission lines, including optic fiber transmission lines;
 - (b) Coaxial cables; and
 - (c) Microwave radio relays except satellites.
- Communication Supply Services does not include overhead transmission lines.

(3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

- (a) Utility generating plants;
- (b) Switching stations;
- (c) Substations;
- (d) Transformers; and
- (e) Transmission Lines

Power Supply Services does not include overhead transmission lines. As used in this coverage extension, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

The most we will pay under this Coverage Extension is \$25,000 per occurrence.

m. Key Employee Replacement Coverage

We will pay the following expenses you incur in recruiting and replacing an employee due to the unexpected departure of a "key employee":

- (1) Advertising expenses;
- (2) Candidate interview expense, including your reimbursement for candidates travel to your place of business;
- (3) Training costs; and
- (4) Moving expenses incurred by a replacement employee.

For the purposes of this Coverage Extension the unexpected departure of a "key employee" is defined as:

- (1) The unexpected death of a "key employee" during the policy term. Unexpected death does not include:
 - (a) Suicide; or
 - (b) Death attributed to a terminal illness diagnosed prior to the hiring of that employee or prior to the inception of the policy term.
- (2) The sudden resignation of a "key employee" due to winning a "lottery" or "contest" with a prize in excess of \$500,000.

For the purposes of this Coverage Extension only, the following definitions are added:

"Lottery" or "contest" is a lottery sanctioned by one or more states or a legal lottery or legal contest which is open to the general public.

"Key employee" is a person with an ownership interest in the business who devotes, on average, at least 25% of their time or 10 hours per week in the insured's business, your bookkeeper, or accountant (if an employee), and your "executive management" personnel.

"Executive management" means a person that is in charge of a department or division within your company. Supervisors and foremen are not considered as executives for the purposes of this Coverage Extension.

The most we will pay under the Coverage Extension is \$5,000 per replacement employee, subject to a \$10,000 maximum per policy term.

n. Lost Key Consequential Loss

If a master or grand master key is lost or damaged by a Covered Cause of Loss, we will pay:

- (1) The actual cost of keys;
- (2) The cost of adjusting locks to accept new keys; or
- (3) The cost of new locks, if required, of the like kind and quality including the cost of their installation.

The most we will pay under this Coverage Extension for all amounts incurred is \$2,500.

No deductible is applicable to this Coverage Extension.

o. Foundations and Underground Pipes, Flues and Drains

Only for the purposes of this Coverage Extension, Section A. Coverage 2. Property Not Covered g.(1), g.(2) and m. of the Building and Personal Property Coverage Form are deleted and you may extend the insurance that applies to your Building and Personal Property Coverage to apply to loss or damage to:

- (1) Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (a) The lowest basement floor; or
 - (b) The surface on the ground, if there is no basement.
- (2) Underground pipes, flues, and drains.
- (3) The cost of excavating, grading, backfilling or filling.

The most we will pay for loss under this Coverage Extension is \$1,000.

p. Crime Coverages

(1) Employee Theft

We will pay for direct loss or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:

- (a) Cause you to sustain loss or damage; and also
- (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - (i) Any employee; or
 - (ii) Any other person or organization.

We will not pay for loss or damage:

- (a) Resulting from any dishonest or criminal act that you or any of your partners or "members" commit whether acting alone or in collusion with other persons.
- (b) Resulting from any dishonest act committed by any of your employees (except as provided in Paragraph (1)), "managers" or directors:
 - (i) Whether acting alone or in collusion with other persons; or
 - (ii) While performing services for you or otherwise.
- (c) The only proof of which as to its existence or amount is:
 - (i) An inventory computation; or
 - (ii) A profit and loss computation.
- (d) Resulting from a shortage in inventory.

The most we will pay for loss or damage in any one occurrence is \$25,000.

All loss or damage:

- (a) Caused by one or more persons; or
- (b) Involving a single act or series of acts;

Is considered one occurrence.

If any loss is covered:

- (a) Partly by this insurance; and
- (b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

The most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

We will only pay for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

This Coverage Extension is cancelled as to any employee immediately upon discovery by:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers or directors not in collusion with the employee;

of any dishonest act committed by that employee before or after being hired by you.

We will only pay for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the policy period.

If you (or any predecessor in interest) sustained loss or damage during the policy period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay it under this Coverage Extension, provided:

- (a) The Coverage Extension became effective at the time of cancellation or termination of the prior insurance; and

- (b) The loss or damage would have been covered by this Coverage Extension had it been in effect when the acts or events causing the loss or damage were committed or occurred.

The insurance described under the previous paragraph above is part of, not in addition to, the Limit of Insurance applying to this Coverage Extension and is limited to the lesser of the amount recoverable under:

- (a) This Coverage Extension as of its effective date; or
- (b) The prior insurance had it remained in effect.

With respect to this Coverage Extension, employee means:

- (a) Any natural person:
 - (i) While in your service or for 30 days after termination of service;
 - (ii) Who you compensate directly by salary, wages or commissions; and
 - (iii) Who you have the right to direct and control while performing services for you;
- (b) Any natural person who is furnished temporarily to you:
 - (i) To substitute for a permanent employee as defined in Paragraph a. above, who is on leave; or
 - (ii) To meet seasonal or short term workload conditions;
- (c) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph b. above;
- (d) Any natural person who is a former employee, director, partner, member, manager, representative or trustee retained as a consultant while performing services for you; or
- (e) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business. But employee does not mean:
 - (a) Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (b) Any "manager", director or trustee except while performing acts coming within the usual duties of an employee.

(2) Forgery or Alteration

We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money", that you or your agent has issued, or that was issued by someone who impersonates you or your agent.

If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.

For the purpose of this Coverage Extension, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.

The most we will pay for any loss, including legal expenses, under this Coverage Extension is \$5,000.

(3) Money and Securities

We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:

- (a) Theft, meaning any act of stealing;
- (b) Disappearance; or
- (c) Destruction.

In addition to the Limitations and Exclusions applicable to the Building and Business Personal Property Form, we will not pay for loss:

- (a) Resulting from accounting or arithmetical errors and omission;
- (b) Due to the giving or surrendering of property in any exchange for purchase; or
- (c) Of property contained in any "money"-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

The most we will pay for loss in any one occurrence is \$10,000 while:

- (a) In or on the described premises;
- (b) Within a bank or savings institution; or
- (c) Outside the premises while anywhere else.

All losses are considered one occurrence whether:

- (a) Caused by one or more persons; or
- (b) Involving a single act or series of related acts.

You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.

(4) Money Orders and "Counterfeit Money"

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- (a) Money orders issued by any post office, express company or bank that are not paid upon presentation, or
- (b) "Counterfeit money" that is acquired during the regular course of business.

The most we will pay for any loss under this Coverage Extension is \$5,000.

(5) Computer Fraud and Funds Transfer Fraud

We will pay for loss or damage to "money", "securities" and "other property" resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the "premises" or "banking premises":

- (a) To a person (other than a "messenger") outside those "premises"; or
- (b) To a place outside those "premises".

We will pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

The most we will pay for any loss under this Coverage Extension is \$5,000.

(6) Credit Card Transactions

We will cover Credit Card Transactions for the sums owed to you by customer(s), if you are unable to collect as the direct result of loss and/or damage to credit card slips from the following causes of loss:

- (a) Fire and lightning;
- (b) Windstorm or hail;
- (c) Explosion;
- (d) Riot or civil commotion;
- (e) Aircraft;
- (f) Vehicles;
- (g) Smoke;
- (h) Vandalism and malicious mischief; or
- (i) Weight of ice, snow or sleet.

In the event you are not able to establish accurately the amount of any insured loss involving credit card slips, the loss shall be computed as follows:

- (a) Calculate the percentage of credit card sales to total sales for the 12 months immediately preceding the month in which the loss occurs, or such part thereof for which you have been in business. Apply the percentage developed to the total sales for the month in which the loss occurred to establish the amount of credit card sales for the month.
- (b) When the total sales for the month in which the loss occurred are unknown, the total sales shall be established on the basis of total sales for the last month for which sales figures are available. This amount shall be increased or decreased in conformity with the normal fluctuations of the business and by giving due consideration to the experience of the business.

- (c) We will deduct from the amount of credit card sales, however established:

- (i) The amount of credit card sales evidenced by records not lost or damaged, otherwise established or collected by you;

- (ii) An amount to allow for probable bad debts which would have been uncollectible by you.

The most we will pay for all losses under the Coverage Extension is \$1,000.



(7) Unauthorized Business Credit Card Use

We will pay for the legal obligation you have because of the theft or unauthorized use of your business credit, debit or charge cards issued to you or registered in your name or the name of your business.

The most we will pay under this Unauthorized Business Card Use Extension of Coverage for loss in any one occurrence is \$10,000

All loss:

- (a) Caused by one or more persons; or
- (b) Involving a single act or series of related acts; is considered one occurrence.

O. Section C. LIMITS OF INSURANCE is replaced by the following:

1. With reference to all Additional Coverages and Coverage Extensions outlined in this endorsement, the amounts of insurance or time period stated apply in accordance with the terms of such coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage.

However, any internal limit within the Coverage Extension or Additional Coverage shall be controlling.

2. Where applicable, the Limit of Insurance for your Business Personal Property will automatically increase by 25% to provide for seasonal variations. This increase will apply only if the Limit of Insurance shown for Your Business Personal Property in the Declarations is at least 100% of your average monthly values during the lessor of:

- a. The 12 months immediately preceding the date the loss or damage occurs; or
- b. The period of time you have been in business as of the date the loss or damage occurs.

P. At Section D. Deductible the following paragraph is added:

With respect to all Additional Coverages and Coverage extensions provided by this endorsement, a deductible of \$1,000 will apply unless:

1. A lower deductible is specifically shown with the Additional Coverage or Coverage Extension;
2. A time deductible is specifically shown with the Additional Coverage or Coverage Extension; or
3. No deductible applies as specifically shown with the Additional Coverage or Coverage Extension.

Q. At Section E. Loss Conditions 7. Valuation the following change is made:

1. **Paragraph a.** is being replaced by the following:
 - a. At actual cash value as of the time of the loss or damage, except as provided in b. through f. below.

2. Paragraph f. is added as follows:

- f. With respect to Personal Property of Others, if an item(s) of personal property of others is subject to a written lease which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be used based on the amount for which you were liable under such lease, but not to exceed the lesser of the replacement cost of the property or the applicable limit of insurance.

R. At Section H. Definitions the following paragraphs are added:

1. **"Counterfeit Money"** means an imitation of "money" that is intended to deceive and is taken as genuine.
2. **"Data Processing Equipment"** means a network of machine components capable of accepting information, processing it according to plan and producing desired results. It includes air conditioning, fire protection equipment, and electrical equipment used exclusively in your computer operations.
3. **"Dependent Property"** means property operated by others whom you depend on to:
 - a. Deliver materials or services to you, or to others for your account (contributing locations). But any property which delivers any of the following services is not a Contributing Location with respect to such services:
 - (i) Water supply services;
 - (ii) Power supply services; or
 - (iii) Communication supply services, including services relating to internet access to any electronic network;
 - b. Accept your products or services (Recipient Locations);
 - c. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
 - d. Attract customers to your business (Leader Locations).

"Dependent Property" does not include:

- a. Roads;
- b. Bridges;
- c. Tunnels;
- d. Waterways;
- e. Airfields;
- f. Pipelines; or
- g. Any other similar area or structure.

4. **"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 insured under this coverage part.
5. **"Fraudulent Instruction"** means:
- An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
 - A written instruction (other than those described as Forgery or Alteration) issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
 - An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an "employee" but which was in fact fraudulently transmitted by someone else without your or the "employee's" knowledge or consent.
6. **"Funds"** means "money" and "securities".
7. **"Identity Theft"** means the fraudulent use of the social security number or other method of identifying an "identity recovery insured" to establish credit accounts, secure loans, enter into contracts or commit crimes. "Identity Theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.
"Identity Theft" does not include the unauthorized use of a valid credit card, credit account or bank account. However, "Identity Theft" does include the fraudulent alteration of account profile information, such as the address to which statements are sent.
8. **"Identity Theft Expenses"** means the following when they are reasonable and necessary expenses that are incurred in the United States or Canada as a direct result of an "identity theft":
- Costs for re-filing applications or loans, grants or other credit instruments that are rejected solely as a result of an "identity theft".
 - Costs for notarizing affidavits or other similar documents, long distance phone calls and postage solely as a result of your efforts to report an "identity theft" or amend or rectify records as to your true name or identity as a result of an "identity theft".
- c. Costs for up to six reports from established credit bureaus (with no more than two reports from any one credit bureau) dated within 12 months after your knowledge or discovery of an "identity theft".
- d. Fees and expenses for an attorney by us for:
- (1) Defending any civil suit brought against an "identity recovery insured" by a creditor or collection agency or entity acting on behalf of a creditor for non-payment of goods or services or default on a loan as a result of "identity theft"; and
 - (2) Removing any civil judgment wrongfully entered against an "identity recovery insured" as a result of the "identity theft".
9. **"Identity Recovery Insured"** means the following:
- When the business insured under this policy is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the insured business.
 - When the business insured under this policy is a partnership, the "identity recovery insureds" are all partners listed on this policy as insureds.
 - When the business insured under this policy is a corporation or other organization, the "identity recovery insureds" are all individuals having an ownership position of 20% or more. However, if and only if there is no one who has such an ownership position, then the "identity recovery insured" shall be the chief executive officer of the insured entity.
- An "identity recovery insured" must always be an individual person. The business insured under this policy is not an "identity recovery insured". An "identity recovery insured" does not include your employees and household family members unless otherwise qualified by the language with this definition.
10. **"Manager"** means a person serving in a directorial capacity for a limited liability company.
11. **"Member"** means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
12. **"Money"** means:
- Currency, coins and bank notes in current use and having a face value; and
 - Travelers checks, register checks and money orders held for sale to the public.
13. **"Operations"** means:
- Your business activities occurring at the described premises; and
 - The tenability of the described premises, when coverage for "Rental Value" applies.

14. **"Period of Restoration"** means the period of time that:

- a. Begins:
 - (i) 72 hours after the time of direct physical loss or damage for Business Income coverage; or
 - (ii) Immediately after the time of direct physical loss or damage for Extra Expense coverage caused by or resulting from any Covered Cause of Loss at the described premises; and
- b. Ends the earlier of:
 - (i) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (ii) The date when business is resumed at a new permanent location.

"Period of Restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

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

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

15. **"Perishable Stock"** means personal property:

- a. Maintained under controlled conditions for its preservation; and
- b. Susceptible to loss or damage if the controlled conditions change.

16. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

17. **"Rental Value"** means Business Income that consists of:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of a portion of the described premises which is occupied by you; and
- b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (i) Payroll; and
 - (ii) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.

18. **"Securities"** means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:

- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money".

19. **"Suspension"** means:

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

The following items modify insurance provided under the following:

CAUSES OF LOSS – SPECIAL FORM

CAUSES OF LOSS – BROAD FORM

CAUSES OF LOSS – BASIC FORM

A. At F. Additional Coverage Extensions 1. Property in Transit:

1. In paragraph a. 100 feet is replaced by 1,000 feet.
2. In paragraph c. \$5,000 is replaced by \$25,000.

B. At 2.a. of B. Exclusions, the following language is added:

Notwithstanding the above exclusion, you may extend your coverage to damage otherwise excluded for up to \$10,000 in loss resulting from any one occurrence.

C. At B. Exclusions g. Water (3) Water that backs up or overflows from a sewer, drain or sump is deleted, subject to 6. below, and the following Optional Coverage is afforded under this endorsement:

1. We will cover direct loss or damage caused by water that backs up or overflows, or is otherwise discharged from the described premises sewer, drain, sump, sump pump or related equipment.
2. We will not pay the cost of repairing a sump pump or its related equipment in the event of a mechanical breakdown.
3. This coverage does not include a roof drain, gutter, downspout or similar fixtures or equipment.
4. This coverage does not apply to loss or damage resulting from an insured's failure to:
 - a. Keep a sump pump or its related equipment in proper working condition; or
 - b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

5. This is not Flood Insurance. We will not pay for direct loss or damage from water that backs up or overflows from a sewer, drain, or sump pump caused by any flood. This applies regardless of the proximity of the flood to covered property. Flood includes:

- a. The accumulation of surface water;
- b. Tidal waves;
- c. Waves;
- d. Tides; and
- e. Overflow of streams or other bodies of water, or their spray

All whether driven by wind or not that enters the sewer or drain system.

6. **This coverage is only applicable if a Limit of Insurance is shown in the Policy Declarations.**

If a Limit of Insurance is shown on the policy Declarations, the limit applies to all loss or damage to all covered property in the policy term.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANNABIS EXCLUSION WITH HEMP EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

A. When this endorsement is attached to the Standard Property Policy, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.

B. **Property Not Covered** is amended as follows:

1. "Cannabis" is added to **Property Not Covered**.

2. Paragraph B.1. of this endorsement does not apply to goods or products containing or derived from hemp, including, but not limited to:

- a. Seeds;
- b. Food;
- c. Clothing;
- d. Lotions, oils or extracts;
- e. Building materials; or
- f. Paper.

However, this Paragraph B.2. does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.

C. For the purpose of this endorsement, when Business Income (And Extra Expense) Coverage Form CP 00 30, Business Income (Without Extra Expense) Coverage Form CP 00 32 and/or Extra Expense Coverage Form CP 00 50 are indicated in the Declarations as being provided under this Policy:

1. Coverage under this Policy does not apply to that part of Business Income loss and/or Extra Expense incurred, due to a "suspension" of your "operations", which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis".

2. Paragraph C.1. of this endorsement does not apply to Business Income loss and/or Extra Expense which is attributable to goods or products containing or derived from hemp, including, but not limited to:

- a. Seeds;
- b. Food;
- c. Clothing;
- d. Lotions, oils or extracts;
- e. Building materials; or
- f. Paper.

However, this Paragraph C.2. does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.

D. For the purpose of this endorsement, the following definition is added:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph D.1. above includes, but is not limited to, any of the following containing such THC or cannabinoid:

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, by-product, extract, derivative, mixture or combination, such as:
 - (1) Resin, oil or wax;
 - (2) Hash or hemp; or
 - (3) Infused liquid or edible cannabis;

whether or not derived from any plant or part of any plant set forth in Paragraph D.2.a.

COMMON POLICY CONDITIONS

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

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**COLORADO CHANGES – CONCEALMENT,
MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART – FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL
COVERAGES, CONDITIONS, DEFINITIONS
FARM COVERAGE PART – LIVESTOCK COVERAGE FORM
FARM COVERAGE PART – MOBILE AGRICULTURAL MACHINERY AND
EQUIPMENT COVERAGE FORM

The **CONCEALMENT, MISREPRESENTATION OR
FRAUD** Condition is replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

We will not pay for any loss or damage in any case of:

1. Concealment or misrepresentation of a material fact; or
2. Fraud;

committed by you or any other insured ("insured") at any time and relating to coverage under this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph 2. of the Cancellation Common Policy Condition is replaced by the following:

2. If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.

B. The following is added to the Cancellation Common Policy Condition:

7. Cancellation Of Policies In Effect For 60 Days Or More

- a. If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy by mailing through first-class mail to the first Named Insured written notice of cancellation:

- (1) Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or

- (2) At least 45 days before the effective date of cancellation if we cancel for any other reason.

We may only cancel this policy based on one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) A false statement knowingly made by the insured on the application for insurance; or
- (3) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

C. The following is added and supersedes any other provision to the contrary:

NONRENEWAL

If we decide not to renew this policy, we will mail through first-class mail to the first Named Insured shown in the Declarations written notice of the nonrenewal at least 45 days before the expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.



D. The following condition is added:

INCREASE IN PREMIUM OR DECREASE IN COVERAGE

We will not increase the premium unilaterally or decrease the coverage benefits on renewal of this policy unless we mail through first-class mail written notice of our intention, including the actual reason, to the first Named Insured's last mailing address known to us, at least 45 days before the effective date.

Any decrease in coverage during the policy term must be based on one or more of the following reasons:

1. Nonpayment of premium;
2. A false statement knowingly made by the insured on the application for insurance; or
3. A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

If notice is mailed, proof of mailing will be sufficient proof of notice.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

POLICY NUMBER:

IL 09 95 01 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN PROTECTION COVERAGE FORM
FARM COVERAGE PART
STANDARD PROPERTY POLICY

SCHEDULE

The Exception Covering Certain Fire Losses (Paragraph D.) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:	
State(s)	Coverage Form, Coverage Part Or Policy
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Applicability Of The Provisions Of This Endorsement

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

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

- b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:
- (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or
 - (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
 - (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
2. If the provisions of this endorsement become applicable, such provisions:
- a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to loss or damage from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and
 - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.
- B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
- C. The following exclusion is added:

EXCLUSION OF TERRORISM

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

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

5. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

With respect to this Item C.5., the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Coverage Part or Policy.

D. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

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

E. Application Of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of C.1. or C.2., such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part or Policy.
2. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss or damage which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PAYMENT OF LOSSES

This endorsement modifies the insurance provided under the following:

COMMERCIAL OUTPUT POLICY
COMMERCIAL AUTOMOBILE COVERAGE PART (PHYSICAL DAMAGE COVERAGE SECTION)
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
BUSINESSOWNERS COVERAGE FORM
GARAGE PRO POLICY



The following additional **Condition** is added:

We will issue loss payment to the first Named Insured shown in the Declarations and any mortgagee or loss payee as designated.



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AUTOMATIC VALUATION ADJUSTMENT**(Applies to Building(s) Only)**

If this policy provides coverage on either a coinsurance or replacement cost basis, periodically it is necessary to adjust the Building limit(s) of insurance to recognize changes in construction costs.

If you do not request such coverage changes yourself, you agree that we may adjust the Building limit(s) of insurance at the beginning of each renewal policy period. The changes will be based on reports of recognized appraisal agencies showing construction cost changes.

Your payment of the renewal premium will constitute acceptance of any change we make in the Building limit(s) of insurance as shown on the renewal Declarations page or renewal certificate.

If you think the adjusted limit(s) of insurance is excessive or inadequate, notify us or your Agent.

All other provisions of this policy apply without change.

CP 70 03 11 86



