

PO Box 2915  
Bloomington, IL 61702-2915



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3228426087

004875 1200 90  
RIVERWALK AT THE FRYINGPAN CON  
326 HIGHWAY 133 STE 290  
CARBONDALE CO 81623-2510

State Farm Fire and Casualty Company  
A stock company with home offices in Bloomington, Illinois



## IMPORTANT NOTICE

# Policy Information

Policy number: 96-AP-C469-2

February 24, 2025

We're contacting you about the above State Farm® policy.

We're in the process of modernizing our computer systems and are giving you a new policy number. You will need to reference this new policy number with any of your correspondence with us. You will also notice a different look with your Renewal Declarations and any attached endorsements. If there are any changes that affect your coverage, there will be an Explanation of Changes included within this Renewal packet. You can contact your State Farm agent if you have misplaced your policy or attaching endorsements.

**This is not a bill.** The policy premium is being added to your new billing account (see enclosed Billing and Payment Account Agreement). If you'd like to pay now, contact your agent.

We're required by Colorado law to provide you the following information:

In addition to other allowable reasons for which your policy premium may have been adjusted upward or downward from your prior renewal, your premium increased because of:

A reduction in the Age of Building discount or increase in the Age of Building charge because each building insured is older.

### PREMIUM ADJUSTMENT

Insurance premiums have been adjusted and continue to reflect the expected cost of claims. Some policyholders will see their premiums increase while other policyholders may see their premiums decrease or stay the same. The amount your premium changed, if at all, depends on several factors including the expected claim experience in your area, the coverage you have, and any applicable discounts or charges.

The enclosed Renewal Declarations reflects your new premium.

State Farm® works hard to offer you the best combination of cost, protection, and service. We will continue doing our best to make the most effective use of your premium dollars and give you superior service when you need it.

If you have any questions about your premium, or policy coverages, please contact your State Farm agent.

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**THANK YOU FOR CHOOSING STATE FARM. WE APPRECIATE YOUR BUSINESS.**

*If you have any questions, call your State Farm Agent Derron Cloud at 970-927-0419. If you are deaf, hard of hearing, or do not use your voice to communicate, you may contact us via 711 or other relay services.*

cc: Derron Cloud  
06-0002

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326 HIGHWAY 133 STE 290  
CARBONDALE CO 81623-2510

**State Farm Fire and Casualty Company**

A stock company with home offices in Bloomington, Illinois

**Your State Farm Agent****Derron Cloud****Cloud Ins and Fin Svcs Inc**

227 Cody Lane Unit 201

Basalt CO 81621-7601

**Bus:** 970-927-0419**Email:** derron.c.cloud.vacmew@statefarm.com

# Renewal Declarations

**Policy number:** 96-AP-C469-2**Effective date:** May 1, 2025**Policy period:** 12 months**Expiration date:** May 1, 2026

The policy period begins and ends at 12:01 am standard time at the premises location.

**BUSINESS CONDOMINIUM ASSOCIATION POLICY**

**Automatic renewal** - If the State Farm® policy period is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

**NAMED INSURED**

RIVERWALK AT THE FRYINGPAN CON

**ENTITY**

Association/Cooperative

**POLICY PREMIUM**

**This is not a bill.** If an amount is due, then a separate statement will be sent prior to the due date. The premium(s) shown below is the 12 months premium(s) for the characteristics of the policy as described in this Declarations.

**Premium:** \$45,059.00**Disaster Mitigation:** \$2.00**Total Premium:** \$45,061.00**Discounts applied:**

Automatic Sprinkler Protection

Renewal Discount

Years in Business

Business Experience Rating

Protective Devices

Age of Building

**IMPORTANT MESSAGE(S)**

Notice - Information concerning changes in your policy language is included. Please call your agent if you have any questions.



## SECTION I - PROPERTY SCHEDULE - BLANKET

Coverage A - Buildings:	Limit of Insurance*
Coverage B - Business Personal Property:	\$22,499,900
Seasonal Increase - Business Personal Property:	\$33,300
	No Coverage

Location number	Location of described premises
001	227 MIDLAND AVE BASALT CO 81621-8114
002	229 MIDLAND AVE BASALT CO 81621-8375
003	231 MIDLAND AVE BASALT CO 81621-8383

\* As of the effective date of this policy, the Limit of Insurance as shown includes any increase in the limit due to Inflation Coverage.

## SECTION I - INFLATION COVERAGE INDEX(ES)

Cov A - Inflation Coverage Index:	289.7
Cov B - Consumer Price Index:	315.7

## SECTION I - DEDUCTIBLES

BASIC DEDUCTIBLE \$5,000

### SPECIAL DEDUCTIBLES:

Data Compromise:	\$1,000
Employee Dishonesty:	\$250
Equipment Breakdown:	\$2,500
Money and Securities:	\$250

Other deductibles may apply - refer to policy.

## SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH DESCRIBED PREMISES

The coverages and corresponding limits shown below apply separately to each described premises shown in these Declarations, unless indicated by "See schedule". If a coverage does not have a corresponding limit shown below, but has "Included" indicated, refer to that policy provision for an explanation of that coverage.

Coverage	Limit of Insurance
Accounts Receivable	See Schedule
Arson Reward	\$5,000
Back-up of Sewer or Drain	See Schedule
Collapse	Included
Damage to Non-owned Buildings from Theft, Burglary or Robbery	Coverage B Limit
Debris Removal	25% of covered loss
Equipment Breakdown	Included
Fire Department Service Charge	\$5,000



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Coverage	Limit of Insurance
Fire Extinguisher Systems Recharge Expense	\$5,000
Forgery or Alteration	\$10,000
Glass Expenses	Included
Increased Cost of Construction and Demolition Costs (applies only when buildings are insured on a replacement cost basis)	10%
Money Orders and Counterfeit Money	\$1,000
Money and Securities	See Schedule
Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business Personal Property)	\$100,000
Newly Acquired or Constructed Buildings (applies only if this policy provides Coverage A - Buildings)	\$250,000
Ordinance or Law - Equipment Coverage	Included
Outdoor Property	See Schedule
Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)	\$2,500
Personal Property Off Premises	\$15,000
Pollutant Clean Up and Removal	\$10,000
Preservation of Property	30 days
Property of Others (applies only to those premises provided Coverage B - Business Personal Property)	See Schedule
Signs	See Schedule
Valuable Papers and Records	See Schedule
Water Damage, Other Liquids, Powder or Molten Material Damage	Included

# **SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - SCHEDULE**

The coverages and corresponding limits shown below apply only to the described premises as shown.

Location number	Coverage	Limit of Insurance
001	Accounts Receivable	
	On Premises Limit	\$50,000
	Off Premises Limit	\$15,000
	Back-up of Sewer or Drain	\$5,000
	Money and Securities	
	On Premises Limit	\$10,000
	Off Premises Limit	\$5,000
	Outdoor Property	\$5,000

Location number	Coverage	Limit of Insurance
	Property of Others (applies only to those premises provided Coverage B-Business Personal Property)	\$2,500
	Signs	\$2,500
	Valuable Papers and Records	
	On Premises Limit	\$10,000
	Off Premises Limit	\$5,000
002	Accounts Receivable	
	On Premises Limit	\$50,000
	Off Premises Limit	\$15,000
	Back-up of Sewer or Drain	\$5,000
	Money and Securities	
	On Premises Limit	\$10,000
	Off Premises Limit	\$5,000
	Outdoor Property	\$5,000
	Property of Others (applies only to those premises provided Coverage B-Business Personal Property)	\$2,500
	Signs	\$2,500
	Valuable Papers and Records	
	On Premises Limit	\$10,000
	Off Premises Limit	\$5,000
003	Accounts Receivable	
	On Premises Limit	\$50,000
	Off Premises Limit	\$15,000
	Back-up of Sewer or Drain	\$5,000
	Money and Securities	
	On Premises Limit	\$10,000
	Off Premises Limit	\$5,000
	Outdoor Property	\$5,000
	Property of Others (applies only to those premises provided Coverage B-Business Personal Property)	\$2,500
	Signs	\$2,500
	Valuable Papers and Records	





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Location number	Coverage	Limit of Insurance
	On Premises Limit	\$10,000
	Off Premises Limit	\$5,000

### SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - PER POLICY

The coverages and corresponding limits shown below are the most we will pay regardless of the number of described premises shown in these Declarations.

Coverage	Limit of Insurance
Data Compromise	
Legal and Forensic Information Technology Review	\$5,000
Per Policy Period	\$50,000
Employee Dishonesty	\$25,000
Identity Restoration	
Expense Reimbursement	\$35,000
Case Management Services	12 Months
Other Costs	\$1,000
Lost Wages and Supervision Expenses	\$5,000
Loss of Income and Extra Expense	12 Months Actual Loss Sustained
Utility Interruption - Loss of Income	\$100,000

### SECTION II - LOCATION SCHEDULE

Location number	Location of described premises
001	227 MIDLAND AVE BASALT CO 81621-8114
002	229 MIDLAND AVE BASALT CO 81621-8375
003	231 MIDLAND AVE BASALT CO 81621-8383

## SECTION II - LIABILITY

Coverage	Limit of Insurance
Coverage L - Business Liability Per Occurrence	\$2,000,000
Coverage M - Medical Expenses	\$10,000 Any One Person
Damage to Premises Rented to You	\$300,000
Directors and Officers Liability	\$2,000,000
Hired Auto Liability	Included in Coverage L
<b>Aggregate Limits</b>	<b>Limit of Insurance</b>
Directors and Officers Aggregate	\$2,000,000
General Aggregate	\$4,000,000
Products/Completed Operations Aggregate	\$4,000,000

Each paid claim for Liability Coverage reduces the amount of insurance we provide during the applicable annual period. Please refer to Section II – Liability in the Coverage Form and any attached endorsements.

Your policy consists of these Declarations, the BUSINESSOWNERS COVERAGE FORM shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

## FORMS AND ENDORSEMENTS

CMP-4100	Businessowners Coverage Form
CMP-4206.2	Amendatory Endorsement (Colorado)
CMP-4426	Business Condominium Association Endorsement
* CMP-4532	Exclusion - Cyber Incident
* CMP-4561.5	Policy Endorsement
CMP-4703.1	Utility Interruption - Loss of Income
CMP-4705.2	Loss of Income and Extra Expense
CMP-4706	Back-up of Sewer or Drain
CMP-4709	Money and Securities
CMP-4710	Employee Dishonesty
CMP-4746.1	Hired Auto Liability
CMP-4769	Additional Condominium Property Not Covered
CMP-4815	Directors and Officers Liability
CMP-4862	Ordinance Or Law (Business)
* CMP-4990.2	Identity Restoration
* CMP-4994.1	Data Compromise
FD-6007	Inland Marine Attaching Declarations
FE-3650	Actual Cash Value Endorsement
FE-6999.3	Policyholder Disclosure Notice of Terrorism Insurance Coverage

*\*New Form Attached*

## SCHEDULE OF ADDITIONAL INTEREST(S)

Interest type:	Mortgagee	Interest type:	Mortgagee
Endorsement number:	N/A	Endorsement number:	N/A
Loan number:	1800010405	Loan number:	1800010405
	ALPINE BANK LOAN CENTER		ALPINE BANK LOAN CENTER
	PO BOX 2093		PO BOX 2093
	CARMEL IN 46082-2093		CARMEL IN 46082-2093





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Interest type: Mortgagee  
Endorsement number: N/A  
Loan number: 1800010405  
ALPINE BANK LOAN CENTER  
PO BOX 2093  
CARMEL IN 46082-2093

Interest type: 2nd Mortgagee  
Endorsement number: N/A  
Loan number: 1800010600  
ALPINE BANK LOAN CENTER  
PO BOX 2093  
CARMEL IN 46082-2093

Interest type: 2nd Mortgagee  
Endorsement number: N/A  
Loan number: 1800010600  
ALPINE BANK LOAN CENTER  
PO BOX 2093  
CARMEL IN 46082-2093

Interest type: 2nd Mortgagee  
Endorsement number: N/A  
Loan number: 1800010600  
ALPINE BANK LOAN CENTER  
PO BOX 2093  
CARMEL IN 46082-2093

### FULL NAMED INSURED

**Named Insured:** RIVERWALK AT THE FRYINGPAN CONDOMINIUM ASSOCIATION

This policy is issued by the State Farm Fire and Casualty Company.

### PARTICIPATING POLICY

You are entitled to participate in a distribution of the earnings of the company as determined by our Board of Directors in accordance with the Company's Articles of Incorporation, as amended.

In Witness Whereof, the State Farm Fire and Casualty Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.



President



Secretary

### OTHER MESSAGE(S)

#### NOTICE TO POLICYHOLDER:

For a comprehensive description of coverage and forms, please refer to your policy.

Policy changes requested before the "Date Prepared", which appear on this notice, are effective on the Renewal Date of this policy unless otherwise indicated by a separate endorsement, binder, or amended declarations. Any coverage forms attached to this notice are also effective on the Renewal Date of this policy.

Policy changes requested after the "Date Prepared" will be sent to you as an amended declarations or as an endorsement to your policy. Billing for any additional premium for such changes will be mailed at a later date.

If, during the past year, you've acquired any valuable property items, made any improvements to insured property, or have any questions about your insurance coverage, contact your State Farm agent.

Please keep this with your policy.

### Your coverage amount....

It is up to you to choose the coverage and limits that meet your needs. We recommend that you purchase a coverage limit equal to the estimated replacement cost of your structure. Replacement cost estimates are available from building contractors and replacement cost appraisers, or, your agent can provide an estimate from Xactware, Inc. using information you provide about your structure. State Farm does not guarantee that any estimate will be the actual future cost to rebuild your structure. Higher limits are available at higher premiums. Lower limits are also available, as long as the amount of coverage meets our underwriting requirements. We encourage you to periodically review your coverages and limits with your agent and to notify us of any changes or additions to your structure.

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A stock company with home offices in Bloomington, Illinois

Your State Farm Agent

Derron Cloud

Cloud Ins and Fin Svcs Inc

227 Cody Lane Unit 201

Basalt CO 81621-7601

Bus: 970-927-0419

Email: derron.c.cloud.vacmew@statefarm.com

## Inland Marine Attaching Declarations

Policy number: 96-AP-C469-2

Effective date: May 1, 2025

Policy period: 12 months

Expiration date: May 1, 2026

The policy period begins and ends at 12:01 am standard time at the premises location.

### ATTACHING INLAND MARINE

**Automatic renewal** - If the State Farm® policy period is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

**Annual policy premium:** Included

The above premium amount is included in the Policy Premium shown on the Declarations.

### FULL NAMED INSURED

**Named insured:** RIVERWALK AT THE FRYINGPAN CONDOMINIUM ASSOCIATION

Your policy consists of these Declarations, the INLAND MARINE CONDITIONS shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

### FORMS, OPTIONS AND ENDORSEMENTS

\* FE-1401 Exclusion - Cyber Incident  
FE-8739 Inland Marine Conditions  
FE-8743.1 Inland Marine Computer Property Form

*\*New Form Attached*

See below for schedule page with limits

### ATTACHING INLAND MARINE SCHEDULE PAGE

Endorsement number	Coverage	Limit of insurance	Deductible amount	Annual premium
FE-8743.1	Inland Marine Computer Property Form	\$10,000	\$500	Included



Endorsement number	Coverage	Limit of insurance	Deductible amount	Annual premium
	Loss of Income and Extra Expense	\$10,000		Included

Other limits and exclusions may apply - refer to your policy.

**IMPORTANT NOTICE****Regarding Changes to Your Policy**

**CMP-4532 EXCLUSION – CYBER INCIDENT** is added to your State Farm® policy.

The following changes to your policy are effective with this policy term:

- **SECTION I – EXCLUSIONS**

- o Under Paragraph 1, **Cyber Incident**: There is no coverage for loss resulting from a cyber incident; however, if a cyber incident as described in this exclusion results in fire or explosion, we will pay for the loss to Covered Property caused by that fire or explosion subject to the applicable limits of insurance.

- **SECTION II – LIABILITY, Section II – Exclusions**

- o **Cyber Incident**: There is no coverage for "bodily injury", "property damage" and "personal and advertising injury" arising out of a "cyber incident".

The endorsement follows this notice. Please read the endorsement and place it with your policy. If you have any questions, please contact your State Farm agent.

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***DISCLAIMER:** This notice only provides a general summary of changes to your State Farm policy. This notice is not a statement of contract. This notice does not change, modify, or invalidate the provisions, terms, or conditions as set forth in your State Farm policy booklet, the most recently issued declarations, and any applicable endorsements.*

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – CYBER INCIDENT**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

**A. The following is added to Paragraph 1. of SECTION I – EXCLUSIONS:**

**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; or
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.

But if Cyber Incident results in fire or explosion, we will pay for the loss caused by that fire or explosion.

Loss caused by Cyber Incident will not be considered loss caused by vandalism.

**B. The following is added to Section II – Exclusions:**

**Cyber Incident**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of a "cyber incident".

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other similar cost or expense incurred by you or others arising out of a "cyber incident".

C. For the purposes of this endorsement, the following definition is added to **SECTION II – DEFINITIONS**:

"Cyber incident" means any:

1. Unauthorized access to or use of any computer system;
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system 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 or otherwise disrupt its normal functioning or operation; or
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.

All other policy provisions apply.

CMP-4532



## IMPORTANT NOTICE

### Regarding Changes to Your Policy



**CMP-4561.5 POLICY ENDORSEMENT** is added to your State Farm® policy and replaces **CMP-4561.4 POLICY ENDORSEMENT**.

Note the following changes to your policy. Changes that broaden coverage without additional premium are effective immediately on the date first adopted in your state. All other changes are effective with this policy term:

- **SECTION I – PROPERTY**

- The words "within 100 feet of the described premises" are changed to read "within 1,000 feet of the described premises" wherever they are found in the policy.
- Under **Property Not Covered**, the following is added:
  - Digital tokens of any kind, by whatever name known, whether actual or fictitious including, but not limited to, non-fungible tokens, crypto tokens or any other type of digital token.

- Under **SECTION I – DEFINITIONS**, "securities" is revised to specify that coverage applies to instruments that are tangible in form, except as otherwise provided.

- **SECTION II – LIABILITY, Section II – Exclusions**

- **Perfluoroalkyl and Polyfluoroalkyl Substances:** There is no coverage for "bodily injury", "property damage" and "personal and advertising injury" related exposures associated with "perfluoroalkyl or polyfluoroalkyl substances", including any loss, cost or expense arising out of abating, testing for, monitoring, cleaning up, or other related activities, of "perfluoroalkyl or polyfluoroalkyl substances", by any insured or by any other person or entity.
- **Violation of Law Addressing Data Privacy:** There is no coverage for "bodily injury", "property damage" and "personal and advertising injury" that arises out of the violation of statutes, ordinances, regulations or other laws pertaining to any person's or organization's confidential or personal information, including financial, health, biometric or other nonpublic material or information.
- **Access or Disclosure Of Confidential Or Personal Information:** Language is added to state there is no coverage for "bodily injury", "property damage" and "personal and advertising injury" arising out of any access to or disclosure of any person's or organization's biometric information, including damages claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expense or any other loss, cost or expense incurred by you or others.

- **SECTION II – DEFINITIONS:** "Perfluoroalkyl or polyfluoroalkyl substances" is added.

The endorsement follows this notice. Please read the endorsement and place it with your policy. If you have any questions, please contact your State Farm agent.

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**DISCLAIMER:** This notice only provides a general summary of changes to your State Farm policy. This notice is not a statement of contract. This notice does not change, modify, or invalidate the provisions, terms, or conditions as set forth in your State Farm policy booklet, the most recently issued declarations, and any applicable endorsements.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **POLICY ENDORSEMENT**

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This endorsement modifies insurance provided under the following:

### **BUSINESSOWNERS COVERAGE FORM**

#### **1. SECTION I – PROPERTY** is amended as follows:

- a. The words "within 100 feet of the described premises", wherever they may be found in the policy, are changed to read "within 1,000 feet of the described premises".
- b. The following is added to **Property Not Covered**:

Digital tokens of any kind, by whatever name known, whether actual or fictitious including, but not limited to, non-fungible tokens, crypto tokens or any other type of digital token.

- c. Paragraph 2.f. **Dishonesty** under **SECTION I – EXCLUSIONS** is replaced by the following:

#### **f. Dishonesty**

- (1) Dishonest or criminal acts by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees, directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or
- (2) 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 applies whether or not an act occurs during your normal hours of operation.

This exclusion does not apply to acts of destruction by your employees; but theft by your employees is not covered.

With respect to accounts receivable and "valuable papers and records", this exclusion does not apply to carriers for hire.

- d. **SECTION I – EXTENSIONS OF COVERAGE** is amended as follows:

- (1) Paragraph 4.a.(1) under **Collapse** is replaced by the following:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building;

- (2) Paragraph 5. is replaced by the following:

#### **5. Water Damage, Other Liquids, Powder Or Molten Material Damage**

If loss caused by covered water or other liquid, powder, or molten material occurs, we will also pay the cost to tear out and replace only that particular part of the covered building or structure necessary to gain access to the specific point of that system or appliance from which the water or other substance escaped.

We will not pay the cost to repair any defect that caused the loss; 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.

The amount we pay under this Extension of Coverage will not increase the applicable Limit of Insurance.

- (3) Paragraph 13. is replaced by the following:

#### **13. Personal Property Off Premises**

You may extend the insurance provided by this coverage form to apply to Covered Property, other than "money" and "securities", "valuable papers and records", or accounts receivable, while it is in the course of transit or at another premises. The most we will pay for loss in any one occurrence under this Extension Of Coverage is the Limit Of Insurance for Personal Property Off Premises shown in the Declarations.

The amount we pay under this Extension Of Coverage is an additional amount of insurance.

If the Covered Property is located at another premises you own, lease, operate, or regularly use, the insurance provided under this extension applies only if the loss occurs within 90 days after the property is first moved.

The Other Insurance Condition contained in **SECTION I AND SECTION II – COMMON POLICY CONDITIONS** does not apply to this Extension Of Coverage. The insurance provided under this Extension Of Coverage is primary and does not contribute with any other insurance.

**(4) The following is added to Paragraph 22.e. under Equipment Breakdown:**

Paragraph 5.b. under **Coverage B – Business Personal Property** is replaced by:

- b. Be your responsibility to maintain or insure according to the terms of your lease or rental agreement.

**(5) The following is added:**

**Business Personal Property in Portable Storage Units**

You may extend the insurance provided by this coverage form to apply to Business Personal Property, other than "money" and "securities", "valuable papers and records", or accounts receivable, while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the described premises. The most we will pay for loss under this Extension Of Coverage is \$10,000.

The amount we pay under this Extension Of Coverage will not increase the applicable Limit Of Insurance.

Coverage will end 90 days after Business Personal Property has been placed in the storage unit. Coverage 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 at the time of loss.

**e. SECTION I – DEFINITIONS is amended as follows:**

**(1) Paragraph 15. is replaced by the following:**

**15. "Securities" means:**

- a. Tangible negotiable and nonnegotiable instruments or contract representing either "money" or property and includes:

- (1) Tokens and tickets in current use;
- (2) Revenue and other stamps (but also including their unused value in a meter) in current use;
- (3) Gift certificates, gift cards or similar instruments issued by you;
- (4) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; and
- (5) "Certificated securities"; and

- b. "Uncertificated securities";

but does not include "money".

**(2) The following definitions are added:**

"Certificated security" means a share, participation or other interest in property of, or an enterprise of, the issuer, or an obligation of the issuer which is:

- a. Represented by a written instrument issued in bearer or registered form;
- b. Of a type commonly dealt in on securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment; and
- c. Either one of a class or series by its terms divisible into a class or series of shares, participations, interests or obligations.





"Uncertificated security" means a share, participation or other interest in property of, or an enterprise of, the issuer, or an obligation of the issuer, which is:

- a. Not represented by a written instrument and the transfer of which is registered upon books maintained for that purpose by or on behalf of the issuer;
- b. Of a type commonly dealt in on securities exchanges or markets; and
- c. Either one of a class or series by its terms divisible into a class or series of shares, participations, interests or obligations.

2. **SECTION II – LIABILITY** is amended as follows:

a. **Section II – Exclusions** is amended as follows:

(1) The following is added to Paragraph 3. **Liquor Liability**:

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by an insured, or 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 3.a.

(2) Paragraph 8.f. under **Aircraft, Auto Or Watercraft** is replaced by the following:

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

- (1) 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 or motor vehicle registration law where it is licensed or principally garaged;
- (2) The operation of any of the following machinery or equipment:
  - (a) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - (b) Air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or
- (3) The operation of your business from a land vehicle:
  - (a) While it is parked and functioning, other than "loading and unloading", as a premises for your business operations; and
  - (b) 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 or motor vehicle registration law where it is licensed or principally garaged.

(3) Paragraphs 17.b. and 17.c. under **Personal And Advertising Injury** are replaced by the following:

- b. Arising out of oral or written publication of material, in any manner, if done by or at the direction of the insured with knowledge of its falsity;
- c. Arising out of oral or written publication of material, in any manner, whose first publication took place before the beginning of the policy period;

(4) The last paragraph of 17.h. under **Personal And Advertising Injury** is replaced by the following:

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;

(5) Paragraph 19. **Recording And Distribution Of Material In Violation Of Law** is replaced by the following:

**19. Recording and Distribution of Material**

Damages arising directly or indirectly out of any communication, by or on behalf of any insured, that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), CAN-SPAM Act of 2003, Fair Credit Reporting Act (FCRA), or Fair and Accurate Credit Transaction Act (FACTA); including any regulations and any amendment of or addition to such statutes;
- b. Any federal, state or local law, statute, ordinance, or regulation, in addition to Paragraph a. above, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating, or distribution of material or information; or
- c. Any other federal, state or local law, statute, ordinance, or regulation that may provide a basis for a separate claim or cause of action arising out of any communication referenced in Paragraphs a. or b. above.

(6) The following exclusions are added:

**Perfluoroalkyl And Polyfluoroalkyl Substances**

- a. "Bodily injury", "property damage" or "personal and advertising injury" which would not have occurred, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".
- 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, "perfluoroalkyl or polyfluoroalkyl substances", by any insured or by any other person or entity.

**Violation of Law Addressing Data Privacy**

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

- a. Any federal, state or local statute, ordinance, regulation or other law that addresses, prohibits, or limits access to, use of or the printing, dissemination, disposal, obtaining, collecting, storing, safeguarding, recording, retention, sending, transmitting, communicating, selling or distribution of any person's or organization's confidential or personal material or information, including financial, health, biometric or other nonpublic material or information.

Any such federal, state or local statute, ordinance, regulation or other law includes but is not limited to:

- (1) The Illinois Biometric Information Privacy Act (BIPA), including any amendment of or addition to such law; or
- (2) The California Consumer Privacy Act (CCPA), including any amendment of or addition to such law; or

- b. Any law of a jurisdiction other than the United States of America (including its territories and possessions) or Puerto Rico that is similar to any statute, ordinance, regulation or other law described in Paragraph a. above, including but not limited to the European Union's General Data Protection Regulation.

**Access Or Disclosure Of Confidential Or Personal Information**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of any access to or disclosure of any access to or disclosure of any person's or organization's confidential or personal material or information, including:

- a. Patents, trade secrets, processing methods, customer lists;
- b. Financial information, credit card information;
- c. Health information, biometric information; or
- d. Any other type of nonpublic material or information.

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

- b. Paragraph 1.d.(2) under **Coverage M – Medical Expenses** of **SECTION II – MEDICAL EXPENSES** is replaced by the following:

- (2) Executes authorization to allow us to obtain copies of medical bills, medical records, and any other information we deem necessary to substantiate the claim.

Such authorizations must not:

- (a) Restrict us from performing our business functions in:
  - i. Obtaining records, bills, information, and data; or
  - ii. Using or retaining records, bills, information, and data collected or received by us;
- (b) Require us to violate federal or state laws or regulations;
- (c) Prevent us from fulfilling our data reporting and data retention obligations to insurance regulators; or
- (d) Prevent us from disclosing claim information and data:
  - i. To enable performance of our business functions;
  - ii. To meet our reporting obligations to insurance regulators;
  - iii. To meet our reporting obligations to insurance data consolidators; and
  - iv. As otherwise permitted by law.

If the holder of the information refuses to provide it to us despite the authorization, then at our request the person making claim or his or her legal representative must obtain the information and promptly provide it to us; and

- c. **SECTION II – WHO IS AN INSURED** is amended as follows:

- (1) Paragraph 1.c. does not apply.
- (2) Paragraphs 2.b.(1) and (4) are replaced by the following:
  - (1) "Employees" with respect to "bodily injury" to:
    - (a) Any co-"employee" arising out of and in the course of the co-"employee's" employment or while performing duties related to the conduct of your business; or
    - (b) The spouse, child, parent, brother, or sister of that co-"employee" as a consequence of Paragraph (a) above;
  - (4) The owner of a "non-owned auto" or any agent of or any person or entity employed by such owner.

- d. Paragraph 2.b. under **Financial Responsibility Laws** of **SECTION II – GENERAL CONDITIONS** does not apply.

- e. **SECTION II – DEFINITIONS** is amended as follows:

- (1) Paragraph 2. is replaced by the following:
  - 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 or motor vehicle registration law where it is licensed or principally garaged.

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

(2) The following is added to Paragraph 15. "mobile equipment":

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

(3) The following definition is added:

"Perfluoroalkyl or polyfluoroalkyl substances" means any:

- a. Chemical or substance that contains one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by fluorine atoms, including but not limited to:
  - (1) Polymer, oligomer, monomer or nonpolymer chemicals and their homologues, isomers, telomers, salts, derivatives, precursor chemicals, degradation products or by-products;
  - (2) Perfluoro alkyl acids (PFAA), such as perfluorooctane sulfonic acid (PFOS) and its salts;
  - (3) Perfluoropolyethers (PFPE);
  - (4) Fluorotelomer-based substances; or
  - (5) Side-chain fluorinated polymers; or
- b. Good or product, including containers, materials, parts or equipment furnished in connection with such good or products, that consists of or contains any chemical or substance described in Paragraph a.

3. The following is added to SECTION I AND SECTION II – COMMON POLICY CONDITIONS:

**Our Rights Regarding Claim Information**

- a. We will collect, receive, obtain, use, and retain all the items described in Paragraph b.(1) below and use and retain the information described in Paragraph b.(3)(b) below, in accordance with applicable federal and state laws and regulations and consistent with the performance of our business functions.
- b. Subject to Paragraph a. above, we will not be restricted in or prohibited from:
  - (1) Collecting, receiving, or obtaining records, receipts, invoices, medical bills, medical records, wage information, salary information, employment information, data, and any other information;
  - (2) Using any of the items described in Paragraph b.(1) above; or
  - (3) Retaining:
    - (a) Any of the items in Paragraph b.(1) above; or
    - (b) Any other information we have in our possession as a result of our processing, handling, or otherwise resolving claims submitted under this policy.
- c. We may disclose any of the items in Paragraph b.(1) above and any of the information described in Paragraph b.(3)(b) above:
  - (1) To enable performance of our business functions;
  - (2) To meet our reporting obligations to insurance regulators;
  - (3) To meet our reporting obligations to insurance data consolidators;
  - (4) To meet other obligations required by law; and
  - (5) As otherwise permitted by law.

- d. Our rights under Paragraphs a., b., and c. above shall not be impaired by any:
- (1) Authorization related to any claim submitted under this policy; or
  - (2) Act or omission of an insured or a legal representative acting on an insured's behalf.

All other policy provisions apply.

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Provided with Migrated Renewal Declarations

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In accordance with the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2019, this disclosure is part of your policy.

#### **POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE**

Coverage for acts of terrorism is not excluded from your policy. However your policy does contain other exclusions which may be applicable, such as an exclusion for nuclear hazard. You are hereby notified that the Terrorism Risk Insurance Act, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under this policy, any covered losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

There is no separate premium charged to cover insured losses caused by terrorism. Your insurance policy establishes the coverage that exists for insured losses. This notice does not expand coverage beyond that described in your policy.

THIS IS YOUR NOTIFICATION THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER YOUR POLICY MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE YOUR COVERAGE.

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08-22-2020

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## IMPORTANT NOTICE

### Regarding Changes to Your Policy

**CMP-4990.2 IDENTITY RESTORATION** is added to your State Farm® policy and replaces **CMP-4990.1 IDENTITY RESTORATION**.

The following changes to your policy are effective with this policy term:

- We will not, under this Extension Of Coverage, pay for any services or costs for any "identity fraud" arising from:
  - War and hostile action, including any of the following and any consequence of any of the following:
    - Cyber warfare, whether or not occurring in combination with physical combat;
    - Undeclared war;
    - Civil war;
    - Hostile action by military force or cyber measures, including action in hindering or defending against an actual or expected attack, by any Combatant; or
    - Insurrection, rebellion, revolution, usurped power, political violence or action taken by governmental authority in hindering or defending against any of these, including cyber action in connection with any of the foregoing.
  - Total or partial failure or interruption of, reduction in performance of, or damage to, any electrical power supply network or telecommunications network not owned and operated by you; and
  - Any provision of coverage under this Identity Restoration coverage to the extent that such provision would expose us or you to a violation of economic or trade sanctions, laws, or regulations of the United States of America or any other jurisdiction with whose laws we are legally obligated to comply.

The endorsement follows this notice. Please read the endorsement and place it with your policy. If you have any questions, please contact your State Farm agent.

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***DISCLAIMER:** This notice only provides a general summary of changes to your State Farm policy. This notice is not a statement of contract. This notice does not change, modify, or invalidate the provisions, terms, or conditions as set forth in your State Farm policy booklet, the most recently issued declarations, and any applicable endorsements.*

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### IDENTITY RESTORATION

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This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

The following is added as an Extension of Coverage under **SECTION I – EXTENSIONS OF COVERAGE**.

#### Identity Restoration

1. We will pay for the following services and costs if an insured has been a victim of "identity fraud". The "identity fraud" must be first discovered by that insured during the policy period and reported to us within 60 days after its discovery:

- a. **Expense Reimbursement**

Reimbursement for necessary and reasonable "identity fraud expenses" incurred by the insured as a direct result of the "identity fraud".



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**b. Case Management Service**

The services of an identity restoration professional assigned by us as needed to help an insured to counteract the effects of "identity fraud". This help may include, with the permission and cooperation of the insured, contacting authorities, credit bureaus, creditors and businesses.

**2. We will not, under this Extension Of Coverage, pay for any services or costs for any "identity fraud" arising from any of the following:**

**a. "Identity fraud" against or incurred by an entity other than a human being.**

**b. Any fraudulent, dishonest or criminal act by the insured. This includes:**

**(1) Any act by a person aiding or abetting the insured; or**

**(2) Any act by an authorized representative of the insured;**

whether or not the person is acting alone or in collusion with others. However, this exclusion will not apply to the interests of an insured who has no knowledge of or involvement in such fraud, dishonesty or criminal act.

**c. Liability or account balances which arise out of fraudulent charges.**

**d. An "identity fraud" that is not reported in writing to the police. An insured may make a claim under this coverage prior to making such a report and we may refer that insured to Case Management Service if all other coverage requirements are met. However, we will not pay any Expense Reimbursement until the "identity fraud" has been reported in writing to the police and we reserve our right to terminate the Case Management Service if the insured does not make such a written report to the police within a reasonable period of time.**

**e. War and hostile action, including any of the following and any consequence of any of the following:**

**(1) Cyber warfare, whether or not occurring in combination with physical combat;**

**(2) Undeclared war;**

**(3) Civil war;**

**(4) Hostile action by military force or cyber measures, including action in hindering or defending against an actual or expected attack, by any Combatant; or**

**(5) Insurrection, rebellion, revolution, usurped power, political violence or action taken by governmental authority in hindering or defending against any of these, including cyber action in connection with any of the foregoing.**

For purposes of this exclusion, cyber warfare, cyber measures and cyber action include, but are not limited to, the use of disruptive digital activities against a computer network or system with the intention to cause harm in order to further political or similar objectives, or to intimidate any person in furtherance of such objectives, committed by a Combatant.

The attribution of an action to a Combatant will be determined by relying on reasonable evidence such as:

**(1) Statements by an impacted government, sovereign or other authority;**

**(2) Statements by widely recognized international bodies (such as the United Nations) or alliances (such as the North Atlantic Treaty Organization); or**

**(3) Consensus opinion within relevant expert communities such as the cyber security industry.**

Decisions about the presence or absence of war, hostile action, and other terms used in this exclusion will take into consideration the full range of available tactics, weapons and technologies at the time of the event giving rise to the loss.

Combatant means, for purposes of this exclusion, a government, sovereign or other authority, or agents acting on their behalf.

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- f. Nuclear hazard, meaning any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of these. Loss caused by the nuclear hazard shall not be considered loss caused by fire, explosion or smoke.
  - g. Total or partial failure or interruption of, reduction in performance of, or damage to, any electrical power supply network or telecommunications network not owned and operated by you including, but not limited to, satellites, the internet, internet service providers, Domain Name System (DNS) service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.
  - h. Any provision of coverage under this Identity Restoration coverage to the extent that such provision would expose us or you to a violation of economic or trade sanctions, laws or regulations of the United States of America or any other jurisdiction with whose laws we are legally obligated to comply.
3. With respect to coverage provided by this endorsement:
- a. **SECTION I – EXCLUSIONS** does not apply.
  - b. The first paragraph under **SECTION I – EXTENSIONS OF COVERAGE** does not apply.
  - c. **SECTION I – DEDUCTIBLES** does not apply.
  - d. Paragraph 1.d.(2) of **SECTION I – CONDITIONS** is replaced by the following:  
(2) The action is brought within 2 years after the date on which the "identity fraud" is first discovered by the insured.
  - e. Paragraph 2.d.(1) of **SECTION I – CONDITIONS** is replaced by the following:  
(1) The policy period is as shown in the Declarations.
  - f. Paragraph 2.d.(2) of **SECTION I – CONDITIONS** does not apply.
  - g. Paragraph 7. **Other Insurance** of **SECTION I AND SECTION II – COMMON POLICY CONDITIONS** does not apply.
4. The most we will pay under this Extension Of Coverage for Expense Reimbursement for the total of all covered "identity fraud expenses" arising out of all "identity frauds" to any one insured which are first discovered by an insured during the policy period, regardless of the number of described premises, is the Limit Of Insurance for Identity Restoration – Expense Reimbursement shown in the Declarations.

However, the most we will pay for the total of all:

- a. "Lost wages and supervision expenses" arising out of all "identity frauds" to any one insured which are first discovered by an insured during the policy period, regardless of the number of described premises, is the Limit Of Insurance for Identity Restoration – Lost Wages And Supervision Expenses shown in the Declarations; and
- b. "Other costs" arising out of all "identity frauds" to any one insured which are first discovered by an insured during the policy period, regardless of the number of described premises, is the Limit Of Insurance for Identity Restoration – Other Costs shown in the Declarations.

The Limit Of Insurance for Lost Wages And Supervision Expenses and the Limit Of Insurance for Identity Restoration – Other Costs are part of, and not in addition to, the Limit Of Insurance for Identity Restoration.

Case Management Service is available as needed for any one "identity fraud" for up to the number of months shown for Case Management Services under the Limit Of Insurance for Identity Restoration from the initial assignment of an identity restoration professional

The amount we pay for expenses we incur to provide Case Management Service does not reduce the Limits Of insurance for Identity Restoration.

The amount we pay under this Extension Of Coverage is an additional amount of insurance.

An "identity fraud" may be first discovered by an insured in one policy period and continue into other policy periods. If so, all "identity fraud expenses" arising from such "identity fraud" will be subject to the applicable Limit Of Insurance which applied to the policy period when the "identity fraud" was first discovered by an insured.

5. With respect to coverage provided by this endorsement, the following additional Conditions apply:

- a. **Assistance And Claims.** In some cases, we may provide Case Management Service at our expense to an insured prior to a determination that a covered "identity fraud" has occurred. Our provision of services is not an admission of liability under this endorsement. We reserve the right to deny further coverage or service if, after investigation, we determine that a covered "identity fraud" has not occurred.

For Expense Reimbursement, you must send to us receipts, bills or other records that support your claim for "identity fraud expenses". These must be sent to us within 60 days after our request.

- b. **Cooperation And Permission.** As respects any services provided by us or our designees to any insured under this endorsement, that insured must provide cooperation, permission and assistance.

- c. **No Warranty.** There is no warranty that any services will:

- (1) End or solve all problems associated with an "identity fraud"; or
- (2) Prevent future "identity frauds".

All services may not be applicable or available for us or our designees to provide.

- d. **Other Insurance Or Benefits.** The insurance provided by this endorsement is excess over any other valid and collectible insurance or non-insurance benefit available to an insured from any source for the same "identity fraud" covered by this endorsement.

6. With respect to coverage provided by this endorsement:

- a. If you are designated in the Declarations as:

- (1) An individual, you are an insured.
- (2) A partnership, the partners are insureds.
- (3) A religious institution, your senior ministerial employee is an insured.
- (4) An organization other than a partnership or a religious institution, any individual with an ownership position of 20% or more is an insured. If no individual meets such an ownership position, your chief executive officer is an insured.

- b. "Identity fraud" means the fraudulent use of an insured's identifying information to:

- (1) Commit crimes;
- (2) Unlawfully establish credit accounts;
- (3) Secure loans; or
- (4) Enter into contracts.

"Identity fraud" does not include the fraudulent use of a business name, d/b/a or any other method used for identifying a business activity.

- c. "Identity fraud expenses" means the following reasonable and necessary costs incurred within 12 months of the first discovery of the "identity fraud" by any insured as a direct result of an "identity fraud":

- (1) Costs for re-filing applications for loans, grants or other credit instruments;
- (2) Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage;
- (3) Costs for credit reports from established credit bureaus;
- (4) Fees and expenses for an attorney approved by us for the following:



- (a) The defense of any civil suit brought against an insured;
- (b) The removal of any civil judgment wrongfully entered against an insured;
- (c) Legal assistance for an insured at an audit or hearing by a governmental agency;
- (d) Legal assistance in challenging the accuracy of the insured's consumer credit report;
- (e) The defense of any criminal charges brought against an insured arising from the actions of a third party using the personal identity of the insured;

(5) "Lost wages and supervision expenses"; and

(6) "Other costs expenses".

d. "Lost wages and supervision" means:

- (1) Actual lost wages of the insured for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages do not include time lost for illness or any loss arising from time taken away from self employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-work hours; and
- (2) Actual costs for supervision of children or elderly or infirm relatives of the insured during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the insured.

e. "Other costs" means the following reasonable and necessary costs incurred by an insured as a direct result of the "identity fraud". Such costs:

(1) Include:

- (a) Costs by the insured to recover control over his or her personal identity; and
- (b) Deductibles or service fees from financial institutions.

(2) Do not include:

- (a) Costs to avoid, prevent or detect "identity fraud" or other loss;
- (b) "Money" and "securities" lost or stolen;
- (c) Balances resulting from the unauthorized use of a credit card, credit account or bank account; or
- (d) Costs that are restricted or excluded elsewhere in this endorsement or policy.

All other policy provisions apply.

CMP-4990.2

## IMPORTANT NOTICE

### Regarding Changes to Your Policy

**CMP-4994.1 DATA COMPROMISE** is added to State Farm® policy and replaces **CMP-4994 DATA COMPROMISE**.

The following changes to your policy are effective with this policy term:

- We will not, under this Extension Of Coverage, pay for any services or costs for any "personal data compromise" arising from:
  - War and hostile action, including any of the following and any consequence of any of the following:
    - Cyber warfare, whether or not occurring in combination with physical combat;
    - Undeclared war;
    - Civil war;
    - Hostile action by military force or cyber measures, including action in hindering or defending against an actual or expected attack, by any Combatant; or
    - Insurrection, rebellion, revolution, usurped power, political violence or action taken by governmental authority in hindering or defending against any of these, including cyber action in connection with any of the foregoing.
  - Total or partial failure or interruption of, reduction in performance of, or damage to, any electrical power supply network or telecommunications network not owned and operated by you; and
  - Any provision of coverage under this Data Compromise coverage to the extent that such provision would expose us or you to a violation of economic or trade sanctions, laws, or regulations of the United States of America or any other jurisdiction with whose laws we are legally obligated to comply.

The endorsement follows this notice. Please read the endorsement and place it with your policy. If you have any questions, please contact your State Farm agent.

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***DISCLAIMER:** This notice only provides a general summary of changes to your State Farm policy. This notice is not a statement of contract. This notice does not change, modify, or invalidate the provisions, terms, or conditions as set forth in your State Farm policy booklet, the most recently issued declarations, and any applicable endorsements.*

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### **DATA COMPROMISE**

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This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

The following is added as an Extension of Coverage under **SECTION I – EXTENSIONS OF COVERAGE**.

#### **Data Compromise**

1. We will pay for the following services and costs if there has been a "personal data compromise". The "personal data compromise" must be first discovered by you during the policy period and reported to us within 60 days after its discovery:

- a. **Legal And Forensic Information Technology Review**

Your necessary and reasonable costs for the following outside professional services:

(1) **Legal Services.** Legal review of the "personal data compromise" and how you should best respond to it.

(2) **Forensic Information Technology Services.** Information technologies review if needed to determine, within the constraints of what is reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

**b. Notification To Affected Individuals**

Your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

**c. Services To Affected Individuals**

Your necessary and reasonable costs to provide the following services to "affected individuals":

(1) **Informational Materials.** A packet of loss prevention and customer support information.

(2) **Help Line.** A toll-free telephone line for "affected individuals" with questions about the "personal data compromise" or wanting to request additional services as listed in 1.c.(3) and 1.c.(4).

(3) **Credit Report And Monitoring.** A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the "affected individual" enrolling for this service with the designated service provider.

(4) **Identity Restoration Case Management.** As respects any "affected individual" who is or appears to be a victim of "identity theft" that may reasonably have arisen from the "personal data compromise", the services of an identity restoration professional who will assist that "affected individual" through the process of correcting credit and other records and, within the constraints of what is reasonable, re-storing control over his or her personal identity.

**2. We will not, under this Extension Of Coverage, pay for any services or costs arising from any of the following:**

a. Your intentional or willful complicity in a "personal data compromise".

b. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.

c. Any "personal data compromise" occurring prior to the first inception of this endorsement. However, if you had coverage under another policy that is substantially similar to this endorsement so that your coverage as provided under this endorsement has been continuously in force with no interruption of coverage, then this exclusion will not apply to any "personal data compromise" occurring after the first inception of such coverage under the other policy.

d. Any third party liability or defense costs.

e. Except as specifically provided under coverage 1.a.(2) above, costs to research any deficiency. This includes, but is not limited to, any deficiency in your systems, procedures or physical security that may have contributed to a "personal data compromise".

f. Costs to correct any deficiency. This includes, but is not limited to, any deficiency in your systems, procedures or physical security that may have contributed to a "personal data compromise".

g. Any fines or penalties. This includes, but is not limited to, fees or surcharges from affected financial institutions.

h. Any criminal investigations or proceedings.

i. Any threat, extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance.

j. Any virus or other malicious code that is or becomes named and recognized by the CERT Coordination Center, McAfee, Secunia, Symantec or other comparable third party monitors of malicious code activity.

k. Your reckless disregard for the security of "personally identifying information" in your care, custody or control.

l. War and hostile action, including any of the following and any consequence of any of the following:

(1) Cyber warfare, whether or not occurring in combination with physical combat;

(2) Undeclared war;

(3) Civil war;



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- (4) Hostile action by military force or cyber measures, including action in hindering or defending against an actual or expected attack, by any Combatant; or
- (5) Insurrection, rebellion, revolution, usurped power, political violence or action taken by governmental authority in hindering or defending against any of these, including cyber action in connection with any of the foregoing.

For purposes of this exclusion, cyber warfare, cyber measures and cyber action include, but are not limited to, the use of disruptive digital activities against a computer network or system with the intention to cause harm in order to further political or similar objectives, or to intimidate any person in furtherance of such objectives, committed by a Combatant.

The attribution of an action to a Combatant will be determined by relying on reasonable evidence such as:

- (1) Statements by an impacted government, sovereign or other authority;
- (2) Statements by widely recognized international bodies (such as the United Nations) or alliances (such as the North Atlantic Treaty Organization); or
- (3) Consensus opinion within relevant expert communities such as the cyber security industry.

Decisions about the presence or absence of war, hostile action, and other terms used in this exclusion will take into consideration the full range of available tactics, weapons and technologies at the time of the event giving rise to the loss.

Combatant means, for purposes of this exclusion, a government, sovereign or other authority, or agents acting on their behalf.

- m. Nuclear hazard, meaning any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of these. Loss caused by the nuclear hazard shall not be considered loss caused by fire, explosion or smoke.
  - n. Total or partial failure or interruption of, reduction in performance of, or damage to, any electrical power supply network or telecommunications network not owned and operated by you including, but not limited to, satellites, the internet, internet service providers, Domain Name System (DNS) service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.
  - o. Any provision of coverage under this Data Compromise coverage to the extent that such provision would expose us or you to a violation of economic or trade sanctions, laws or regulations of the United States of America or any other jurisdiction with whose laws we are legally obligated to comply.
3. With respect to coverage provided by this endorsement:
- a. **SECTION I – EXCLUSIONS** does not apply.
  - b. The first paragraph under **SECTION I – EXTENSIONS OF COVERAGE** does not apply.
  - c. **SECTION I – DEDUCTIBLES** is replaced by the following:  
We will not pay for any costs in any one "personal data compromise" event until the amount of those costs exceed the Special Deductible shown in the Declarations for Data Compromise. You are responsible for such Special Deductible amount. We will then pay the amount of those costs in excess of the Data Compromise deductible up to the applicable Limit Of Insurance.
  - d. Paragraph 1.d.(2) of **SECTION I – CONDITIONS** is replaced by the following:  
(2) The action is brought within 2 years after the date on which the "personal data compromise" is first discovered by you.
  - e. Paragraph 2.d.(1) of **SECTION I – CONDITIONS** is replaced by the following:  
(1) The policy period is as shown in the Declarations.
  - f. The following is added to paragraph 2.d.(2) of **SECTION I – CONDITIONS**:  
An "affected individual" may reside anywhere in the world. However, the coverage and services provided under this endorsement are only applicable and available within the coverage territory.
  - g. Paragraph 7. **Other Insurance** of **SECTION I AND SECTION II – COMMON POLICY CONDITIONS** does not apply.



4. The most we will pay under this Extension of Coverage for the total of all covered costs arising out of all "personal data compromise" events which are first discovered by you during the policy period, regardless of the number of described premises, is the Limit Of Insurance for Data Compromise – Per Policy Period shown in the Declarations.

However, the most we will pay for the total of all Legal And Forensic Information Technology Review costs arising out of all "personal data compromise" events which are first discovered by you during the policy period, regardless of the number of described premises, is the Limit Of Insurance for Legal And Forensic Information Technology Review shown in the Declarations. This limit is part of, and not in addition to, the Data Compromise limit.

Coverage for **Services To Affected Individuals** is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals". Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

The amount we pay under this Extension Of Coverage is an additional amount of insurance.

A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in other policy periods. If so, all covered costs arising from such "personal data compromise" will be subject to the applicable Limit Of Insurance which applied to the policy period when the "personal data compromise" was first discovered by you.

5. With respect to coverage provided by this endorsement the following additional Conditions apply:

**a. Due Diligence**

You agree to use reasonable measures to prevent and mitigate costs covered under this endorsement. This includes, but is not limited to, complying with reasonable and industry-accepted protocols for:

- (1) Providing and maintaining appropriate physical security for your premises, computer systems and hard copy files;
- (2) Providing and maintaining appropriate computer and internet security;
- (3) Maintaining and updating at appropriate intervals backups of computer data;
- (4) Protecting transactions, such as processing credit card, debit card and check payments; and
- (5) Appropriate disposal of files, records or documents containing "personally identifying information", including shredding hard copy files and destroying physical media used to store electronic data.

**b. Legal Advice**

None of the services we provide under this coverage constitute legal advice to you.

**c. Pre-Notification Consultation**

You must consult with us prior to the issuance of notification to "affected individuals" and provide the following at such pre-notification consultation:

- (1) The exact list of "affected individuals" to be notified, including contact information;
- (2) Information about the "personal data compromise" that we agree is appropriate to be communicated with "affected individuals"; and
- (3) The scope of services that you desire for the "affected individuals".

The pre-notification consultation will, if possible, include the designated service provider(s). There is no coverage for any services promised by you to "affected individuals" prior to the pre-notification consultation.

**d. Service Providers**

- (1) We will only pay under this endorsement for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this endorsement. We will not unreasonably withhold such approval.

(2) Prior to the pre-notification consultation described in 5.c. above, you must come to agreement with us regarding the service provider(s) to be used for the Notification To Affected Individuals and Services To Affected Individuals. We will suggest a service provider. If you prefer to use an alternative service provider, our coverage is subject to the following limitations:

- (a) Such alternate service provider must be approved by us; and
- (b) Our payment for services provided by any alternative service provider will not exceed the amount that we would have paid using the service provider we had suggested.

**e. No Warranty**

There is no warranty that any review, notices, or services will:

- (1) End or solve all problems associated with a "personal data compromise"; or
- (2) Prevent future "personal data compromises".

All services may not be applicable or available for us or our designees to provide.

**6. With respect to coverage provided by this endorsement:**

- a. "Affected individual" means any person who is your current, former or prospective customer, client, member, director or employee and whose "personally identifying information" is lost, stolen, accidentally released or accidentally published by a "personal data compromise" covered under this endorsement. "Affected individual" does not include an entity other than a human being.
- b. "Identity theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information 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 used for identifying a business activity.
- c. "Personal data compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" as respects one or more "affected individuals", if such loss, theft, accidental release or accidental publication of has or could reasonably result in the fraudulent use of such information. This definition is subject to the following provisions:
  - (1) The "personally identifying information" must be in your direct care, custody or control or in the direct care, custody and control of a "property manager", at the time of its loss, theft, accidental release or accidental publication. "Personally identifying information" in your direct care, custody or control includes "personally identifying information" in the direct care, custody and control of your employees.
  - (2) "Personal data compromise" does not include loss, theft, release or publication of "personally identifying information" that is in the care, custody or control of a third party, other than a "property manager", to whom you have directly or indirectly turned over such "personally identifying information" for any reason. This includes, but is not limited to, the storage, processing, transmission or transportation of such "personally identifying information".
  - (3) "Personal data compromise" includes disposal or abandonment of "personally identifying information" without appropriate safeguards such as shredding or destruction, subject to the following:
    - (a) Your failure to use appropriate safeguards must be accidental and not reckless or deliberate; and
    - (b) Such disposal or abandonment must take place during the time period, subject to 2.c. above, for which this endorsement is effective.
  - (4) "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.
  - (5) All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be considered one "personal data compromise" event.

- d. "Personally identifying information" means information that could be used to commit fraud or other illegal activity involving the credit or identity of an "affected individual". This includes, but is not limited to, Social Security numbers or account numbers correlated with names and addresses.

"Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses with no correlated Social Security numbers or account numbers.

- e. "Property manager" means a third party who manages and operates real property owned by you for a fee.

All other policy provisions apply.

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## IMPORTANT NOTICE

### Regarding Changes to Your Policy

FE-1401 EXCLUSION – CYBER INCIDENT is added to your State Farm® policy.

The following changes to your policy are effective with this policy term:

- **EXCLUSIONS**

- **Cyber Incident:** There is no coverage for loss resulting from a cyber incident; however, if a cyber incident as described in this exclusion results in fire or explosion, we will pay for the loss to covered property caused by that fire or explosion subject to the applicable limits of insurance.

The endorsement follows this notice. Please read the endorsement and place it with your policy. If you have any questions, please contact your State Farm agent.

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***DISCLAIMER:** This notice only provides a general summary of changes to your State Farm policy. This notice is not a statement of contract. This notice does not change, modify, or invalidate the provisions, terms, or conditions as set forth in your State Farm policy booklet, the most recently issued declarations, and any applicable endorsements.*

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### EXCLUSION – CYBER INCIDENT

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This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE

The following exclusion is added:

We do not insure under any coverage for any loss which would not have occurred in the absence of one or more of the following excluded events. We do not insure for such loss regardless of: (a) the cause of the excluded event; or (b) other causes of the loss; or (c) whether other causes acted concurrently or in any sequence with the excluded event to produce the loss; or (d) whether the event occurs suddenly or gradually, involves isolated or widespread damage, arises from natural or external forces, or occurs as a result of any combination of these:

#### **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; or
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.

But if Cyber Incident results in fire or explosion, we will pay for the loss caused by that fire or explosion.

Loss caused by Cyber Incident will not be considered loss caused by vandalism.

The Cyber Incident exclusion does not apply when the Inland Marine Computer Property Form is attached to this policy, except for loss caused by or resulting from ransomware.

For the purposes of this endorsement, ransomware means any software that encrypts electronic data held within a computer system and demands a ransom payment in order to decrypt or restore such "electronic data".

All other policy provisions apply.





# State Farm® Billing and Payment Agreement

1. By paying the amount owed for an insurance policy(ies) or completing the Automated Payments Authorization, you agree to the terms and conditions of the Billing and Payment Agreement (hereafter referred to as "Agreement"), as set forth herein.
2. This Agreement is between you and State Farm Mutual Automobile Insurance Company, its subsidiaries or affiliate insurers (hereafter collectively referred to as "State Farm") that have issued an insurance policy(ies) for which premium has been paid, an attempted payment is made but is returned or the Automated Payments Authorization has been completed. This Agreement addresses the payment of premiums on State Farm insurance policy(ies). It may alter the obligation to pay the full premium(s) owed at the inception or prior to renewal of the State Farm policy(ies) should you choose to pay by installments. This Agreement is not an insurance application or insurance policy. This Agreement is intended to continue for as long as there are policies issued by State Farm and does not otherwise amend the provisions of those policies.
3. To change your payment frequency and/or method of payment, contact your State Farm agent or visit your Customer Profile and Preferences on [statefarm.com](https://statefarm.com)®. You may view your next bill amount on the State Farm mobile app or by logging in to your State Farm account.
4. Failure to pay according to the terms of this Agreement does not relieve you or anyone else of their obligation to pay premiums due on the State Farm insurance policy(ies). The State Farm insurance policy(ies) must be canceled pursuant to the policy's terms and conditions to relieve you or anyone else of their obligation to pay premiums not already paid and earned by State Farm.

## Payment frequency

5. If the option to pay by installments is chosen for a policy(ies), State Farm agrees to accept installment premium payments rather than the full premium for the entire term of the insurance policy(ies) at inception or prior to renewal of the policy(ies) as otherwise required. Available installment payment frequency options may include paying monthly (payment/deduction/charge every

month), paying half on a six-month policy or quarterly on a twelve-month policy (payment/deduction/charge every three months), or paying half on a twelve-month policy (payment/deduction/charge every six months).

In addition to paying by installments, you may also choose to pay the entire premium owed for a policy in full at the inception and prior to each renewal pursuant to the policy provisions on a six-month policy (payment/deduction/charge every six months) or pay in full at the inception and prior to each renewal pursuant to the policy provisions on a twelve-month policy (payment/deduction/charge every twelve months).

Policies being paid by installments or in full may be on the same Billing Account.

If paying by installments, you may choose the date of the month your payment is due or date of your recurring deduction/charge, as applicable. For automated payments, the date of an actual recurring deduction/charge may vary based on the processing times of the authorized financial institution, holidays, and weekends, and will be initiated on the last business day of the month a payment is due when that month does not have a 29th, 30th or 31st day and one of those days is your chosen recurring pay date. For payment by check, a payment is due on the last day of the month when that month does not have a 29th, 30th or 31st day and one of those days is your chosen pay date.

In the event of a change made during the policy term that requires additional premium to be paid prior to the next scheduled recurring payment, a non-recurring periodic payment is required. State Farm may send a billing notice at least ten days in advance of the due date of any such non-recurring periodic payment. If you have authorized automated payments, the date of the actual deduction/charge for this non-recurring periodic payment may vary based on the processing times of the authorized financial institution, holidays, and weekends.

This non-recurring periodic payment is in addition to the scheduled recurring payments and does not replace or remove the next scheduled payment.

Continuing coverage depends on you paying the full amount(s) of the billed premium amount(s) and any applicable fees as required by this Agreement.

Your selected payment frequency and chosen payment date (if applicable) for each policy will be set forth on a billing notice.

You authorize State Farm to initiate credit entries (deposits) into your designated financial account for refunds, claim payments or dividend payments rather than issuing a paper check payable to you. Until written notice to State Farm directing otherwise, your authority to electronically initiate credit entries will remain in effect until State Farm and the relevant depository institution have had reasonable opportunity to process your written notification.

You agree to accept electronic payment(s) for payments made pursuant to the insurance policy terms. You acknowledge the financial account may not be an account held by all parties with rights to receive payments under the policy. To the extent the account is not jointly owned by all parties, you agree electronic payment transmission to the selected financial account is a satisfactory method and manner for payment.

You further authorize debits or credits to the financial account resulting from reversing entries to correct erroneous transactions. You agree State Farm is not responsible for any loss or delay due to the submission of erroneous information. You understand the date of the actual payment may vary based on the processing times of the financial institution.

6. A "Billing Account" will be established with a unique account number. Your Billing Account is not a financial or banking account. All policies on a Billing Account are required to be paid on the same date and with the same payment method. A Billing Account does not provide credit or hold monetary value or create a consumer transaction.

## Fees

7. **Late Payments:** If your full payment is not received by the Due Date on your bill, you agree to pay a late payment fee of \$10, except in the following states in which no late fee has been implemented: Kentucky, Maryland and California.

**Returned payments:** If your payment is rejected by your financial institution for nonsufficient funds or a declined

debit/credit charge, you agree to pay a return payment fee of \$25 for residents in all states, except it is \$20 for residents of Colorado, Connecticut, Idaho, Indiana, New York and Utah; \$15 for residents of Florida and Nebraska; and \$10 for residents of Massachusetts.

## Payment Allocation

8. A payment made in response to a billed amount on a Billing Account will be applied until the payment is exhausted in the following order, except in Maryland and Wyoming in which a payment will be applied to outstanding and current amounts owed and then applicable fees:
  - a. Any applicable fee owed;
  - b. To the oldest outstanding amount(s) owed;
  - c. To current amount(s) owed;
  - d. To future installments as a premium credit.

Payments are processed in Eastern Time.

## Cancellation Notice

9. When a cancellation notice is issued for a policy due to non-payment of premium, the amount due on the cancellation notice will not be included on subsequent billing notices.

Any full or partial payment mailed on a policy under cancellation notice without the remittance slip from the cancellation notice will be applied to policies that are not under cancellation notice remaining on a Billing Account pursuant to the appropriate payment allocation method described in paragraph 8. The full or partial payment mailed without the remittance slip will not be applied to the policy under cancellation notice and coverage will terminate if an acceptable full payment is not made before the cancellation effective date.

If a full payment on a policy under cancellation notice is made by mail with the remittance slip from the cancellation notice, the full payment will be applied in accordance with the policy provisions and cancellation notice.

If a partial payment on a policy under cancellation notice is made by mail with the remittance slip from the cancellation notice, the partial payment amount will be returned, as full payment is needed. Coverage will terminate for the policy under cancellation notice and coverage will terminate if an acceptable full payment is not made before the cancellation effective date.

For purposes of this paragraph 9, "a policy under cancellation notice" means a policy that has been issued a cancellation notice due to non-payment of premium.

For purposes of this paragraph 9, "full payment" means a payment amount equaling the amount indicated as being owed on the issued cancellation notice.

For purposes of this paragraph 9, "partial payment" means a payment amount less than the amount indicated as being owed on the issued cancellation notice.

For purposes of this paragraph 9, "remittance slip" means the portion of the cancellation notice that indicates it needs to be removed and returned to State Farm with the full payment.

**Premium Credit**

- 10. Unless otherwise required by law, if a premium credit is generated on a policy, the credit will first be applied against the future amount owed on the policy. If credit remains after applying it to the policy generating the credit or the policy generating the credit has terminated, the credit will be applied to other amounts currently owed

for another policy(ies) on the Billing Account or applied toward an amount owed at a future date. A premium credit that is not used to pay amounts owed will be refunded to the named payor.

- 11. State Farm has the right, upon sending notification, to change the terms and conditions of this Agreement including your frequency and method of payment.
- 12. Any fee and earned premium paid are not refundable.
- 13. This Agreement does not in any way affect the terms and conditions of the Automated Payments Authorization form or policy provisions unless otherwise noted.

<sup>1</sup>State Farm refers to the listed entities but could include future entities that may offer this Agreement. Please note that a currently listed entity may also stop offering this Agreement.

- State Farm Mutual Automobile Insurance Company
- State Farm Indemnity Company
- State Farm Fire and Casualty Company
- State Farm General Insurance Company
- State Farm Life Insurance Company (Not licensed in MA, NY or WI)
- State Farm Life and Accident Assurance Company (Licensed in NY and WI)
- State Farm Guaranty Insurance Company
- State Farm Florida Insurance Company
- State Farm Lloyds
- State Farm County Mutual Insurance Company of Texas
- State Farm Classic Insurance Company

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