

406000010110000001000012012

000012



9450 Seward Road
Fairfield, OH 45014-5456

RECEIVED
JAN 2 7 2022

EL DORADO COUNTY TRANSPORTATION
2828 EASY ST
PLACERVILLE CA 95667



Liberty Mutual. INSURANCE

9450 Seward Road
Fairfield, OH 45014-5456

00012

TO: EL DORADO COUNTY TRANSPORTATION
2828 EASY ST
PLACERVILLE CA 95667



Liberty Mutual. INSURANCE

Policyholder Information

Named Insured & Mailing Address	Agent Mailing Address & Phone No.
EL DORADO COUNTY TRANSPORTATION COMMISSION 2828 EASY ST PLACERVILLE, CA 95667	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY PO BOX 1117 PLACERVILLE, CA 95667-1117

Your Commercial Documents

THIS IS NOT A BILL

Dear Policyholder:

We know you work hard to build your business. We work together with your agent, **ISU INS SVCS-ATWOOD AGENCY** **(530) 626-2533** to help protect the things you care about. Thank you for selecting us.

Enclosed are your insurance documents consisting of:

- Commercial Package

To find your specific coverages, limits of liability, and premium, please refer to your Declarations page(s).

If you have any questions or changes that may affect your insurance needs, please contact your Agent at (530) 626-2533

Reminders

- Verify that all information is correct
- If you have any changes, please contact your Agent at (530) 626-2533
- In case of a claim, call your Agent or 1-844-325-2467

You Need To Know

• CONTINUED ON NEXT PAGE

You Need To Know - continued

- **NOTICE(S) TO POLICYHOLDER(S)**
  The Important Notice(s) to Policyholder(s) provide a general explanation of changes in coverage to your policy. The Important Notice(s) to Policyholder(s) is not a part of your insurance policy and it does not alter policy provisions or conditions. Only the provisions of your policy determine the scope of your insurance protection. It is important that you read your policy carefully to determine your rights, duties and what is and is not covered.

FORM NUMBER	TITLE
CNI90 11 07 18	Reporting A Commercial Claim 24 Hours A Day
CNI90 18 09 21	Important Message About Your Policy - New Policy Definition
NP 72 42 02 20	Terrorism Insurance Premium Disclosure And Opportunity To Reject
NP 74 06 01 06	Flood Insurance Notice
NP 74 44 09 06	U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders
NP 74 50 01 07	Important Audit Information
NP 91 13 03 12	Important Notice to California Policyholders Broadenings,Potential Reductions and Reinforcement of Coverage Property Extension Plus (CP 88 10 12 12)
NP 91 28 11 12	Important Notice to Policyholders - Commercial Computer Coverage
NP 91 89 02 13	Important Information Consumer Affairs Policyholder Notice
NP 91 91 02 13	Important Policyholder Information Concerning Billing Practices - California
NP 96 00 10 14	General Liability Access Or Disclosure Of Confidential Or Personal Information Exclusions Advisory Notice To Policyholders
NP 98 20 01 15	Jurisdictional Boiler And Pressure Vessel Inspections
SNI04 01 12 20	Liberty Mutual Group California Privacy Notice

- This policy will be direct billed. You may choose to combine any number of policies on one bill with your billing account. Please contact your agent for more information.

REPORTING A COMMERCIAL CLAIM 24 HOURS A DAY

Liberty Mutual Insurance claims professionals across the United States are ready to resolve your claim quickly and fairly, so you and your team can focus on your business. Our claims teams are specialized, experienced and dedicated to a high standard of service.

We're Just a Call Away - One Phone Number to Report All Commercial Insurance Claims

Reporting a new claim has never been easier. A Liberty Mutual customer service representative is available to you 24/7 at 1 (844) 325-2467 for reporting new property, auto, liability and workers' compensation claims. With contact centers strategically located throughout the country for continuity and accessibility, we're there when we're needed!

Additional Resource for Workers' Compensation Customers

In many states, employers are required by law to use state-specific workers compensation claims forms and posting notices. This type of information can be found in the Policyholders Toolkit section of our website along with other helpful resources such as:

- Direct links to state workers compensation websites where you can find state-specific claim forms
- Assistance finding local medical providers
- First Fill pharmacy forms - part of our managed care pharmacy program committed to helping injured workers recover and return to work

Our Policyholder Toolkit can be accessed at **www.libertymutualgroup.com/toolkit.**

For all claims inquiries please call us at 1 (844) 325-2467 .

© 2018 Liberty Mutual Insurance

IMPORTANT MESSAGE ABOUT YOUR POLICY - NEW POLICY DEFINITION

We take our responsibility to our customers seriously, and part of that responsibility is always keeping you informed.

Recently, we added an Actual Cash Value endorsement and are providing you with a copy in this packet. A new definition for Actual Cash Value is added to your policy with this endorsement.

Reviewing Your Coverage

Please review your new endorsement and keep it with your policy.

We're Here to Help

Thank you for trusting us with your insurance needs. If you have any questions, please contact your company representative at the telephone number listed on your Policy Declarations and a member of our team will be happy to help.

The summary above is for information purposes only and does not provide coverage. Your new Declarations Page, in conjunction with your policy and other applicable endorsements, provides complete details of your coverages. If this summary conflicts with the applicable policy language, the policy language prevails.

© 2021 Liberty Mutual Insurance

01/21/22

EL DORADO COUNTY TRANSPORTATION
COMMISSION
2828 EASY ST
PLACERVILLE, CA 95667

BKS (23) 56 40 19 44
From 03/07/2022 To 03/07/2023

(530) 626-2533
ISU INS SVCS-ATWOOD AGENCY

PO BOX 1117
PLACERVILLE, CA 95667-1117

TERRORISM INSURANCE PREMIUM DISCLOSURE AND OPPORTUNITY TO REJECT

This notice contains important information about the Terrorism Risk Insurance Act and its effect on your policy. Please read it carefully.

THE TERRORISM RISK INSURANCE ACT

The Terrorism Risk Insurance Act, including all amendments ("TRIA" or the "Act"), establishes a program to spread the risk of catastrophic losses from certain acts of terrorism between insurers and the federal government. If an individual insurer's losses from "certified acts of terrorism" exceed a specified deductible amount, the government will generally reimburse the insurer for a percentage of losses (the "Federal Share") paid in excess of the deductible, but only if aggregate industry losses from such acts exceed the "Program Trigger". An insurer that has met its insurer deductible is not liable for any portion of losses in excess of $100 billion per year. Similarly, the federal government is not liable for any losses covered by the Act that exceed this amount. If aggregate insured losses exceed $100 billion, losses up to that amount may be pro-rated, as determined by the Secretary of the Treasury.

Beginning in calendar year 2020, the Federal Share is 80% and the Program Trigger is $200,000,000.

MANDATORY OFFER OF COVERAGE FOR "CERTIFIED ACTS OF TERRORISM" AND DISCLOSURE OF PREMIUM

TRIA requires insurers to make coverage available for any loss that occurs within the United States (or outside of the U.S. in the case of U.S. missions and certain air carriers and vessels), results from a "certified act of terrorism" AND that is otherwise covered under your policy.

A "certified act of terrorism" means:

> [A]ny 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
>
> **(i)** to be an act of terrorism;
>
> **(ii)** to be a violent act or an act that is dangerous to
> - **(I)** human life;
> - **(II)** property; or
> - **(III)** infrastructure;
>
> **(iii)** to have resulted in damage within the United States, or outside of the United States in the case of
> - **(I)** an air carrier (as defined in section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or
> - **(II)** the premises of a United States mission; and

© 2020 Liberty Mutual Insurance

(iv) 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.

REJECTING TERRORISM INSURANCE COVERAGE - WHAT YOU MUST DO

We have included in your policy coverage for losses resulting from "certified acts of terrorism" as defined above.

THE PREMIUM CHARGE FOR THIS COVERAGE APPEARS ON THE DECLARATIONS PAGE OF THE POLICY AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT. If we are providing you with a quote, the premium charge will also appear on your quote as a separate line item charge.

IF YOU CHOOSE TO REJECT THIS COVERAGE, PLEASE CHECK THE BOX BELOW, SIGN THE ACKNOWLEDGMENT, AND RETURN THIS FORM TO YOUR AGENT: **Please ensure any rejection is received within thirty (30) days of the effective date of your policy.**

Before making a decision to reject terrorism insurance, refer to the Disclaimer for Standard Fire Policy States located at the end of this Notice.

☐ I hereby reject this offer of coverage. I understand that by rejecting this offer, I will have no coverage for losses arising from "certified acts of terrorism" and my policy will be endorsed accordingly.

Policyholder/Applicant's Signature	Print Name	Date Signed

Named Insured

EL DORADO COUNTY TRANSPORTATION COMMISSION

Policy Number

BKS (23) 56 40 19 44

Policy Effective/Expiration Date

From 03/07/2022 To 03/07/2023

IF YOU REJECTED THIS COVERAGE, PLEASE RETURN THIS FORM TO YOUR AGENT.

Note: Certain states (currently CA, GA, IA, IL, ME, MO, NY, NC, NJ, OR, RI, WA, WI and WV) mandate coverage for loss caused by fire following a "certified act of terrorism" in certain types of insurance policies. If you reject TRIA coverage in these states on those policies, you will not be charged any additional premium for that state mandated coverage.

The summary of the Act and the coverage under your policy contained in this notice is necessarily general in nature. Your policy contains specific terms, definitions, exclusions and conditions. In case of any conflict, your policy language will control the resolution of all coverage questions. Please read your policy carefully.

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

© 2020 Liberty Mutual Insurance

FLOOD INSURANCE NOTICE

Unless a Flood Coverage endorsement is attached, your policy does not provide flood coverage and you will **not** have coverage for property damage from floods unless you purchase a separate policy for flood insurance through the Federal Emergency Management Agency (FEMA) National Flood Insurance Program.

If you would like more information about obtaining coverage under the National Flood Insurance Program, please contact your agent.

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

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

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

Please refer any questions you may have to your insurance agent.

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

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

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

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

© 2011 Liberty Mutual Insurance. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Important Notice
Notice to Policyholders

This explanation is not a part of your insurance policy, and it does not alter any of its provisions or conditions.

Please refer any questions you may have to your insurance agent.

We would like to thank you for being a policyholder. We appreciate your business.

If your policy contains a condition stating it is subject to a premium audit we would like to take this opportunity to explain how the audit process works and answer the most common questions we receive from our policyholders. The information in this notice will make it easier for you to prepare for your audit.

Insurance Premium Audit Facts

Audits can benefit our policyholders by allowing us to collect the appropriate amount of premium for each policy.

Most commercial policies are written based on estimated or fluctuating exposure bases. At the end of the policy term an audit will determine the actual exposure bases and the premium will be adjusted accordingly. A company representative will conduct the audit.

The premium auditor will examine and audit records that relate to your policy. The records necessary to complete the audit will vary, based on the coverages you have. Types of records that may be requested for your audit include, but are not limited to:

- Payroll Records, including 941 forms
- Sales Journals or income statements
- General Ledger
- Cash Disbursements Journal
- Subcontractor Certificates

Keeping accurate and complete records will allow the auditor to properly classify and allocate your exposures correctly. Often there are allowable credits available according to insurance manual classification and rating rules. The premium auditor will be able to give you the credits, to which you are entitled, if your records provide the necessary details. Providing the records your auditor needs can save you time and money as well as expedite the audit process.

How Audits are Conducted

Audits are handled in different ways, depending on the types of coverages you may have. We conduct audits in the following ways:

Physical Audit - An auditor will contact you and set up a convenient time to personally come to your business and review your records.

Phone Audit -Forms will be mailed to you, explaining what is necessary to complete a phone audit. The phone auditor will contact you or your bookkeeper for this information.

Voluntary Audit - Forms will be mailed to you for completion. We will provide you with contact information if you need assistance in completing the forms.

Completing the audit

Many states have enacted legislation that governs the time in which an audit must be completed, billed and paid. This applies to audits for cancelled policies as well as regular audits. In order to comply with state regulations, it is important to make your records available for audit when our representative contacts you. We will make every effort to complete the audit within a reasonable time after the close of the policy period stated in your policy.

Frequently Asked Questions
Q: What if I use subcontractors?

A: Subcontractors are factored in to the audit process. Subcontractors who do not have insurance are treated as though they are your employees at the time of the audit. If your subcontractor furnishes you with a certificate of liability or workers' compensation insurance, your insurance cost for that subcontractor could be less. See your policy for details on limits of insurance required for certificates.

Q: I have no employees and work alone. Does the insurance company still need to complete an audit?

A: Yes. The auditor will need to verify you worked alone by examining business records that may include tax filings, disbursements, and check stubs.

Q: Do I need an audit if I have cancelled my policy or am no longer insured with you?

A: An audit may still be necessary even if you no longer have an active policy with us. The audit would cover the time period for which you were insured by us. Other factors that may determine if an audit is necessary include the time the policy was in effect and the amount of premium involved.

Q: If I use leased employees but the leasing company carries the liability, are the leased employees excluded from my General Liability policy?

A: No. The manual rules stipulate that all leased employees are covered on the insured's policy.

Q: Is it necessary to keep records on any casual labor I use?

A: Yes. Casual labor payroll is examined during the audit.

Q: What happens if I do not comply with the audit and fail to provide all necessary records and verification?

A: It's important to provide the necessary information in order to complete the audit. If you fail to do so, your policy may be cancelled or nonrenewed. You may also receive an estimated audit statement based on increased policy exposure estimates due to non- compliance of audit.

If you would like additional information about the policy audit process, your independent agent can assist you. The Premium Audit Department is also available to answer any questions you may have regarding this process.

Please contact us at 1-888-224-9246 or via E-mail at PremiumAuditServices@libertymutual.com

NOTICE TO CALIFORNIA POLICYHOLDERS

BROADENINGS, RESTRICTIONS AND CLARIFICATIONS OF COVERAGE

Property Extension Plus (CP 88 10 12 12)

Dear Valued Policyholder,

Thank you for selecting us as your carrier for your commercial insurance. This notice contains a brief summary of the coverage changes made to your policy. These changes reflect a variety of changes we have made to our coverage extension endorsements.

This notice does not reference every editorial change made to the endorsement or coverage form, only material (or significant) coverage changes.

Please read your policy and review your declarations page for complete coverage information. No coverage is provided by this notice, nor can it be construed to replace any provisions of your policy. If there are discrepancies between your policy and this notice, the provisions of the policy shall prevail.

Should you have questions after reviewing the changes outlined below, please contact your independent agent. Thank you for your business.

Expiring Form	Expiring Form Number	New Form	New Form Number
Property Gold Endorsement	GECP 907 08 07	Property Extension Plus	CP 88 10 12 12

BROADENINGS OF COVERAGE

- Accounts Receivable - Away from Your Premises: $25,000 per occurrence coverage is provided.
- Appurtenant Structures: $50,000 Building coverage per location and $5,000 Business Personal Property coverage per location is provided.
- Brands and Labels: $25,000 coverage per location is provided.
- Business Income and Extra Expense: $50,000 coverage per location is added.
- Coinsurance - Direct Damage: Coinsurance is waived on losses $10,000 or less for coverages provided by Building and Personal Property Coverage Form, unless Agreed Value option is activated.
- Coinsurance - Time Element: Coinsurance does not apply to Business Income and Extra Expense coverage extension. If coverage is provided by Business Income Coverage Form, coinsurance applies unless Agreed Value or non-coinsurance option activated.
- Computer Equipment: $30,000 coverage per location is provided. Covered causes of loss include mechanical and electrical breakdown, earthquake and flood.
- Computer Equipment - Extra Expense: $7500 coverage per location is added. Consequential Loss: Coverage is not limited to pairs or sets.
- Dies/Patterns/Molds/Forms: No theft limitation applies.
- Extended Business Income: Coverage for 60 consecutive days is added.
- Lock Replacement: $2500 per occurrence coverage is added.
- Manufacturers Selling Price: The valuation loss condition is changed to include finished "stock" you manufacture.
- Newly Acquired or Constructed Property - Period of Coverage: The number of days is changed to 180.
- Ordinance or Law - Demolition/Increased Cost of Construction: The combined limit is $200,000 per location.
- Preservation of Property: The number of days is changed to 90.

© 2012 Liberty Mutual Agency Corporation. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

- Property Off-Premises: The limit of insurance is changed to $50,000 per location. $5,000 coverage in any one policy year for electronic data in transit is added.
- Real Property of Others Required by Contract: The limit of insurance is changed to $20,000 per location and applies to all covered causes of loss.
- Salesperson Samples: $5,000 per salesperson in any one occurrence coverage is added.
- Utility Services Interruption - Business Income: $25,000 per occurrence coverage is added.
- Water Seepage: $10,000 coverage in any one policy year is added.

LIMIT INCREASES

- Arson or Theft Reward: The limit of insurance is changed from $10,000 to $25,000 per location.
- Back-up of Sewers or Drains: The limit of insurance is changed from $10,000 to $25,000 per location.
- Extra Expense: The limit of insurance is changed from $10,000 to $50,000 per location.
- Fine Arts: The limit of insurance is changed from $5,000 to $25,000 coverage per location.
- Fire Department Service Charge: The limit of insurance is changed from $5,000 to $10,000 per location.
- Fire Protective Devices: The limit of insurance is changed from $5,000 to $25,000.
- Loss of Refrigeration: The limit of insurance is changed from $5,000 to $25,000 per occurrence.
- Outdoor Property: The limit of insurance is changed from $5,000 to $25,000 per occurrence.
- Outdoor Signs (Attached and Detached): The limit of insurance is changed from $5,000 to $10,000 per sign per occurrence.
- Personal Effects and Property of Others: The limit of insurance is changed from $10,000 to $25,000.
- Special Valuation Provision: The limit of insurance is changed from $2,500 to $5,000.
- Utility Services Interruption - Direct Damage: The limit of insurance is changed from $5,000 to $25,000 per occurrence.

RESTRICTIONS OF COVERAGE

- Additional Covered Property: Bridges exceeding 30 feet in length are excluded. Retaining walls two feet or higher used to contain water or protect against wave action or storm surges are excluded.
- Back-up of Sewers or Drains: Losses due to flood are excluded. Coverage applies only to direct physical loss or damage.
- Consequential Loss: The limit of insurance is changed to $25,000 per location.
- Money Orders and Counterfeit Money: The limit of insurance is changed to $2,500 and coverage is subject to the policy deductible.
- Utility Services Interruption - Business Income: Losses due to above ground power transmission or distribution lines are excluded.
- Utility Services Interruption - Direct Damage: Losses due to above ground power transmission or distribution lines are excluded.

CLARIFICATIONS OF COVERAGE

- Property Extension Plus (CP 88 10 12 12) is used only with the Causes of Loss - Special Form.

© 2012 Liberty Mutual Agency Corporation. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

IMPORTANT NOTICE TO POLICYHOLDERS
COMMERCIAL COMPUTER COVERAGE

Dear Valued Policyholder,

Thank you for selecting us as your carrier for your commercial insurance. This notice contains a brief summary of the coverage changes made to your policy resulting from adopting a new format for this policy.

The changes outlined below are organized by policy section. This notice does not reference every editorial change made to the coverage form, only material (or significant) coverage changes. Please read your policy and review your declarations page for complete coverage information. No coverage is provided by this notice, nor can it be construed to replace any provisions of your policy. If there are discrepancies between your policy and this notice, the policy provisions shall prevail.

Should you have questions after reviewing the changes outlined below, please contact your independent agent.

Thank you for your business.

Expiring Form	Expiring Form Number	New Form	New Form Number
Computer Coverage Or Electronic Data Processing Coverage	IM 72 01 1.0 IM 7201 06 01 IM 7201 10 02 Or IM 72 00 1.0 IM 7200 06 01 IM 7200 10 02	Commercial Computer Coverage Form Broad Form	CM 88 02 04 08

I. BROADENING OF COVERAGE

- PROPERTY COVERED
  - Computer equipment includes equipment that is used to maintain or service the building.
- PROPERTY NOT COVERED
  - Money and Securities is no longer included as property not covered
- COVERED CAUSES OF LOSS
  - Covered causes are extended to clarify that Loss caused by computer virus is included.
- COVERAGE EXTENSIONS
  - Expense to recharge fire protective equipment is covered up to $25,000
  - Cellular Phones and Laptop Computers Off- Premises are added for $5,000 in coverage.
  - Covered Property at Trade Shows, Fairs, or Exhibitions is added for $25,000 for Equipment and $5,000 for Software.
  - Property in Transit coverage is extended to $100,000 for Equipment and $10,000 Software. Transit is defined as a vehicle you own, lease or operate; employee's vehicle; or carrier for hire.
  - Duplicates in storage is covered for up to $50,000 (this is broader than the IM7201)
  - Computerized Production Equipment is included with a $10,000 limit.
  - Extra Expense expands coverage to include damage to the building itself, the air conditioning system or the electrical system that services the covered property. $5,000 is the most paid (this is broader than the IM7201); however, there is now a separate Business Income form available for higher limits. CM 88 00 04 08.

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

- EXCLUSIONS
  - The exclusion for corrosion, rust, dampness or dryness, cold or heat adds coverage resulting from direct physical loss to the air conditioning system that services the data processing equipment if caused by a Covered Cause of Loss.
  - Off-Premises Power Failure exclusion is not indicated on CM 88 02
- DEDUCTIBLE
  - Deductible does not apply to "loss" to surge protection devices if there is no "loss" to other covered items.
- COVERAGE TERRITORY

  Coverage applies to cellular phones and lap top computers located anywhere in the world.
- VALUATION
  - In the event of a total loss to Equipment, replacement will be supplied with an upgrade where it performs the same function as the equipment lost or damaged. We will not pay more than the current replacement cost (new) of the original equipment plus an additional 15% for this upgrade.
  - Software Valuations include either Replacement Cost or Actual Cash Value.

II. CLARIFICATION CHANGES

- EXCLUSIONS
  - Acts of Destruction is extended under Employee Dishonesty to include adding computer viruses to software by your employees.
  - Pollutant exclusion includes discharge, dispersal, seepage, migration, release or escape of "pollutants".
  - Programming errors or faulty machine instructions includes inability of computer equipment or software to recognize, process, distinguish, interpret or accept one or more dates or times.
  - Faulty, inadequate or defective: design, specifications, workmanship, or repair, materials used in repair, or maintenance are identified.
  - Wear and Tear includes obsolescence or depreciation.

III. RESTRICTIVE FEATURES

- PROPERTY NOT COVERED

  There are three additional items not covered:
  - Covered Property held for Sale by You
  - Property of Others on which You are performing repairs or work
  - Computerized production equipment including related software
- COVERAGE EXTENSIONS
  - Debris Removal is 25% of amount paid for direct physical loss plus the deductible or $25,000, whichever is less.
  - Newly Acquired Property coverage is provided up to $100,000 for Equipment and $10,000 for Software.
  - Extra Expense is limited to $5,000 (this is a reduction from the IM7200). However, there is now a separate Business Income form available for higher limits. CM 88 00 04 08
- EXCLUSIONS

  Adds your neglect in protecting the Covered Property at time of and after any "loss" as an exclusion.

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Expiring Form	Expiring Form Number	New Form	New Form Number
Loss of Income Endorsement	IM 72 15 1.0 IM 7215 06 01	Commercial Computer Business Income Coverage Extension	CM 88 00 04 08

I. BROADENING OF COVERAGE

- LIMIT OF INSURANCE

  You may select a limit of Business Income insurance for any one occurrence. The most we will pay for Loss of Business Income is the lesser of the selected limit or the amount of loss sustained during a number of consecutive months immediately following the direct physical "loss".

II. CLARIFICATION CHANGES

- Resumption of Operations - we will reduce the amount of your Business Income loss to the extent you can resume your "operations," in whole or in part by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere. If you do not resume "operations" or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.
- Limitations clarifies that we will not pay for any increase of Business Income loss due to delay in rebuilding, repairing or replacing the property or resuming "operations," due to interference at the location by strikers or other persons; or due to Suspension, lapse or cancellation of any lease, license, contract or order unless the lapse or cancellation is caused by the suspension of "operations".

III. RESTRICTIVE FEATURES

- COVERED CAUSES OF LOSS
  - Business income is only provided if there is direct damage to the hardware or software. There is no coverage if the premises is damaged and that damage prevents the insured from using the covered hardware and software. There is no coverage if there is a civil authority that denies access to the premises.

© 2012 Liberty Mutual Insurance

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

IMPORTANT INFORMATION

Consumer Affairs - California

Because of the complicated nature of the insurance business, there may be times when you will have questions regarding your coverage or the premium charged, or a problem may occur with your policy. If this occurs we urge you to contact either your agent or broker to answer your question or resolve your problem. However, if you are unable to receive a satisfactory answer or resolution to your problem, please contact us directly:

American Fire and Casualty Company
Ohio Security Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

1-800-688-8661

If you are still not satisfied, you may contact the following State Agency:

California Department of Insurance
300 South Spring Street
Los Angeles, CA 90013

Toll Free Number: 1-800-927-HELP (Calif. only)

© 2013 Liberty Mutual Insurance

IMPORTANT POLICYHOLDER INFORMATION CONCERNING BILLING PRACTICES - CALIFORNIA

Dear Valued Policyholder: This insert provides you with important information about our policy billing practices that may affect you. Please review it carefully and contact your agent if you have any questions.

Premium Notice: We will mail you a policy Premium Notice separately. The Premium Notice will provide you with specifics regarding your agent, the account and policy billed, the billing company, payment plan, policy number, transaction dates, description of transactions, charges/credits, policy amount balance, minimum amount, and payment due date. This insert explains fees that may apply to and be shown on your Premium Notice.

Available Premium Payment Plans:

- **Annual Payment Plan:** When this plan applies, you have elected to pay the entire premium amount balance shown on your Premium Notice in full. No installment billing fee applies when the Annual Payment Plan applies.
- **Installment Payment Plan:** When this plan applies, you have elected to pay your policy premium in installments (e.g.: quarterly or monthly installments - Installment Payment Plans vary by state). As noted below, an installment fee may apply when the Installment Payment Plan applies.

The Premium Payment Plan that applies to your policy is shown on the top of your Premium Notice. Please contact your agent if you want to change your Payment Plan election.

Installment Payment Plan Fee: If you elected to pay your premiums in installments using the Installment Premium Payment Plan, an installment billing fee applies to each installment bill. The installment billing charge will not apply, however, if you pay the entire balance due when you receive the bill for the first installment. Because the amount of the installment charge varies from state to state, please consult your Premium Notice for the actual fee that applies.

Dishonored Payment Fee: Your financial institution may refuse to honor the premium payment withdrawal request you submit to us due to insufficient funds in your account or for some other reason. If that is the case, and your premium payment withdrawal request is returned to us dishonored, a payment return fee will apply. Because the amount of the return fee varies from state to state, please consult your Premium Notice for the actual fee that applies.

Late Payment Fee: If we do not receive the minimum amount due on or before the date or time the payment is due, as indicated on your Premium Notice, you will receive a policy cancellation notice effective at a future date that will also reflect a late payment fee charge. Issuance of the cancellation notice due to non-payment of a scheduled installment(s) may result in the billing and collection of all or part of any outstanding premiums due for the policy period. Late Payment Fees vary from state to state and are not applicable in some states.

Special Note: Please note that some states do not permit the charging of certain fees. Therefore, if your state does not allow the charging of an Installment Payment Plan, Dishonored Payment or Late Payment Fee, the disallowed fee will not be charged and will not be included on your Premium Notice.

EFT-Automatic Withdrawals Payment Option: When you select this option, you will not be sent Premium Notices and, in most cases, will not be charged installment fees. For more information on our EFT-Automatic Withdrawals payment option, refer to the attached policyholder plan notice and enrollment sheet.

Schedule of Fees

Type of Fee		**Fee Amount**
Installment Payment Plan	Non Recurring Payment Option	$10.00
	EFT-Automatic Withdrawals Payment Option	$0.00
Dishonored Payment		$20.00
Late Payment		$25.00

Once again, please contact your agent if you have any questions about the above billing practice information.

Thank you for selecting us to service your insurance needs.

© 2013 Liberty Mutual Insurance

GENERAL LIABILITY ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION EXCLUSIONS

ADVISORY NOTICE TO POLICYHOLDERS

Dear Valued Policyholder,

Thank you for selecting us as your carrier for your commercial insurance. Your renewal policy contains an exclusion regarding access or disclosure of personal information. There is more than one version of the exclusion and each is described below. Please note that not all of the forms or changes noted may apply to your specific policy. Any of the forms described in this notice may have comparable state specific forms in lieu of the forms mentioned below. In those situations, the title of the state forms on your policy will generally be very similar to one or more titles mentioned in this notice.

The changes described below would also apply to those state specific forms, unless noted otherwise. In addition, this notice does not reference every change made to the endorsements or coverage forms, only material (or significant) changes.

Please read your policy and review your declarations page for complete coverage information. No coverage is provided by this notice, nor can it be construed to replace any provisions of your policy. If there are discrepancies between your policy and this notice, the provisions of the policy shall prevail. Should you have questions after reviewing the changes outlined below, please contact your broker or agent. Thank you for your business.

With respect to bodily injury and property damage arising out of access or disclosure of confidential or personal information, these changes are a reinforcement of coverage intent. Damages related to data breaches, and certain data-related liability, are not intended to be covered by various liability coverage parts. These types of damages may be more appropriately covered under certain coverage endorsements providing data compromise, attack and extortion and network security liability.

CG 21 06 05 14 - Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability - With Limited Bodily Injury Exception (For Use With The Commercial General Liability Coverage Part)

When this endorsement is attached to your policy:

- Under Coverage **A** - Bodily Injury And Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.
- Under Coverage **B** - Personal And Advertising Injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

CG 21 07 05 14 - Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability - Limited Bodily Injury Exception Not Included (For Use With The Commercial General Liability Coverage Part)

When this endorsement is attached to your policy:

- Under Coverage **A** - Bodily Injury And Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage. However, when this endorsement is attached, it will result in a reduction of coverage due to the deletion of an exception with respect to damages because of bodily injury arising out of loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

© 2014 Liberty Mutual Insurance

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

- Under Coverage **B** - Personal And Advertising Injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

CG 21 08 05 14 - Exclusion - Access Or Disclosure Of Confidential Or Personal Information (Coverage B Only) (For Use With The Commercial General Liability Coverage Part)

When this endorsement is attached to your policy, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

CG 04 37 05 14 - Electronic Data Liability (For Use With The Commercial General Liability Coverage Part)

With respect to damages arising out of access or disclosure of confidential or personal information, when this endorsement is attached to your policy:

- Under Coverage **A** - Bodily Injury And Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.
- Under Coverage **B** - Personal And Advertising Injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

CG 33 53 05 14 - Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability - With Limited Bodily Injury Exception (For Use With The Owners And Contractors Protective Liability Coverage Part and Products/Completed Operations Coverage Part)

When this endorsement is attached to your policy, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.

CG 33 59 05 14 - Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability - Limited Bodily Injury Exception Not Included (For Use With The Owners And Contractors Protective Liability and Products/Completed Operations Liability Coverage Parts)

When this endorsement is attached to your policy, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.

However, when this endorsement is attached, it will result in a reduction of coverage due to the deletion of an exception with respect to damages because of bodily injury arising out of loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

CG 33 63 05 14 - Exclusion - Access, Disclosure Or Unauthorized Use Of Electronic Data (For Use With The Electronic Data Liability Coverage Part)

With respect to damages arising out of access or disclosure of confidential or personal information, when this endorsement is attached to your policy coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.

However, to the extent that damages arising out of theft or unauthorized viewing, copying, use, corruption, manipulation or deletion, of electronic data by any Named Insured, past or present employee, temporary worker or volunteer worker of the Named Insured may extend beyond loss of electronic data arising out of such theft or the other listed items, this revision may be considered a reduction in coverage.

© 2014 Liberty Mutual Insurance

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

JURISDICTIONAL BOILER AND PRESSURE VESSEL INSPECTIONS

Most jurisdictions (cities or states) are governed by laws and regulations that require owners of boilers and pressure vessels to have their equipment inspected on a routine basis. Jurisdictions require that equipment is installed and operated according to these regulations, and it is the equipment breakdown engineering inspector's responsibility to verify the equipment complies with all requirements.

Liberty Mutual Equipment Breakdown is a National Board Accredited Authorized Inspection Agency. This designation is recognized by authorities having jurisdictions in the U.S. & provinces of Canada and gives Liberty Mutual commissioned inspectors the ability to perform jurisdictionally required inspection on boilers and pressure vessels at insured locations. We have field inspectors strategically located throughout the U.S. to perform boiler and pressure vessel inspection for our customers and clients.

To request a Jurisdictional Inspection please:

- **Call the LMEB Hotline (877) 526-0020**

Or

- **Email your request to LMEBInspections@Libertymutual.com**

The assigned EB Risk Engineer will call to schedule within 24 - 48 hours. When requesting an inspection please include the following:

- Current Policy Number
- Location Address
- Contact Name
- Contact Phone Number and/or Email Address

© 2015 Liberty Mutual Insurance

LIBERTY MUTUAL GROUP CALIFORNIA PRIVACY NOTICE
Commercial Lines (excluding Workers' Compensation)
(Effective December 15, 2020)

Liberty Mutual Group and its affiliates, subsidiaries, and partners (collectively "Liberty Mutual" or "we", "us" and "our") provide insurance to companies and other insurers. This Privacy Notice explains how we gather, use, and share your data. This Privacy Notice applies to you if you are a **Liberty Mutual commercial line insured or are a commercial line claimant residing in California**. It does not apply to covered employees or claimants under Workers' Compensation policies. If this notice does not apply to you, go to libertymutual.com/privacy to review the applicable Liberty Mutual privacy notice.

What Data Does Liberty Mutual Gather?

We may collect the following categories of data:

- **Identifiers**, including a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security Number, driver's license number, or other similar identifiers;
- **Personal information described in California Civil Code § 1798.80(e)**, such as your name, signature, Social Security Number, physical characteristics or description, address, telephone number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, financial information, medical information, or health insurance information;
- **Protected classification characteristics**, including age, race, color, national origin, citizenship, religion or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related medical conditions), sexual orientation, or veteran or military status;
- **Commercial information**, including records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories and tendencies;
- **Internet or other similar network activity**, including browsing history, search history, information on a consumer's interaction with a website, application, or advertisement;
- **Professional or employment related information**, including current or past job history or performance evaluations;
- **Inferences drawn from other personal information**, such as a profile reflecting a person's preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities, and aptitudes;
- **Risk data**, including data about your driving and/or accident history; this may include data from consumer reporting agencies, such as your motor vehicle records and loss history information, health data, or criminal convictions; and
- **Claims data**, including data about your previous and current claims, which may include data regarding your health, criminal convictions, third party reports, or other personal data.

For information about the types of personal data we have collected about California consumers in the past twelve (12) months, please go to libertymutual.com/privacy and click on the link for the California Supplemental Privacy Policy.

How We Get the Personal Data:

We gather your personal data **directly from you**. For example, you provide us with data when you:	We also gather your personal data **from other people** . For example:
• ask about, buy insurance or file a claim	• your insurance agent or broker
• pay your policy	• your employer, association or business (if you are insured through them)

© 2020 Liberty Mutual Insurance

• visit our websites, call us, or visit our office	• our affiliates or other insurance companies about your transactions with them
	• consumer reporting agencies, Motor Vehicle Departments, and inspection services, to gather your credit history, driving record, claims history, or value and condition of your property
	• other public directories and sources
	• third parties, including other insurers, brokers and insurance support organizations who you have communicated with about your policy or claim, anti-fraud databases, sanctions lists, court judgments and other databases, government entities, open electoral register, advertising networks, data analytics providers, social networks, data brokers or in the event of a claim, third parties including other parties to the claim witnesses, experts, loss adjustors and claim handlers
	• other third parties who take out a policy with us and are required to provide your data such as when you are named as a beneficiary or where a family member has taken out a policy which requires your personal data

For information about how we have collected personal data in the past twelve (12) months, please go to libertymutual.com/privacy and click on the link for the California Supplemental Privacy Policy.

How Does Liberty Mutual Use My Data?

Liberty Mutual uses your data to provide you with our products and services, and as otherwise provided in this Privacy Notice. Your data may be used to:

Business Purpose	Data Categories
Market, sell and provide insurance. This includes for example: • calculating your premium; • determining your eligibility for a quote; • confirming your identity and service your policy;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Manage your claim. This includes, for example: • managing your claim, if any; • conducting claims investigations; • conducting medical examinations; • conducting inspections, appraisals; • providing roadside assistance; • providing rental car replacement or repairs;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information

© 2020 Liberty Mutual Insurance

	• Risk data • Claims data
Day to Day Business and Insurance Operations. This includes, for example: • creating, maintaining, customizing and securing accounts; • supporting day-to-day business and insurance related functions; • doing internal research for technology • development; • marketing and creating products and services; • conducting audits related to a current contact with a consumer and other transactions; • as described at or before the point of gathering personal data or with your authorization;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Security and Fraud Detection. This includes for example: • detecting security issues; • protecting against fraud or illegal activity, and to comply with regulatory and law enforcement authorities; • managing risk and securing our systems, help to ensure the safety and security of Liberty staff, assets and resources, which • may include physical and virtual access controls and access rights management; • supervisory controls and other monitoring and reviews, as permitted by law; and • emergency and business continuity management;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Regulatory and Legal Requirements. This includes for example: • controls and access rights management; • to evaluate or conduct a merger, divestiture, restructuring, reorganization, dissolution, or other sale or transfer of some or all of • Liberty's assets, whether as a going concern or as part of bankruptcy, liquidation, or similar proceeding, in which personal data held by Liberty is among the assets transferred; • exercising and defending our legal rights and positions; • to meet Liberty contract obligations; • to respond to law enforcement requests and as required by applicable law, court order, or governmental regulations; • as otherwise permitted by law.	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data

© 2020 Liberty Mutual Insurance

Improve Your Customer Experience and Our Products. This includes for example: • improve your customer experience, our products and service; • to provide, support, personalize and develop our website, products and services; • create and offer new products and services;	• Identifiers • Personal Information • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Analytics to identify, understand and manage our risks and products. This includes for example: • conducting analytics to better identify, understand and manage risk and our products;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Customer service and technical support. This includes for example: • answer questions and provide notifications; • provide customer and technical support;	• Identifiers • Personal Information • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data

How Does Liberty Mutual Share My Data?

Liberty Mutual does not sell your personal data as defined by the California Consumer Privacy Act.

Liberty Mutual shares personal data of California consumers with the following categories of third parties:

- Liberty Mutual affiliates;
- Service Providers;
- Insurance support organizations;
- Brokers and agents;
- Government entities and institutions (e.g. regulatory, quasi-regulatory, tax or other authorities, law enforcement agencies, courts, arbitrational bodies, and fraud prevention agencies);
- Professional advisors including law firms, accountants, auditors, and tax advisors;
- Advertising networks, data analytics providers and social networks;
- Insurers, re-insurers, policy holders, and claimants; and
- As permitted by law.

Liberty Mutual shares the following categories of personal data regarding California consumers to service providers for business purposes:

Identifiers
Protected Classification Characteristics;
Internet or other similar network activity;
Inferences drawn from other personal information;
Professional, employment, and education information;
Personal Data;
Commercial Information;
Claims Data;
Risk Data;

© 2020 Liberty Mutual Insurance

For information about how we have shared personal information in the past twelve (12) months, please go to libertymutual.com/privacy and click on the link for the California Supplemental Privacy Policy.

What Privacy Rights Do I Have?

The California Consumer Privacy Act provides California residents with specific rights regarding personal information. These rights are subject to certain exceptions. Our response may be limited as permitted under law. For more information on your rights, please go to libertymutual.com/privacy and click on the link for the California Supplemental Privacy Policy.

Will Liberty Mutual Update This Privacy Notice?

We reserve the right to makes changes to this notice at any time and for any reason. The updated version of this policy will be effective once it is accessible. You are responsible for reviewing this policy to stay informed of any changes or updates.

Who Do I Contact Regarding Privacy?

If you have any questions or comments about this Notice or the Supplemental CCPA Notice, your rights, or are requesting the Notice in an alternative format, please do not hesitate to contact Liberty Mutual at:

Phone:	800-344-0197
Email:	privacy@libertymutual.com
Postal Address:	Liberty Mutual Insurance Company Attn Privacy Office 175 Berkeley St 6th Floor Boston MA 02116

© 2020 Liberty Mutual Insurance

This page intentionally left blank.

Liberty Mutual INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Common Policy Declarations

Named Insured & Mailing Address	Agent Mailing Address & Phone No.
EL DORADO COUNTY TRANSPORTATION COMMISSION 2828 EASY ST PLACERVILLE, CA 95667	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY PO BOX 1117 PLACERVILLE, CA 95667-1117

Named Insured Is: OTHER

Named Insured Business Is: TRANSPORTATION COMMITTEE

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

SUMMARY OF COVERAGE PARTS AND CHARGES

This policy consists of this Common Policy Declarations page, Common Policy Conditions, Coverage Parts (which consist of coverage forms and other applicable forms and endorsements, if any, issued to form a part of them) and any other forms and endorsements issued to be part of this policy.

COVERAGE PART	CHARGES
Commercial Property	$1,317.00
Commercial Inland Marine	$224.00
Commercial General Liability	$738.00
Employee Benefits Liability	$193.00

Total Charges for all of the above coverage parts: ***$2,472.00***
Certified Acts of Terrorism Coverage: $145.00 ***(Included)***

Note: This is not a bill

IMPORTANT MESSAGES

- This policy is auditable. Please refer to the conditions of the policy for details or contact your agent.
- Notice: The Employment-Related Practices Exclusion CG 21 47 is added to this policy to clarify there is no coverage for liability arising out of employment-related practices. Please read this endorsement carefully.

Issue Date 01/21/22

Authorized Representative

To report a claim, call your Agent or 1-844-325-2467

DS 70 21 11 16

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Common Policy Declarations

Named Insured	Agent
EL DORADO COUNTY TRANSPORTATION COMMISSION 2828 EASY ST PLACERVILLE, CA 95667	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY PO BOX 1117 PLACERVILLE, CA 95667-1117

SUMMARY OF LOCATIONS

This policy provides coverage for the following under one or more coverage parts. Please refer to the individual Coverage Declarations Schedules, or, the individual Coverage Forms for locations or territory definition for that specific Coverage Part.

0001 2828 Easy St, Placerville, CA 95667-3952

POLICY FORMS AND ENDORSEMENTS

This section lists the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

FORM NUMBER	TITLE
CG 00 01 04 13	Commercial General Liability Coverage Form - Occurrence
CG 20 11 04 13	Additional Insured - Managers Or Lessors Of Premises
CG 21 06 05 14	Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability - With Limited Bodily Injury Exception
CG 21 47 12 07	Employment-Related Practices Exclusion
CG 21 67 12 04	Fungi or Bacteria Exclusion
CG 21 70 01 15	Cap on Losses from Certified Acts of Terrorism
CG 21 76 01 15	Exclusion of Punitive Damages Related to a Certified Act of Terrorism

In witness whereof, we have caused this policy to be signed by our authorized officers.

Mark Touhey
Secretary

David Long
President

To report a claim, call your Agent or 1-844-325-2467
DS 70 21 11 16

Common Policy Declarations

Named Insured	Agent
EL DORADO COUNTY TRANSPORTATION COMMISSION 2828 EASY ST PLACERVILLE, CA 95667	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY PO BOX 1117 PLACERVILLE, CA 95667-1117

POLICY FORMS AND ENDORSEMENTS - CONTINUED

This section lists all of the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

FORM NUMBER	TITLE
CG 21 88 01 15	Conditional Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act)
CG 24 26 04 13	Amendment of Insured Contract Definition
CG 80 08 10 09	Employee Benefits Liability Coverage Form
CG 84 99 01 12	Non-Cumulation Of Liability Limits Same Occurrence
CG 85 15 09 03	Exclusion - Professional Services
CG 88 10 04 13	Commercial General Liability Extension
CG 88 60 12 08	Each Location General Aggregate Limit
CG 88 62 04 13	Additional Insured - Blanket Vendors
CG 88 77 12 08	Medical Expense At Your Request Endorsement
CG 88 86 12 08	Exclusion - Asbestos Liability
CG 90 41 01 13	Amendment Of Coverage B Personal And Advertising Injury
CG 91 22 10 14	Data Security Coverage - Data Compromise, Attack & Extortion and Network Security Liability
CM 00 01 09 04	Commercial Inland Marine Conditions
CM 88 02 04 08	Commercial Computer Coverage Form
CM 88 10 02 10	Earthmovement Exclusion
CP 00 10 04 02	Building and Personal Property Coverage Form
CP 00 30 04 02	Business Income (and Extra Expense) Coverage Form
CP 00 90 07 88	Commercial Property Conditions
CP 01 40 07 06	Exclusion of Loss Due to Virus or Bacteria
CP 04 49 02 20	California Changes - Replacement Cost
CP 10 30 04 02	Causes of Loss - Special Form
CP 10 32 08 08	Water Exclusion Endorsement
CP 12 18 06 95	Loss Payable Provisions

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Common Policy Declarations

Named Insured	Agent
EL DORADO COUNTY TRANSPORTATION COMMISSION 2828 EASY ST PLACERVILLE, CA 95667	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY PO BOX 1117 PLACERVILLE, CA 95667-1117

POLICY FORMS AND ENDORSEMENTS - CONTINUED

This section lists all of the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

FORM NUMBER	TITLE
CP 72 97 04 02	Equipment Breakdown Enhancement Endorsement - Special Form
CP 88 04 03 10	Removal Permit
CP 88 10 12 12	Property Extension Plus
CP 90 58 05 17	California Changes - Increased Cost Of Construction
CP 90 59 12 12	Identity Theft Administrative Services and Expense Coverage
CP 92 01 05 17	Property Anti-Stacking Endorsement
CP 92 12 12 20	Cyber Incident Exclusion
IL 00 03 09 08	Calculation of Premium
IL 00 17 11 98	Common Policy Conditions
IL 00 21 09 08	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
IL 01 02 02 20	California Changes - Actual Cash Value
IL 01 04 07 20	California Changes
IL 02 70 07 20	California Changes - Cancellation And NonRenewal
IL 09 35 07 02	Exclusion of Certain Computer-Related Losses
IL 09 52 01 15	Cap On Losses From Certified Acts Of Terrorism
IL 09 96 01 07	Conditional Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism (Relating to Dispostion of Federal Terrorism Risk Insurance Act)
IL 88 15 07 12	Conditional Exclusion of Terrorism - Involving Nuclear, Biological or Chemical Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act)
IL 88 36 01 15	Cap On Losses From Certified Acts Of Terrorism
IL 88 38 01 15	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
IL 88 54 11 20	Actual Cash Value
LC 87 10 05 00	Punitive or Exemplary Damages Exclusion
NP 74 26 04 13	Notice to Policyholder Fully Earned Minimum Premium Endorsements

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Commercial Property Declarations

Named Insured	**Agent**
EL DORADO COUNTY TRANSPORTATION COMMISSION	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY

SUMMARY OF CHARGES

Explanation of Charges	**DESCRIPTION**	**PREMIUM**
	Property Schedule Totals	$1,199.00
	Certified Acts of Terrorism Coverage	$118.00
	Total Advance Charges:	*$1,317.00*

Note: This is not a bill

To report a claim, call your Agent or 1-844-325-2467

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Commercial Property Declarations Schedule

Named Insured	Agent
EL DORADO COUNTY TRANSPORTATION COMMISSION	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY

SUMMARY OF PROPERTY COVERAGES - BY LOCATION

Insurance at the described premises applies only for coverages for which a limit of insurance is shown. Optional coverages apply only when entries are made in this schedule.

0001 2828 Easy St, Placerville, CA 95667-3952

Property Characteristics

Description:

Construction: Frame

Tenants Improvements and Betterments Coverage

Occupancy: Contractors - Office

Description	
Limit of Insurance - Replacement Cost	$59,031
Coinsurance	90%
Covered Causes of Loss	
Special Form - Including Theft	
Deductible - All Covered Causes of Loss Unless Otherwise Stated	$500
Premium	***$123.00***

To report a claim, call your Agent or 1-844-325-2467

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time at Insured Mailing Location

Commercial Property Declarations Schedule

Named Insured	**Agent**
EL DORADO COUNTY TRANSPORTATION COMMISSION	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY

SUMMARY OF PROPERTY COVERAGES - BY LOCATION

Continuation of 2828 Easy St, Placerville, CA 95667-3952

Your Business Personal Property Coverage

Occupancy: Contractors - Office

Description	
Limit of Insurance - Replacement Cost Including Stock	$196,244
Coinsurance	80%
Covered Causes of Loss	
Special Form - Including Theft	
Deductible - All Covered Causes of Loss Unless Otherwise Stated	$500
Premium	***$562.00***

Business Income and Extra Expense Coverage

Description	
Limit of Insurance - Including Rental Value	$130,328
Coinsurance	100%
Covered Causes of Loss	
Special Form - Including Theft	
Premium	***$228.00***

Equipment Breakdown Coverage

This Equipment Breakdown insurance applies to the coverages shown for this location. The Equipment Breakdown limit(s) of insurance and deductible are included in, and not in addition to, the limits and deductible shown for the Building, Your Business Personal Property, Your Business Personal Property of Others, Tenants Improvements and Betterments, Business Income and Extra Expense, Business Income Without Extra Expense, and Extra Expense coverages.

Premium ***$24.00***

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Commercial Property Declarations Schedule

Named Insured	**Agent**
EL DORADO COUNTY TRANSPORTATION COMMISSION	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY

SUMMARY OF OTHER PROPERTY COVERAGES

Identity Theft Administrative Services And Expense Coverage	Description		
	Limit of Insurance	See Endorsement CP9059	
		Premium	*$12.00*
Property Extension Endorsement	Description		
	Property Extension Plus		$250.00
		Premium	*$250.00*
Commercial Property Schedule Total:			**$1,199.00**

To report a claim, call your Agent or 1-844-325-2467

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Commercial Inland Marine Declarations

Named Insured	**Agent**
EL DORADO COUNTY TRANSPORTATION COMMISSION	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY

SUMMARY OF CHARGES

Explanation of Charges	**DESCRIPTION**	**PREMIUM**
	Computer Equipment	$206.00
	Commercial Inland Marine Schedule Totals	$206.00
	Certified Acts of Terrorism Coverage	$18.00
	Total Advance Charges:	*$224.00*

Note: This is not a bill

To report a claim, call your Agent or 1-844-325-2467

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Commercial Inland Marine Declarations Schedule

Named Insured

EL DORADO COUNTY TRANSPORTATION COMMISSION

Agent

(530) 626-2533
ISU INS SVCS-ATWOOD AGENCY

COMMERCIAL COMPUTER COVERAGE

COVERED PREMISES

Prem. No.	PREMISES
0001	2828 Easy St, Placerville, CA 95667

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Commercial Inland Marine Declarations Schedule

Named Insured

EL DORADO COUNTY TRANSPORTATION COMMISSION

Agent

(530) 626-2533
ISU INS SVCS-ATWOOD AGENCY

COMMERCIAL COMPUTER COVERAGE

PREMISES LIMITS

Valuation: Replacement Cost

	Limit
0001 Prem. No.	$ 50,000
EQUIPMENT	
All Covered Property in Any One Occurrence	$ 50,000
SOFTWARE	
All Covered Property in Any One Occurrence	$
EXTRA EXPENSE	
All Covered Property in Any One Occurrence	$
DEDUCTIBLE	$ 500

This page intentionally left blank.

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Commercial General Liability Declarations

Basis: Occurrence

Named Insured	Agent
EL DORADO COUNTY TRANSPORTATION COMMISSION	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY

SUMMARY OF LIMITS AND CHARGES

Commercial General Liability Limits of Insurance

DESCRIPTION	LIMIT
Each Occurrence Limit	1,000,000
Damage To Premises Rented To You Limit (Any One Premises)	500,000
Medical Expense Limit (Any One Person)	15,000
Personal and Advertising Injury Limit	1,000,000
General Aggregate Limit (Other than Products - Completed Operations)	2,000,000
Products - Completed Operations Aggregate Limit	2,000,000

Explanation of Charges

DESCRIPTION	PREMIUM
General Liability Schedule Totals	731.00
Certified Acts of Terrorism Coverage	7.00

Total Advance Charges: *$738.00*

Note: This is not a bill

To report a claim, call your Agent or 1-844-325-2467

Liberty Mutual INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time at Insured Mailing Location

Commercial General Liability Declarations Schedule

Named Insured	**Agent**
EL DORADO COUNTY TRANSPORTATION COMMISSION	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY

SUMMARY OF CLASSIFICATIONS - BY LOCATION

0001 2828 Easy St, Placerville, CA 95667-3952

Insured: EL DORADO COUNTY TRANSPORTATION

CLASSIFICATION - 61226
Buildings Or Premises - Office NOC - For Profit
Products-Completed Operations Are Subject To The General Aggregate Limit.

COVERAGE DESCRIPTION	PREMIUM BASED ON -	RATED / PER 1,000	PREMIUM
Premise/Operations	2,900 Square Feet Of Area	161.561	$469.00
		Total:	*Included*

SUMMARY OF OTHER COVERAGE

COVERAGE DESCRIPTION		PREMIUM
	Data Security Coverage	$126.00
CG20110413	Additional Insured - Managers or Lessors of Premises	$54.00
CG88620413	Additional Insured - Blanket Vendors	$82.00

Commercial General Liability Schedule Total **$731.00**

To report a claim, call your Agent or 1-844-325-2467

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time
at Insured Mailing Location

Employee Benefits Liability Declarations

Basis: Claims Made

This insurance does not apply to any negligent act, error, or omission that occurs before the retroactive date **03/07/2005**, if any shown. Read your coverage form carefully.

Named Insured	**Agent**
EL DORADO COUNTY TRANSPORTATION COMMISSION	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY

SUMMARY OF LIMITS AND CHARGES

Employees Benefits Liability Limits of Insurance

DESCRIPTION	LIMIT
Each Employee Limit	1,000,000
Aggregate Limit	1,000,000

This Coverage is subject to a $1,000. per claim deductible

Explanation of Charges

DESCRIPTION	PREMIUM
Employee Benefits	191.00
Certified Acts of Terrorism Coverage	2.00

Total Advance Charges: *$193.00*

Note: This is not a bill

To report a claim, call your Agent or 1-844-325-2467

Liberty Mutual. INSURANCE

Coverage Is Provided In:
Ohio Security Insurance Company - a stock company

Policy Number:
BKS (23) 56 40 19 44
Policy Period:
From 03/07/2022 To 03/07/2023
12:01 am Standard Time at Insured Mailing Location

Employee Benefits Liability Declarations Schedule

Named Insured	**Agent**
EL DORADO COUNTY TRANSPORTATION COMMISSION	(530) 626-2533 ISU INS SVCS-ATWOOD AGENCY

SUMMARY OF CLASSIFICATIONS

Insured: EL DORADO COUNTY TRANSPORTATION

CLASSIFICATION - 73124
Employee Benefits Liability - Claims Made

COVERAGE DESCRIPTION	PREMIUM BASED ON -	RATED / PER EACH	PREMIUM
Employee Benefits Liability	25 Employee(s)	.337	$8.00
Minimum Premium Adjustment			$183.00
		Total:	*Included*

Employee Benefits Liability Schedule Total **$191.00**

To report a claim, call your Agent or 1-844-325-2467

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

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

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

SECTION I - COVERAGES

COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

(1) The amount we will pay for damages is limited as described in Section **III** - Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

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

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

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

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

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

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

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

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

 © Insurance Services Office, Inc., 2012

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

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

2. **Exclusions**

This insurance does not apply to:

a. **Expected Or Intended Injury**

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

b. **Contractual Liability**

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

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. **Liquor Liability**

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

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

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

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

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

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

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

d. **Workers' Compensation And Similar Laws**

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

e. **Employer's Liability**

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

© Insurance Services Office, Inc., 2012

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

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

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

f. Pollution

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

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

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

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

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

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

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

(i) Any insured; or

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

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

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

© Insurance Services Office, Inc., 2012

the operations being performed by such insured, contractor or subcontractor;

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

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

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

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

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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

g. Aircraft, Auto Or Watercraft

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

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

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

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

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

(b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

© Insurance Services Office, Inc., 2012

h. Mobile Equipment

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

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

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

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

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

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

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

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

k. Damage To Your Product

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

l. Damage To Your Work

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

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

m. Damage To Impaired Property Or Property Not Physically Injured

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

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

© Insurance Services Office, Inc., 2012

n. Recall Of Products, Work Or Impaired Property

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

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

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

o. Personal And Advertising Injury

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

p. Electronic Data

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

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

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

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

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

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

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

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

COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III** - Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

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

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

© Insurance Services Office, Inc., 2012

2. **Exclusions**

This insurance does not apply to:

a. **Knowing Violation Of Rights Of Another**

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

b. **Material Published With Knowledge Of Falsity**

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

c. **Material Published Prior To Policy Period**

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

d. **Criminal Acts**

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

e. **Contractual Liability**

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

f. **Breach Of Contract**

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

g. **Quality Or Performance Of Goods - Failure To Conform To Statements**

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

h. **Wrong Description Of Prices**

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

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

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

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

j. **Insureds In Media And Internet Type Businesses**

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

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web sites for others; or

(3) An Internet search, access, content or service provider.

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

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

k. **Electronic Chatrooms Or Bulletin Boards**

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

l. **Unauthorized Use Of Another's Name Or Product**

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

m. **Pollution**

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

© Insurance Services Office, Inc., 2012

n. Pollution-related

Any loss, cost or expense arising out of any:

(1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

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

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

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

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

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

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

COVERAGE C - MEDICAL PAYMENTS

1. Insuring Agreement

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

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(a) The accident takes place in the "coverage territory" and during the policy period;

(b) The expenses are incurred and reported to us within one year of the date of the accident; and

(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

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

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

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

© Insurance Services Office, Inc., 2012

c. Injury On Normally Occupied Premises

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

d. Workers' Compensation And Similar Laws

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

e. Athletics Activities

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

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage **A.**

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

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

   These payments will not reduce the limits of insurance.
2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
   a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
   b. This insurance applies to such liability assumed by the insured;
   c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
   d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
   e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
   f. The indemnitee:
      (1) Agrees in writing to:
         (a) Cooperate with us in the investigation, settlement or defense of the "suit";
         (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
         (c) Notify any other insurer whose coverage is available to the indemnitee; and
         (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

 © Insurance Services Office, Inc., 2012

(2) Provides us with written authorization to:

(a) Obtain records and other information related to the "suit"; and

(b) Conduct and control the defense of the indemnitee in such "suit".

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

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

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:
   a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
   b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
   c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
   d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
   e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
   a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
      (1) "Bodily injury" or "personal and advertising injury":
         (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
         (b) To the spouse, child, parent, brother or sister of that co- "employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
         (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(1)(a)** or **(b)** above; or
         (d) Arising out of his or her providing or failing to provide professional health care services.
      (2) "Property damage" to property:
         (a) Owned, occupied or used by;
         (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

      you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

© Insurance Services Office, Inc., 2012

b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

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

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

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

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

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

a. Medical expenses under Coverage **C**;

b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

c. Damages under Coverage **B**.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to Paragraph **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

a. Damages under Coverage **A**; and

b. Medical expenses under Coverage **C**

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

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

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. **Bankruptcy**

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

© Insurance Services Office, Inc., 2012

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

   a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

      (1) How, when and where the "occurrence" or offense took place;

      (2) The names and addresses of any injured persons and witnesses; and

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

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

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

      (2) Notify us as soon as practicable.

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

   c. You and any other involved insured must:

      (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

      (2) Authorize us to obtain records and other information;

      (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

      (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

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

3. **Legal Action Against Us**

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

   a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

   b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

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

4. **Other Insurance**

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

   a. **Primary Insurance**

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

   b. **Excess Insurance**

      (1) This insurance is excess over:

         (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

            (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

            (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

            (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

            (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** - Coverage **A** - Bodily Injury And Property Damage Liability.

© Insurance Services Office, Inc., 2012

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

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

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

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

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

c. Method Of Sharing

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

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

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

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

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

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

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

© Insurance Services Office, Inc., 2012

SECTION V - DEFINITIONS

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

   However "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
   a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
   b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or
   c. All other parts of the world if the injury or damage arises out of:
      (1) Goods or products made or sold by you in the territory described in Paragraph **a.** above;
      (2) The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business; or
      (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

   provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
   a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
   b. You have failed to fulfill the terms of a contract or agreement;

   if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
   a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
   b. A sidetrack agreement;
   c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
   d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
   e. An elevator maintenance agreement;

© Insurance Services Office, Inc., 2012

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

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

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

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

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

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

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

 © Insurance Services Office, Inc., 2012

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

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

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

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

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

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; or

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

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

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

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

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

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

© Insurance Services Office, Inc., 2012

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

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

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

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

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

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

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

21. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

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

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

© Insurance Services Office, Inc., 2012

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Part of Premises Leased:
2828 EASY STREET PLACERVILLE, CA 95667

Name Of Person(s) Or Organization(s) (Additional Insured):
MICHAEL E PETERSEN
SHARON F PETERSEN
670 VIA MONTANOSA

PLACERVILLE, CA 95667

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. **Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

© Insurance Services Office, Inc., 2012

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

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

Damages arising out of:

(1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

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

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

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

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

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

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

 © Insurance Services Office, Inc., 2013

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT - RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to:

"Bodily injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a)**, **(b)** or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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

This insurance does not apply to:

"Personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in paragraphs **(a)**, **(b)** or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a)**, **(b)** or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

© ISO Properties, Inc., 2006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2., Exclusions

This insurance does not apply to:

Fungi or Bacteria

a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

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

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.

b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

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

©ISO Properties, Inc., 2003

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

A. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

© Insurance Services Office, Inc., 2015

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM

This endorsement modifies insurance provided under the following:

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

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM PUNITIVE DAMAGES

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

B. The following definition is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

© Insurance Services Office, Inc., 2015

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

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

A. Applicability Of The Provisions Of This Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
   a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Part or Policy; or
   b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:
      (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or
      (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
      (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
2. If the provisions of this endorsement become applicable, such provisions:
   a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and

 © Insurance Services Office, Inc., 2015

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

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

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

1. "Terrorism" means activities against persons, organizations or property of any nature:
   a. That involve the following or preparation for the following:
      (1) Use or threat of force or violence; or
      (2) Commission or threat of a dangerous act; or
      (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
   b. When one or both of the following applies:
      (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
      (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
2. "Any injury or damage" means any injury or damage covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or Policy.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

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

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

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

© Insurance Services Office, Inc., 2015

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF INSURED CONTRACT DEFINITION

This endorsement modifies insurance provided under the following:

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

The definition of "insured contract" in the **Definitions** section is replaced by the following:

"Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

b. A sidetrack agreement;

c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

© Insurance Services Office, Inc., 2012

EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

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

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

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

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

SECTION I - COVERAGE

EMPLOYEE BENEFITS LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any negligent act, error or omission of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of a negligent act, error or omission and settle any "claim" or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III** - Limits of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Coverage Part.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **3.** Supplementary Payments.

b. This insurance applies to damages only if:

(1) The negligent act, error or omission is committed in the "administration" of your "employee benefit program";

(2) The negligent act, error or omission did not occur before the Retroactive Date, if any, shown in the Declarations nor after the end of the policy period; and

(3) A "claim" for damages because of a negligent act, error or omission is first made against any insured, in accordance with Paragraph **c.** below, during the policy period or any Extended Reporting Period we provide under Section **VI** - Extended Reporting Periods.

c. A "claim" by a person or organization seeking damages will be deemed to have been made at the earlier of the following times:

(1) When notice of such "claims" is received and recorded by any insured or by us, whichever comes first; or

(2) When we made settlement in accordance with Paragraph **1.a.** above.

d. All "claims" for damages because of any negligent act, error or omission causing loss to a given "employee", including damages claimed by such "employee's" dependents and beneficiaries, will be deemed to have been made at the time the first of those "claims" is made against any insured.

©2009 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, with its permission.

2. **Exclusions**

This insurance does not apply to:

a. Damages arising out of any dishonest, fraudulent, criminal or malicious act committed by any insured;

b. "Bodily injury", "property damage" or "personal and advertising injury";

c. Any "claim" for failure of performance of contract or negligence by any insurer or health maintenance organization, including financial failure or insolvency of an "employee benefit program";

d. Any "claim" based on your failure to comply with the mandatory provision of any law concerning workers compensation, unemployment insurance, social security or disability benefits;

e. Any "claim" based on failure of stock, other investment, savings or insurance plans to perform as represented by any insured;

f. Any "claim" based on advice given by any insured to participate or not to participate in stock subscription plans other investment, savings or insurance plans;

g. Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974 (ERISA) as now or hereafter amended;

h. Loss arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program";

i. Any "claim" for benefits to the extent that such benefits are available with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance; or

j. Any "claim" alleging discrimination.

3. **Supplementary Payments**

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

a. All expenses we incur.

b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or "suit" including actual loss of earnings up to $250 a day because of time off from work.

d. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

e. Pre-judgement interest awarded against the insured on that part of the judgement we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any pre-judgement interest based on that period of time after the offer.

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

These payments will not reduce the limits of insurance.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insured, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

©2009 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, with its permission.

2. Each of the following is also an insured:
   a. Your "employees" authorized to administer your "employee benefit program."
   b. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
   a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
   b. Coverage does not apply to any negligent act, error or omission that occurred before you acquired or formed the organization.

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

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
   a. Insureds;
   b. "Claims" made or "suits" brought;
   c. Persons or organizations making "claims" or bringing "suits";
   d. Negligent acts, error or omissions which result in loss; or
   e. Benefits included in your "employee benefit program."
2. The Aggregate Limit is the most we will pay for the sum of all damages because of negligent acts, errors or omission committed in the "administration" of your "employee benefit program".
3. Subject to **2.** above the Each Employee Limit is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:
   a. A negligent act, error or omission; or
   b. A series of negligent acts, errors or omissions

   committed in the "administration" of your "employee benefit program".

However, the amount paid under this coverage part shall not exceed, and will be subject to the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

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

SECTION IV - DEDUCTIBLE

1. Our obligation to pay damages on your behalf applies only to the amount of damages in excess of any deductible amount stated in the Declarations.
2. The Limits of Insurance applicable to each claim for such coverage will be reduced by the amount of such deductible. However, the Aggregate Limit will not be reduced by the application of the deductible amount.

©2009 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, with its permission .

3. The terms of this insurance, including those with respect to:
   a. Our right and duty to defend the insured against any "suits" seeking those damages; and
   b. Your duties in the event of negligent act, error or omission, "claim" or "suit"

   apply irrespective of the application of the deductible amount.
4. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

SECTION V - CONDITIONS

1. **Bankruptcy**

   Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.
2. **Duties In The Event Of A Negligent Act, Error or Omission, Claim Or Suit**
   a. You must see to it that we are notified as soon as practicable of any negligent act, error or omission which may result in a "claim". To the extent possible, notice should include:
      (1) What the negligent act, error, or omission was and when it occurred; and
      (2) The names and addresses of anyone who may suffer damages as a result of the negligent act, error or omission.
   b. If a "claim" is made or "suit" is brought against any insured, you must:
      (1) Immediately record the specifics of the "claim" and the date received; and
      (2) Notify us as soon as practicable.

      You must see to it that we receive written notice of the "claim" as soon as practicable.
   c. You and any other involved insured must:
      (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or a "suit";
      (2) Authorize us to obtain records and other information;
      (3) Cooperate with us in the investigation, settlement or defense of the "claim" or a "suit"; and
      (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of a negligent act error or omission to which this insurance may also apply.
   d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
3. **Legal Action Against Us**

   No person or organization has a right under this Coverage Part:
   a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
   b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

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

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

©2009 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, with its permission .

a. Primary Insurance

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

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to negligent acts, errors or omissions on other than a claims-made basis, if:

(1) No Retroactive Date is shown in the Declarations of this insurance; or

(2) The other insurance has a policy period which continues after the Retroactive Date shown in the Declarations of this insurance;

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

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

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

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

c. Method Of Sharing

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

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

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

©2009 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, with its permission.

7. **Separation Of Insureds**

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

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom "claim" is made or "suit" is brought.

8. **Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. **When We Do Not Renew**

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

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

10. **Your Right To Claim Information**

We will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding Employee Benefit Liability Claims-Made Coverage Part we have issued to you during the previous three years:

a. A list or other record of each negligent act, error or omission to which this insurance applies, not previously reported to any other insurer, of which we were notified in accordance with Paragraph **2.a.** of this Section. We will include the date and brief description of the negligent act, error or omission if that information was in the notice we received.

b. A summary by policy year, of payments made and amounts reserved, stated separately, under any applicable Aggregate Limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

You must not disclose this information to any claimant or any claimant's representative without our consent.

If we cancel or elect not to renew this Coverage Part, we will provide such information no later than 30 days before the date of policy termination. In other circumstances, we will provide this information only if we receive a written request from the first Named Insured within 60 days after the end of the policy period. In this case, we will provide this information within 45 days of receipt of the request.

We compile claims information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

SECTION VI - EXTENDED REPORTING PERIODS

1. We will provide one or more Extended Reporting Periods, as described below, if:

a. This Coverage Part is canceled or not renewed; or

b. We renew or replace this Coverage Part with insurance that has a Retroactive Date later than the date shown in the Declarations of this Coverage Part.

©2009 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, with its permission.

2. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" for a negligent act, error or omission that occurs before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations.

   Once in effect, Extended Reporting Periods may not be canceled.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:

   a. Five years with respect to "claims" arising out of a negligent act, error or omission reported to us, not later than 60 days after the end of the policy period, in accordance with Paragraph **2.a.** of the Section **V** - Duties In The Event Of a Negligent Act, Error or Omission, Claim Or Suit Condition;

   b. Sixty days for all other "claims".

   The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims."

4. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.

5. A Supplemental Extended Reporting Period of five years is available, for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in Paragraph **3.** above, ends.

   You must give us a written request for the Supplemental Extended Reporting Period within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

   We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

   a. The exposures insured;

   b. Previous types and amounts of insurance;

   c. Limits of Insurance available under this Coverage Part for future payment of damages; and

   d. Other related factors.

   The additional premium will not exceed 100% of the annual premium for this Coverage Part.

   Any insurance afforded for "claims" first received during the Supplemental Extended Reporting Period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

SECTION VII - DEFINITIONS

1. "Administration" means:

   a. Giving counsel to with respect to the "employee benefit program";

   b. Interpreting the "employee benefit program";

   c. Handling of records in connection with the "employee benefit program"; or

   d. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program"

   performed by a person authorized by the Named Insured to perform such services.

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

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Cafeteria plans" means plans authorized by the Internal Revenue Service under Section 125 which allow employees to elect to pay for certain benefits with pre-tax dollars.

©2009 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, with its permission.

5. "Claim" means any demand or "suit", made by anyone for damages as the result of a negligent act, error or omission.
6. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
7. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled or retired. "Employee" includes a "leased worker". "Employee" does not include a" temporary worker".
8. "Employee benefit program" means the following benefits:
   a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; flexible spending accounts; and "cafeteria plans" provided that no one other than an "employee" may subscribe to such benefits;
   b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefit and such benefits are made generally available to all "employees" who are eligible for such benefits.
   c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;
   d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family and civil leave; tuition assistance plans; transportation and health club subsidies.
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
11. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
   a. False arrest, detention or imprisonment;
   b. Malicious prosecution;
   c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
   d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
   e. Oral or written publication of material that violates a person's right of privacy;
   f. The use of another's advertising idea in your "advertisement"; or
   g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
12. "Property damage" means:
   a Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
   b. Loss of use of tangible property that is not physically injured.
13. "Suit" means a civil proceeding in which damages because of a negligent act, error or omission to which this insurance applies are alleged. "Suit" includes:
   a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
   b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
14. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short term workload conditions.

©2009 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NON-CUMULATION OF LIABILITY LIMITS (SAME OCCURRENCE)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to Paragraph **5.** under **Section III - Limits Of Insurance:**

Non-Cumulation of Liability - Same Occurrence - If one "occurrence" causes "bodily injury" or "property damage" during the policy period and during the policy period of one or more prior, or future, general liability policies issued to you by us, then this policy's Each Occurrence Limit will be reduced by the amount of each payment made by us under the other policies because of such "occurrence."

"For purposes of this endorsement, the term "us" also includes any other company that is or was part of the Liberty Mutual Agency Corporation division of Liberty Mutual Group."

© 2011 Liberty Mutual Insurance. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission .

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" resulting from the rendering of or the failure to render any professional services by any insured to others. For the purpose of this exclusion, professional services include but are not limited to:

1. Providing expert advice, analysis or planning regarding financial matters including:
   a. Acting as a dividend disbursing agent, exchange agent, redemption or subscription agent, warrant or scrip agent, fiscal or paying agent, tax withholding agent, escrow agent, clearing agent, or electronic funds transfer agent;
   b. Lending, or arranging for the lending of, money, including credit card, debit card, leasing or mortgage operations or activities or interbank transfers;
   c. Repossessing of real or personal property from a borrower or acting as an assignee of the benefit of creditors;
   d. Checking or reporting of credit;
   e. Maintaining of financial accounts or records;
   f. Tax planning, tax advising or the preparation of tax returns; or
   g. Selling or issuing travelers checks, letters of credit, certified checks, bank checks or money orders.
2. Providing any medical services.
3. Providing any legal services.
4. Providing any architectural or engineering services.
5. Providing expert advice, analysis or planning to others regarding product development or design.
6. Providing expert advice, analysis or planning regarding counseling services such as:
   a. Mental health;
   b. Crisis prevention;
   c. Social services;
   d. Drug and alcohol rehabilitation; or
   e. Similar subjects.

Includes copyrighted material of ISO Properties, Inc., with its permission.

© ISO Properties, Inc., 2003

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

INDEX

SUBJECT	PAGE
NON-OWNED AIRCRAFT	2
NON-OWNED WATERCRAFT	2
PROPERTY DAMAGE LIABILITY - ELEVATORS	2
EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)	2
MEDICAL PAYMENTS EXTENSION	3
EXTENSION OF SUPPLEMENTARY PAYMENTS - COVERAGES A AND B	3
ADDITIONAL INSUREDS - BY CONTRACT, AGREEMENT OR PERMIT	3
PRIMARY AND NON-CONTRIBUTORY- ADDITIONAL INSURED EXTENSION	5
ADDITIONAL INSUREDS - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"	6
WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS/MALPRACTICE AND WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES	6
NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES	7
FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES	7
KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT	7
LIBERALIZATION CLAUSE	7
BODILY INJURY REDEFINED	7
EXTENDED PROPERTY DAMAGE	8
WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU	8

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

A. NON-OWNED AIRCRAFT

Under Paragraph **2. Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability,** exclusion **g. Aircraft, Auto Or Watercraft** does not apply to an aircraft provided:

1. It is not owned by any insured;
2. It is hired, chartered or loaned with a trained paid crew;
3. The pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating her or him a commercial or airline pilot; and
4. It is not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent or on any other basis, that would also apply to the loss covered under this provision.

B. NON-OWNED WATERCRAFT

Under Paragraph **2. Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability,** Subparagraph **(2)** of exclusion **g. Aircraft, Auto Or Watercraft** is replaced by the following:

This exclusion does not apply to:

(2) A watercraft you do not own that is:

(a) Less than 52 feet long; and

(b) Not being used to carry persons or property for a charge.

C. PROPERTY DAMAGE LIABILITY - ELEVATORS

1. Under Paragraph **2. Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability,** Subparagraphs **(3), (4)** and **(6)** of exclusion **j. Damage To Property** do not apply if such "property damage" results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.

2. The following is added to **Section IV - Commercial General Liability Conditions,** Condition **4. Other Insurance,** Paragraph **b. Excess Insurance:**

The insurance afforded by this provision of this endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)

If Damage To Premises Rented To You is not otherwise excluded from this Coverage Part:

1. Under Paragraph **2. Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability:**

a. The fourth from the last paragraph of exclusion **j. Damage To Property** is replaced by the following:

Paragraphs **(1), (3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system) to:

(i) Premises rented to you for a period of 7 or fewer consecutive days; or

(ii) Contents that you rent or lease as part of a premises rental or lease agreement for a period of more than 7 days.

Paragraphs **(1), (3)** and **(4)** of this exclusion do not apply to "property damage" to contents of premises rented to you for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in **Section III - Limits of Insurance.**

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

b. The last paragraph of subsection **2. Exclusions** is replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Damage To Premises Rented To You as described in **Section III - Limits Of Insurance.**

2. Paragraph **6.** under **Section III - Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to:
   a. Any one premise:
      (1) While rented to you; or
      (2) While rented to you or temporarily occupied by you with permission of the owner for damage by fire, lightning, explosion, smoke or leakage from automatic protection systems; or
   b. Contents that you rent or lease as part of a premises rental or lease agreement.

3. As regards coverage provided by this provision **D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)** - Paragraph **9.a.** of **Definitions** is replaced with the following:

9.a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with the permission of the owner, or for damage to contents of such premises that are included in your premises rental or lease agreement, is not an "insured contract".

E. MEDICAL PAYMENTS EXTENSION

If **Coverage C Medical Payments** is not otherwise excluded, the Medical Payments provided by this policy are amended as follows:

Under Paragraph **1. Insuring Agreement** of **Section I - Coverage C - Medical Payments,** Subparagraph **(b)** of Paragraph **a.** is replaced by the following:

(b) The expenses are incurred and reported within three years of the date of the accident; and

F. EXTENSION OF SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. Under **Supplementary Payments - Coverages A** and **B**, Paragraph **1.b.** is replaced by the following:

   b. Up to **$3,000** for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

2. Paragraph **1.d.** is replaced by the following:

   d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to **$500** a day because of time off from work.

G. ADDITIONAL INSUREDS - BY CONTRACT, AGREEMENT OR PERMIT

1. Paragraph **2.** under **Section II - Who Is An Insured** is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract, written agreement or permit. Such person or organization is an additional insured but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by:

   a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your on going operations for the additional insured that are the subject of the written contract or written agreement provided that the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" is committed, subsequent to the signing of such written contract or written agreement; or

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

b. Premises or facilities rented by you or used by you; or

c. The maintenance, operation or use by you of equipment rented or leased to you by such person or organization; or

d. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit subject to the following additional provisions:

(1) This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the operations performed for the state or political subdivision;

(2) This insurance does not apply to "bodily injury" or "property damage" included within the "completed operations hazard".

(3) Insurance applies to premises you own, rent, or control but only with respect to the following hazards:

(a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or

(b) The construction, erection, or removal of elevators; or

(c) The ownership, maintenance, or use of any elevators covered by this insurance.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to Paragraph **1.a.** above, a person's or organization's status as an additional insured under this endorsement ends when:

(1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

(2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

With respect to Paragraph **1.b.** above, a person's or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such premises or facilities ends.

With respects to Paragraph **1.c.** above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

The insurance provided by this endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage".

We have no duty to defend an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured as required in Paragraph **b.** of Condition **2. Duties In the Event Of Occurrence, Offense, Claim Or Suit** under **Section IV - Commercial General Liability Conditions.**

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

2. With respect to the insurance provided by this endorsement, the following are added to Paragraph **2. Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

a. "Bodily injury" or "property damage" arising from the sole negligence of the additional insured.

b. "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.

c. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

d. "Bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

(2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

e. Any person or organization specifically designated as an additional insured for ongoing operations by a separate **ADDITIONAL INSURED -OWNERS, LESSEES OR CONTRACTORS** endorsement issued by us and made a part of this policy.

3. With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the contract or agreement; or

b. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

H. PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED EXTENSION

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

Condition **4. Other Insurance of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

a. The following is added to Paragraph **a. Primary Insurance:**

If an additional insured's policy has an Other Insurance provision making its policy excess, and you have agreed in a written contract or written agreement to provide the additional insured coverage on a primary and noncontributory basis, this policy shall be primary and we will not seek contribution from the additional insured's policy for damages we cover.

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

b. The following is added to Paragraph **b. Excess Insurance:**

When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement, or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over any other insurance for which the additional insured is designated as a Named Insured.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

I. ADDITIONAL INSUREDS - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

1. The following is added to Condition **2. Duties In The Event Of Occurrence, Offense, Claim or Suit:**

An additional insured under this endorsement will as soon as practicable:

a. Give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us;

b. Tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the additional insured; and

c. Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.

d. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured.

2. The limits of insurance applicable to the additional insured are those specified in a written contract or written agreement or the limits of insurance as stated in the Declarations of this policy and defined in **Section III - Limits of Insurance** of this policy, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.

J. WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS / MALPRACTICE
WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES

Paragraph **2.a.(1)** of **Section II - Who Is An Insured** is replaced with the following:

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

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1) (a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1) (a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services. However, if you are not in the business of providing professional health care services or providing professional health care personnel to others, or if coverage for providing professional health care services is not otherwise excluded by separate endorsement, this provision (Paragraph **(d)**) does not apply.

Paragraphs **(a)** and **(b)** above do not apply to "bodily injury" or "personal and advertising injury" caused by an "employee" who is acting in a supervisory capacity for you. Supervisory capacity as used herein means the "employee's" job responsibilities assigned by you, includes the direct supervision of other "employees" of yours. However, none of these "employees" are insureds for "bodily injury" or "personal and

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

advertising injury" arising out of their willful conduct, which is defined as the purposeful or willful intent to cause "bodily injury" or "personal and advertising injury", or caused in whole or in part by their intoxication by liquor or controlled substances.

The coverage provided by provision **J.** is excess over any other valid and collectable insurance available to your "employee".

K. NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES

Paragraph **3.** of **Section II - Who Is An Insured** is replaced by the following:

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

a. Coverage under this provision is afforded only until the expiration of the policy period in which the entity was acquired or formed by you;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

d. Records and descriptions of operations must be maintained by the first Named Insured.

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

L. FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES

Under **Section IV - Commercial General Liability Conditions,** the following is added to Condition **6. Representations:**

Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of the policy shall not prejudice the coverage afforded by this policy provided such failure to disclose all hazards or prior "occurrences" is not intentional.

M. KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

Under **Section IV - Commercial General Liability Conditions,** the following is added to Condition **2. Duties In The Event of Occurrence, Offense, Claim Or Suit:**

Knowledge of an "occurrence", offense, claim or "suit" by an agent, servant or "employee" of any insured shall not in itself constitute knowledge of the insured unless an insured listed under Paragraph **1.** of **Section II - Who Is An Insured** or a person who has been designated by them to receive reports of "occurrences", offenses, claims or "suits" shall have received such notice from the agent, servant or "employee".

N. LIBERALIZATION CLAUSE

If we revise this Commercial General Liability Extension Endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the day the revision is effective in your state.

O. BODILY INJURY REDEFINED

Under **Section V - Definitions,** Definition **3.** is replaced by the following:

3. "Bodily Injury" means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death that results from such physical injury, sickness or disease.

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

P. EXTENDED PROPERTY DAMAGE

Exclusion a. of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is replaced by the following:

a. Expected Or Intended Injury

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

Q. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU

Under **Section IV - Commercial General Liability Conditions,** the following is added to Condition **8. Transfer Of Rights Of Recovery Against Others To Us:**

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard" provided:

1. You and that person or organization have agreed in writing in a contract or agreement that you waive such rights against that person or organization; and
2. The injury or damage occurs subsequent to the execution of the written contract or written agreement.

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EACH LOCATION GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **Section I - Coverage A - Bodily Injury And Property Damage Liability,** and for all medical expenses caused by accidents under **Section I - Coverage C Medical Payments,** which can be attributed only to operations at a single "location" owned by or rented to you:

1. A separate Each Location General Aggregate Limit applies to each "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
2. The Each Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
   a. Insureds;
   b. Claims made or "suits" brought; or
   c. Persons or organizations making claims or bringing "suits".
3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Each Location General Aggregate Limit for that "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Each Location General Aggregate Limit for any other "location".
4. The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Each Location General Aggregate Limit.

B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **Section I - Coverage A - Bodily Injury And Property Damage Liability,** and for all medical expenses caused by accidents under **Section I - Coverage C Medical Payments,** which cannot be attributed only to operations at a single "location" owned by or rented to you:

1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
2. Such payments shall not reduce any Each Location General Aggregate Limit.

C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Each Location General Aggregate Limit.

D. For the purposes of this endorsement, the following definition is added to **Section V - Definitions:**

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

E. The provisions of **Section III - Limits Of Insurance** not otherwise modified by this endorsement shall continue to apply as stipulated.

Includes copyrighted material of ISO Properties, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - BLANKET VENDORS

This endorsement modifies insurance provided under the following:

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

A. **Section II - Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) (referred to throughout this endorsement as vendor) whom you have agreed to add as an additional insured in a written contract or written agreement, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these vendors, the following exclusions apply:

1. The insurance afforded the vendor does not apply to:
   - **a.** "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
   - **b.** Any express warranty unauthorized by you;
   - **c.** Any physical or chemical change in the product made intentionally by the vendor;
   - **d.** Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
   - **e.** Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
   - **f.** Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
   - **g.** Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
   - **h.** "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
     - **(1)** The exceptions contained in Subparagraphs **d.** or **f.**; or
     - **(2)** Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

C. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MEDICAL EXPENSE AT YOUR REQUEST ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to **Section I - Coverage C - Medical Payments:**

If **Medical Payments** or **Medical Expenses** are not otherwise excluded from the policy, medical expenses will be paid only if an insured has requested that we pay such expenses.

Includes Copyrighted Material of ISO Properties, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS AND COMPLETED OPERATIONS COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising, in whole or in part, either directly or indirectly out of the manufacture, storage, processing, mining, use, sale, installation, removal, disposal, distribution, handling, inhalation, ingestion, absorption, or existence of, exposure to or contact with asbestos, asbestos contained in goods, products or materials, asbestos fibers or asbestos dust; or

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

   a. Request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of asbestos, asbestos contained in goods, products or materials, asbestos fibers or asbestos dust; or

   b. Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of asbestos, asbestos contained in goods, products or materials, asbestos fibers or asbestos dust.

Includes copyrighted material of ISO Properties, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Paragraph **1.** "Advertisement" of **Section V - Definitions** is replaced by the following:

1. "Advertisement" means dissemination of information or images to the general public for the purpose of inducing the sale of your goods, products or services through:
   - **a.** Radio; or
   - **b.** Television; or
   - **c.** Billboard; or
   - **d.** Magazine; or
   - **e.** Newspaper; or
   - **f.** The internet; or
   - **g.** "Your web site".

However, "advertisement" does not include the design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products.

B. Subparagraph **g.** of Paragraph **14.** "Personal and Advertising Injury" of **Section V - Definitions** is replaced by the following:

g. Infringing upon another's copyright or slogan in your "advertisement".

C. The following definition "Your web site" is added to **Section V - Definitions:**

"Your web site" means a web page or set of interconnected web pages prepared and maintained by you or on your behalf, that is accessible over the internet.

D. Exclusion **i.** under Paragraph **2., Exclusions** of **Section I - Coverage B - Personal And Advertising Injury Liability** is replaced with the following:

2. Exclusions

This insurance does not apply to:

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

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

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

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DATA SECURITY COVERAGE
DATA COMPROMISE, ATTACK & EXTORTION AND NETWORK SECURITY LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following Data Security Coverage has been endorsed onto your Commercial General Liability coverage as a matter of convenience for policy issuance. The coverage and service provided under this endorsement are separate from your Commercial General Liability coverage. Data Security Coverage includes reimbursement of specified legal expenses as well as defense and liability against certain claims, but such coverage is subject to the coverage limits set forth in this endorsement. The limits and deductibles applicable to this endorsement are separate from the limits and deductibles that apply to your Commercial General Liability coverage. The Common Policy Conditions apply to coverage under this Data Security Coverage.

The following is added as an Additional Coverage. Coverage under this endorsement is subject to the following Schedule:

SCHEDULE

A. DATA COMPROMISE COVERAGE

SECTION 1 - RESPONSE EXPENSES

Data Compromise
Response Expenses Limit: $ 100,000
Annual Aggregate

Sublimits*
- **Named Malware (Section 1):** $ 50,000
- **Forensic IT Review:** $ 10,000
- **Legal Review:** $ 10,000
- **PR Services:** $ 5,000
- **Regulatory Fines and Penalties:** $ 10,000
- **PCI Fines and Penalties:** $ 10,000

Response Expenses Deductible*: $ 2,500

*Any one "Personal Data Compromise"

SECTION 2 - DEFENSE AND LIABILITY

Data Compromise
Defense and Liability Limit: $ EXCLUDED
Annual Aggregate

Sublimits
- **Named Malware (Section 2):** $ EXCLUDED
Any one "Personal Data Compromise"

Defense and Liability Deductible: $ EXCLUDED
Each "Data Compromise Suit"

B. ATTACK & EXTORTION AND NETWORK SECURITY LIABILITY COVERAGE

SECTION 1 - ATTACK & EXTORTION

Attack & Extortion Limit: $ EXCLUDED
Annual Aggregate

Sublimits**
- **Data Re-creation:** $ EXCLUDED
- **Loss of Business:** $ EXCLUDED
- **Public Relations:** $ EXCLUDED
- **Cyber Extortion Expenses:** $ EXCLUDED

Attack & Extortion Deductible:** $ EXCLUDED

**Per Occurrence

SECTION 2 - NETWORK SECURITY LIABILITY

Network Security Liability Limit: $ EXCLUDED
Annual Aggregate

Network Security Liability Deductible: $ EXCLUDED
Per Occurrence

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

A. DATA COMPROMISE COVERAGE

SECTION I - RESPONSE EXPENSES

DATA COMPROMISE COVERED CAUSE OF LOSS

Data Compromise Coverage applies only if all of the following conditions are met:

1. There has been a "personal data compromise"; and
2. Such "personal data compromise" is first discovered by you during the policy period for which this Data Compromise Coverage is applicable; and
3. Such "personal data compromise" is reported to us as soon as practicable but in no event later than 60 days after the date it is first discovered by you.

SECTION 1 - COVERAGE

If the three conditions listed above in Data Compromise Covered Cause Of Loss have been met, then we will pay for the following expenses when they arise directly from the covered cause of loss and are necessary and reasonable. Coverages **4** and **5** below apply only if there has been a notification of the "personal data compromise" to "affected individuals" as described in Coverage **3** below.

1. Forensic IT Review

We will pay for a professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

a. Vulnerabilities in systems, procedures or physical security;

b. Compliance with PCI or other industry security standards; or

c. The nature or extent of loss or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

2. Legal Review

We will pay for a professional legal counsel review of the "personal data compromise" to determine how you should best respond, if there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

3. Notification to Affected Individuals

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

4. Services to Affected Individuals

We will pay your necessary and reasonable costs to provide the following services to "affected individuals".

a. The following services are provided after any covered "personal data compromise".

(1) Informational Materials

A packet of loss prevention and customer support information.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

(2) Help Line

A toll-free telephone line for "affected individuals" with questions about the "personal data compromise". Where applicable, the line can also be used to request additional services as listed in **b. (1)** and **(2).**

b. The following additional services are provided after "personal data compromise" events involving "personally identifying information".

(1) 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.

(2) 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 possible and reasonable, restoring control over his or her personal identity.

5. PR Services

We will pay for a professional public relations firm to review and respond to the potential impact of the "personal data compromise" on your business relationships.

This includes costs to implement the public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with "affected individuals". However, we will not pay for promotions provided to any of your directors or employees. The maximum we will pay is $25 per "affected individual".

6. Regulatory Fines and Penalties

We will pay any fine or penalty imposed under state law, to the extent such fine or penalty is legally insurable.

7. PCI Fines and Penalties

We will pay any Payment Card Industry (PCI) fine or penalty imposed under a contract to which you are a party. PCI Fines and Penalties do not include any increased transaction costs.

SECTION 1 - LIMITS

The most we will pay under Response Expenses coverage is the Data Compromise Response Expenses Limit indicated for this endorsement. If no limit is shown or is shown as blank or Excluded on the Schedule at the top of this endorsement, then the Data Compromise Response Expenses coverage will be considered to have a limit of $0 and neither the Data Compromise Response Expenses coverage nor any of the Coverage **A.** - Section **1** coverage components are included.

The Data Compromise Response Expenses Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under Coverage **A.** - Section **1** arising out of all "personal data compromise" events which are first discovered by you during the current annual policy period. This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.

A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "personal data compromise" will be subject to the Data Compromise Response Expenses Limit applicable to the policy period when the "personal data compromise" was first discovered by you.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

The most we will pay under Response Expenses coverage for loss arising from any "malware-related compromise" is the Named Malware (Section 1) sublimit indicated for this endorsement. For the purpose of the Named Malware (Section 1) sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise".

The most we will pay under Forensic IT Review, Legal Review, PR Services, Regulatory Fines and Penalties and PCI Fines and Penalties coverages for loss arising from any one "personal data compromise" is the applicable sublimit for each of those coverages indicated for this endorsement. These sublimits are part of, and not in addition to, the Data Compromise Response Expenses Limit. PR Services coverage is also subject to a limit per "affected individual" as described in **5.** PR Services.

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.

SECTION 1 - DEDUCTIBLE

Response Expenses coverage is subject to the Response Expenses Deductible indicated for this endorsement. You shall be responsible for such deductible amount as respects each "personal data compromise" covered under this endorsement.

SECTION 2 - DEFENSE AND LIABILITY

DEFENSE AND LIABILITY COVERED CAUSE OF LOSS

Data Compromise Coverage applies only if all three of the conditions in Data Compromise Covered Cause Of Loss are met.

Only with regard to Coverage **A.** - Section **2** - Defense and Liability coverage, the following conditions must also be met:

1. You have provided notifications and services to "affected individuals" in consultation with us pursuant to Response Expenses coverage; and
2. You receive notice of a "data compromise suit" brought by one or more "affected individuals" or by a governmental entity on behalf of one or more "affected individuals"; and
3. Notice of such "data compromise suit" is received by you within two years of the date that the "affected individuals" are notified of the "personal data compromise"; and
4. Such "data compromise suit" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

SECTION 2 - COVERAGE

If all of the conditions listed above in Defense And Liability Covered Cause Of Loss have been met, then we will provide coverage for "data compromise defense costs" and "data compromise liability" directly arising from the covered cause of loss.

SECTION 2 - LIMITS

The most we will pay under Defense and Liability coverage (other than post-judgment interest) is the Data Compromise Defense and Liability Limit indicated for this endorsement. If no limit is shown or is shown as blank or Excluded on the Schedule at the top of this endorsement, then the Data Compromise Defense and Liability coverage will be considered to have a limit of $0.

The Data Compromise Defense and Liability Limit is an annual aggregate limit. This amount is the most we will pay for all loss covered under Coverage **A.** - Section **2** (other than post- judgment interest) arising out of all "personal data compromise" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "personal data compromise" (other than post-judgment interest) will be subject to the Data Compromise Defense and Liability Limit applicable to the policy period when the "personal data compromise" was first discovered by you.

The most we will pay under Defense and Liability coverage for loss arising from any "malware-related compromise" is the Named Malware (Section 2) sublimit indicated for this endorsement. For the purpose of the Named Malware (Section 2) sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise". This sublimit is part of, and not in addition to, the Defense and Liability Limit.

SECTION 2 - DEDUCTIBLE

Defense and Liability coverage is subject to the Defense and Liability Deductible indicated for this endorsement. You shall be responsible for such deductible amount as respects each "data compromise suit" covered under this endorsement.

EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO DATA COMPROMISE SECTIONS 1 AND 2

DATA COMPROMISE EXCLUSIONS

The following additional exclusions apply to this coverage:

We will not pay for costs arising from the following:

1. Your intentional or willful complicity in a "personal data compromise".
2. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
3. Any "personal data compromise" occurring prior to the first inception of this Data Compromise Coverage or any coverage substantially similar to that described in this Data Compromise Coverage, regardless of whether we issued the coverage.
4. Costs to research or 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".
5. Any fines or penalties imposed under federal law including, but not limited to HIPAA fines and penalties.
6. Any criminal investigations or proceedings.
7. Any extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance.
8. Any "personal data compromise" involving data that is being transmitted electronically, unless such data is encrypted to protect the security of the transmission.
9. Your reckless disregard for the security of "personally identifying information" or "personally sensitive information" in your care, custody or control.
10. That part of any "data compromise suit" seeking any non-monetary relief.
11. Any amount not insurable under applicable law.

DATA COMPROMISE ADDITIONAL CONDITIONS

The following Additional Conditions apply to all coverages under Data Compromise Coverage.

A. Data Compromise Liability Defense

1. We shall have the right and the duty to assume the defense of any applicable "data compromise suit" against you. You shall give us such information and cooperation as we may reasonably require.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

2. You shall not admit liability for or settle any "data compromise suit" or incur any defense costs without our prior written consent.

3. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such "data compromise suit" independently of us. Our liability shall not exceed the amount for which the claim or suit could have been settled if such recommendation was consented to, plus defense costs incurred by us, and defense costs incurred by you with our written consent, prior to the date of such refusal.

4. We shall not be obligated to pay any damages or defense costs, or to defend or continue to defend any "data compromise suit", after the Data Compromise Defense and Liability Limit has been exhausted.

5. We shall pay all interest on that amount of any judgment within the Data Compromise Defense and Liability Limit which accrues:

   a. after entry of judgment; and

   b. before we pay, offer to pay or deposit in court that part of the judgment within the Data Compromise Defense and Liability Limit or, in any case, before we pay or offer to pay the entire Data Compromise Defense and Liability Limit.

   These interest payments shall be in addition to and not part of the Data Compromise Defense and Liability Limit.

B. Duties in the Event of a "Data Compromise Suit"

1. If a "data compromise suit" is brought against you, you must:

   a. Immediately record the specifics of the "data compromise suit" and the date received; and

   b. Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "data compromise suit" is first received by you.

   c. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "data compromise suit";

   d. Authorize us to obtain records and other information;

   e. Cooperate with us in the investigation, settlement or defense of the "data compromise suit";

   f. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of loss to which this insurance may also apply; and

   g. Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "data compromise suit".

2. You may not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

3. If you become aware of a claim or complaint that may become a "data compromise suit", you shall promptly inform us of such claim or complaint.

C. Due Diligence

You agree to use due diligence to prevent and mitigate costs covered under this Data Compromise Coverage. This includes, but is not limited to, complying with, and requiring your vendors to comply 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;

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

4. Protecting transactions, such as processing credit card, debit card and check payments; and

5. Appropriate disposal of files containing "personally identifying information" or "personally sensitive information", including shredding hard copy files and destroying physical media used to store electronic data.

D. Legal Advice

We are not your legal advisor. Our determination of what is or is not covered under this Data Compromise Coverage does not represent advice or counsel from us about what you should or should not do.

E. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to "affected individuals". We assume no responsibility under this Data Compromise Coverage for any services promised to "affected individuals" without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under Additional Condition F. Service Providers. You must provide the following at our pre-notification consultation with you:

1. The exact list of "affected individuals" to be notified, including contact information.

2. Information about the "personal data compromise" that may appropriately be communicated with "affected individuals".

3. The scope of services that you desire for the "affected individuals". For example, coverage may be structured to provide fewer services in order to make those services available to more "affected individuals" without exceeding the available Response Expenses Limit.

F. Service Providers

1. We will only pay under this Data Compromise Coverage 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 Data Compromise Coverage. We will not unreasonably withhold such approval.

2. Prior to the Pre-Notification Consultation described in Additional Condition E. 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 alternate service provider, our coverage is subject to the following limitations:

   a. Such alternate service provider must be approved by us;

   b. Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and

   c. Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

G. Services

The following conditions apply as respects any services provided to you or any "affected individual" by us, our designees or any service firm paid for in whole or in part under this Data Compromise Coverage:

1. The effectiveness of such services depends on your cooperation and assistance.

2. All services may not be available or applicable to all individuals. For example, "affected individuals" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.

3. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

4. You will have a direct relationship with the professional service firms paid for in whole or in part under this coverage. Those firms work for you.

DATA COMPROMISE DEFINITIONS

With respect to the provisions of this Data Compromise Coverage only, the following definitions are added:

1. "Affected Individual" means any person who is your current, former or prospective customer, client, member, owner, director or employee and whose "personally identifying information" or "personally sensitive information" is lost, stolen, accidentally released or accidentally published by a "personal data compromise" covered under this endorsement. This definition is subject to the following provisions:

   a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual".

   b. An "affected individual" must have a direct relationship with your interests as insured under this policy. The following are examples of individuals who would not meet this requirement:

      (1) If you aggregate or sell information about individuals as part of your business, the individuals about whom you keep such information do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours.

      (2) If your primary business is the storing, processing, transmitting or transporting of records, the individuals whose "personally identifying information" or "personally sensitive information" you are storing, processing, transmitting or transporting for another entity do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours.

      (3) You may have operations, interests or properties that are not insured under this policy. Individuals who have a relationship with you through such other operations, interests or properties do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of the operation insured under this policy.

   c. An "affected individual" may reside anywhere in the world.

2. "Data Compromise Defense Costs" means expenses resulting solely from the investigation, defense and appeal of any "data compromise suit" against you. Such expenses must be reasonable and necessary. They will be incurred by us. They do not include your salaries or your loss of earnings. They do include premiums for any appeal bond, attachment bond or similar bond, but without any obligation to apply for or furnish any such bond.

3. "Data Compromise Liability"

   a. "Data compromise liability" means the following, when they arise from a "data compromise suit":

      (1) Damages, judgments or settlements to "affected individuals";

      (2) Defense costs added to that part of any judgment paid by us, when such defense costs are awarded by law or court order; and

      (3) Pre-judgment interest on that part of any judgment paid by us.

   b. "Data compromise liability" does not include:

      (1) Damages, judgments or settlements to anyone who is not an "affected individual";

      (2) Civil or criminal fines or penalties imposed by law;

      (3) Punitive or exemplary damages;

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

(4) The multiplied portion of multiplied damages;

(5) Taxes; or

(6) Matters which may be deemed uninsurable under the applicable law.

4. "Data Compromise Suit"

   a. "Data Compromise Suit" means a civil proceeding in which damages to one or more "affected individuals" arising from a "personal data compromise" or the violation of a governmental statute or regulation are alleged. Such proceeding must be brought in the United States of America, Puerto Rico or Canada. "Data compromise suit" includes:

      (1) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent;

      (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent; or

      (3) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.

   b. "Data compromise suit" does not mean any demand or action brought by or on behalf of someone who is:

      (1) Your director or officer;

      (2) Your owner or part-owner; or

      (3) A holder of your securities;

      in their capacity as such, whether directly, derivatively, or by class action. "Data compromise suit" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual".

   c. "Data compromise suit" does not mean any demand or action brought by or on behalf of an organization, business, institution or any other party that is not an "affected individual" or governmental entity.

5. "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 of identifying a business activity.

6. "Malware-Related Compromise" means a "personal data compromise" that is caused, enabled or abetted by a virus or other malicious code that, at the time of the "personal data compromise", is named and recognized by the CERT® Coordination Center, McAfee®, Secunia, Symantec or other comparable third party monitors of malicious code activity.

7. "Personal Data Compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss, theft, accidental release or accidental publication involves "personally identifying information", such loss, theft, accidental release or accidental publication must result in or have the reasonable possibility of resulting in the fraudulent use of such information. This definition is subject to the following provisions:

   a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in the direct care, custody or control of:

      (1) You; or

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

(2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.

b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, subject to the following provisions:

(1) The failure to use appropriate safeguards must be accidental and not reckless or deliberate; and

(2) Such disposal or abandonment must take place during the time period for which this Data Compromise Coverage is effective.

c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.

d. 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".

8. "Personally Identifying Information" means information, including health information, that could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an "affected individual". This includes, but is not limited to, Social Security numbers or account numbers.

"Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.

9. "Personally Sensitive Information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.

"Personally sensitive information" does not mean or include "personally identifying information".

B. ATTACK & EXTORTION AND NETWORK SECURITY LIABILITY COVERAGE

SECTION 1 - ATTACK & EXTORTION

SECTION 1 - COVERAGE

1. **Computer Attack**

a. **Covered Cause of Loss.** This Computer Attack coverage applies only if all of the following conditions are met:

(1) There has been a "computer attack"; and

(2) Such "computer attack" is first discovered by you during the policy period for which this endorsement is applicable; and

(3) Such "computer attack" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

b. **Coverages Provided.** If all three of the conditions listed above in Computer Attack - Covered Cause of Loss have been met, then we will provide you the following coverages for loss directly arising from such "computer attack".

(1) Data Restoration

We will pay your necessary and reasonable "data restoration costs".

(2) Data Re-creation

We will pay your necessary and reasonable "data re-creation costs".

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

(3) System Restoration

We will pay your necessary and reasonable "system restoration costs".

(4) Loss of Business

We will pay your actual "business income loss" and your necessary and reasonable "extra expenses".

(5) Public Relations

If you suffer covered "business income loss", we will pay for the services of a professional public relations firm to assist you in communicating your response to the "computer attack" to the media, the public and your customers, clients or members.

2. Cyber Extortion

a. Covered Cause of Loss. This Cyber Extortion coverage applies only if all of the following conditions are met:

(1) There has been a "cyber extortion threat"; and

(2) Such "cyber extortion threat" is made against you during the policy period for which this endorsement is applicable; and

(3) Such "cyber extortion threat" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

b. Coverages Provided. If all three of the conditions listed above in Cyber Extortion - Covered Cause of Loss have been met, then we will pay for your necessary and reasonable "cyber extortion expenses" arising directly from a "cyber extortion threat." The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval.

SECTION 1 - LIMITS

The most we will pay under Attack & Extortion coverage is the Attack & Extortion Limit indicated for this endorsement. If no limit is shown or is shown as blank or Excluded on the Schedule at the top of this endorsement, then the Attack & Extortion coverage will be considered to have a limit of $0 and neither the Attack & Extortion coverage nor any of the Coverage **B.** - Section **1** coverage components are included.

The most we will pay under Data Re-creation coverage for loss (including "business income loss" and "extra expense" related to data re-creation activities) arising from any one "computer attack" is the Data Re-creation Sublimit indicated for this endorsement. This sublimit is part of, and not in addition to, the Attack & Extortion Limit.

The most we will pay under Loss of Business coverage for loss arising from any one "computer attack" is the Loss of Business Sublimit indicated for this endorsement. This sublimit is part of, and not in addition to, the Attack & Extortion Limit.

The most we will pay under Public Relations coverage for loss arising from any one "computer attack" is the Public Relations Sublimit indicated for this endorsement. This sublimit is part of, and not in addition to, the Attack & Extortion Limit.

The most we will pay under Cyber Extortion coverage for loss arising from any one "cyber extortion threat" is the Cyber Extortion Sublimit indicated for this endorsement. This sublimit is part of, and not in addition to, the Attack & Extortion Limit.

The Attack & Extortion Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under Coverage **B.** - Section **1** arising out of all "computer attack" and "cyber extortion threat" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "computer attack" or "cyber extortion threat" events occurring during that period.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

A "computer attack" or "cyber extortion threat" may be first discovered by you in one policy period but it may cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "computer attack" or "cyber extortion threat" will be subject to the Attack & Extortion Limit applicable to the policy period when the "computer attack" or "cyber extortion threat" was first discovered by you.

SECTION 1 - DEDUCTIBLE

The Attack & Extortion coverage is subject to the Attack & Extortion Deductible indicated in the Schedule for this endorsement. You shall be responsible for the applicable deductible amount as respects loss arising from each "computer attack" or "cyber extortion threat" covered under this endorsement.

SECTION 2 - NETWORK SECURITY LIABILITY

SECTION 2 - COVERED CAUSE OF LOSS

This Network Security Liability coverage applies only if all of the following conditions are met:

1. You first receive notice of a "network security liability suit" during the policy period for which this endorsement is applicable or any Extended Reporting Periods; and
2. Such "network security liability suit" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

SECTION 2 - COVERAGES PROVIDED

If both of the conditions listed above in Section 2 - Covered Cause Of Loss have been met, then we will provide you the following coverages for loss directly arising from such "network security liability suit".

1. **Defense**

   We will pay your necessary and reasonable "network security liability defense costs".

2. **Settlement Costs**

   We will pay your necessary and reasonable "network security liability settlement costs".

SECTION 2 - LIMITS

Except for post-judgment interest, the most we will pay under Network Security Liability coverage is the Network Security Liability Limit indicated for this endorsement. If no limit is shown or is shown as blank or Excluded on the Schedule at the top of this endorsement, then the Network Security Liability coverage will be considered to have a limit of $0.

The Network Security Liability Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under Coverage **B.** - Section **2** (other than post- judgment interest) arising out of all "network security liability suits" of which you first receive notice during the present annual policy period or any Extended Reporting Periods. This limit applies regardless of the number of "network security liability suits" of which you first receive notice during that period.

You may first receive notice of a "network security liability suit" in one policy period but it may cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "network security liability suit" (other than post-judgment interest) will be subject to the Network Security Liability Limit applicable to the policy period when notice of the "network security liability suit" was first received by you.

The Network Security Liability Limit for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Network Security Liability Limit for the immediately preceding policy period.

SECTION 2 - DEDUCTIBLE

The Network Security Liability coverage is subject to the Network Security Liability Deductible indicated in the Schedule for this endorsement. You shall be responsible for the applicable deductible amount as respects loss arising from each "network security liability suit" covered under this endorsement.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ATTACK & EXTORTION AND NETWORK SECURITY LIABILITY SECTIONS 1 AND 2

ATTACK & EXTORTION AND NETWORK SECURITY LIABILITY EXCLUSIONS

The following additional exclusions apply to this coverage:

We will not pay for costs or loss arising from the following:

1. Loss to the Internet, an internet service provider, or any computer or computer system that is not owned or leased by you and operated under your control.
2. Costs to research or correct any deficiency.
3. Any fines or penalties.
4. Any criminal investigations or proceedings.
5. Your intentional or willful complicity in a covered loss event or your reckless disregard for the security of your computer system or data.
6. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
7. Any "computer attack" occurring prior to the first inception of this Attack & Extortion and Network Security Liability Coverage or any coverage substantially similar to that described in this Attack & Extortion and Network Security Liability Coverage.
8. That part of any "network security liability suit" seeking any non-monetary relief.
9. Any "network security liability suit" arising from a propagation of malware, "denial of service attack", or loss, release or disclosure of business data that occurred prior to the first inception of this Attack & Extortion and Network Security Liability Coverage or any coverage substantially similar to that described in this Attack & Extortion and Network Security Liability Coverage.
10. The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.
11. Any amount not insurable under applicable law.

ATTACK & EXTORTION AND NETWORK SECURITY LIABILITY ADDITIONAL CONDITIONS

The following additional conditions apply to all coverages under this Attack & Extortion and Network Security Liability Coverage.

A. Cyber Extortion Service Provider

1. We will only pay under this Attack & Extortion and Network Security Liability Coverage for cyber extortion negotiation and investigation services that are provided by service providers approved by us. You must obtain our prior approval for any negotiation and investigation service provider whose expenses you want covered under this Attack & Extortion and Network Security Liability Coverage. We will not unreasonably withhold such approval.
2. You must come to agreement with us regarding the service provider(s) to be used for the cyber extortion negotiation and investigation services. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:
   a. Such alternate service provider must be approved by us;
   b. Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
   c. Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

B. Due Diligence

You agree to use due diligence to prevent and mitigate costs covered under this Attack & Extortion and Network Security Liability Coverage. This includes, but is not limited to, complying with reasonable and industry-accepted protocols for:

1. Providing and maintaining appropriate computer and internet security; and
2. Maintaining and updating at appropriate intervals backups of computer data.

C. Duties in the Event of a "Network Security Liability Suit"

1. If a "network security liability suit" is brought against you, you must:
   a. Immediately record the specifics of the "network security liability suit" and the date received; and
   b. Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "network security liability suit" is first received by you.
   c. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "network security liability suit";
   d. Authorize us to obtain records and other information;
   e. Cooperate with us in the investigation, settlement or defense of the "network security liability suit";
   f. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of loss to which this insurance may also apply; and
   g. Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "network security liability suit".

D. Extended Reporting Periods

1. You shall have the right to the Extended Reporting Periods described in this section, in the event that:
   a. You or we cancel this Attack & Extortion and Network Security Liability Coverage;
   b. You or we refuse to renew this Attack & Extortion and Network Security Liability Coverage; or
   c. We renew this Attack & Extortion and Network Security Liability Coverage on an other than a claims-made basis or with a retroactive date later than the date of the first inception of this Attack & Extortion and Network Security Liability Coverage or any coverage substantially similar to that described in this Attack & Extortion and Network Security Liability Coverage;
2. If an event as specified in Paragraph **1.** has occurred, you shall have the right to the following:
   a. An Automatic Extended Reporting Period of 30 days after the effective date of cancellation or nonrenewal at no additional premium in which to give to us written notice of a "network security liability suit" of which you first receive notice during said Automatic Extended Reporting Period for any propagation of malware, "denial of service attack", or loss, release or disclosure of business data occurring before the end of the coverage period for this Attack & Extortion and Network Security Liability Coverage and which is otherwise covered by this Attack & Extortion and Network Security Liability Coverage; and
   b. Upon payment of an additional premium of 100% of the full annual premium applicable to this Attack & Extortion and Network Security Liability Coverage, a Supplemental Extended Reporting Period of 1 year immediately following the effective date of cancellation or nonrenewal in which to give to us written notice of a "network security liability suit" of which you first receive notice during said Supplemental Extended Reporting Period for any propagation of malware, "denial of service attack", or loss, release or disclosure of business data occurring before the end of the coverage period for this Attack & Extortion and Network Security Liability Coverage and which is otherwise covered by this Attack & Extortion and Network Security Liability Coverage.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 30 days of the effective date of cancellation or nonrenewal. The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

E. Network Security Liability Defense

1. We shall have the right and the duty to assume the defense of any applicable "network security liability suit" against you. You shall give us such information and cooperation as we may reasonably require.
2. You shall not admit liability for or settle any "network security liability suit" or incur any defense costs without our prior written consent.
3. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such "network security liability suit" independently of us. Our liability shall not exceed the amount for which the claim or suit could have been settled if such recommendation was consented to, plus defense costs incurred by us, and defense costs incurred by you with our written consent, prior to the date of such refusal.
4. We shall not be obligated to pay any damages or defense costs, or to defend or continue to defend any "network security liability suit", after the Network Security Liability Limit has been exhausted.
5. We shall pay all interest on that amount of any judgment within the Network Security Liability Limit which accrues:
   a. After entry of judgment; and
   b. Before we pay, offer to pay or deposit in court that part of the judgment within the Network Security Liability Limit or, in any case, before we pay or offer to pay the entire Network Security Liability Limit.

   These interest payments shall be in addition to and not part of the Network Security Liability Limit.

F. Other Data Coverage in This Policy

Some elements of this Attack & Extortion and Network Security Liability Coverage may also be covered under the policy to which this endorsement is attached. If so, this Attack & Extortion and Network Security Liability Coverage will apply as excess, additional coverage. If loss payment has been made under the policy for the same event, the amount of such payment will count towards the deductible that applies to this Attack & Extortion and Network Security Liability Coverage.

G. Services

The following conditions apply as respects any services provided to you by any service firm provided or paid for in whole or in part under this endorsement:

1. The effectiveness of such services depends on your cooperation and assistance.
2. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

ATTACK & EXTORTION AND NETWORK SECURITY LIABILITY DEFINITIONS

With respect to the provisions of this Attack & Extortion and Network Security Liability Coverage only, the following definitions are added:

1. "Business Income Loss" means the sum of the:
   a. Net income (net profit or loss before income taxes) that would have been earned or incurred; and
   b. Continuing normal and necessary operating expenses incurred, including employee payroll, actually lost by you during the "period of restoration".
2. "Computer Attack" means one of the following involving a computer or other electronic hardware that is owned or leased by you and operated under your control:
   a. Unauthorized Access - meaning the gaining of access to your computer system by an unauthorized person or persons; or
   b. Malware Attack - meaning damage to your computer system or data arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers. This does not mean damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your computer system during the manufacturing process.
   c. "Denial of Service Attack".
3. "Cyber Extortion Expenses" means
   a. The cost of a negotiator or investigator retained by you in connection with a "cyber extortion threat"; and
   b. Any amount paid by you in response to a "cyber extortion threat" to the party that made the "cyber extortion threat" for the purposes of eliminating the "cyber extortion threat".
4. "Cyber Extortion Threat" means a demand for money from you based on a credible threat, or series of related credible threats, to launch a "denial of service attack" against you. "Cyber extortion threat" does not include any threat made in connection with a legitimate commercial dispute. "Cyber extortion threat" does not include any threat to take an action other than a "denial of service attack" against you.
5. "Data Re-creation Costs"
   a. "Data re-creation costs" means the costs of an outside professional firm hired by you to research, re-create and replace data that has been lost or corrupted and for which there is no electronic source available or where the electronic source does not have the same or similar functionality to the data that has been lost or corrupted.
   b. "Data re-creation costs" also means your actual "business income loss" and your necessary and reasonable "extra expenses" arising from the lack of the lost or corrupted data during the time required to research, re-create and replace such data.
   c. "Data re-creation costs" does not mean costs to research, re-create or replace:
      (1) Software programs or operating systems that are not commercially available; or
      (2) Data that is obsolete, unnecessary or useless to you.
6. "Data Restoration Costs"
   a. "Data restoration costs" means the costs of an outside professional firm hired by you to replace electronic data that has been lost or corrupted. In order to be considered "data restoration costs," such replacement must be from one or more electronic sources with the same or similar functionality to the data that has been lost or corrupted.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

b. "Data restoration costs" does not mean costs to research, restore or replace:

(1) Software programs or operating systems that are not commercially available; or

(2) Data that is obsolete, unnecessary or useless to you.

7. "Denial of Service Attack" means an intentional attack against you designed to overwhelm the capacity of your computer system in order to deny or impede authorized users from gaining access to your computer system through the internet.

8. "Extra Expense" means the additional cost you incur to operate your business during the "period of restoration" over and above the cost that you normally would have incurred to operate your business during the same period had no "computer attack" occurred.

9. "Network Security Liability Defense Costs"

a. "Network security liability defense costs" means reasonable and necessary expenses resulting solely from the investigation, defense and appeal of any "network security liability suit" against you. Such expenses may be incurred by us. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.

b. "Network security liability defense costs" does not mean your salaries or your loss of earnings.

10. "Network Security Liability Settlement Costs"

a. "Network security liability settlement costs" means the following, when they arise from a "network security liability suit":

(1) Damages, judgments or settlements; and

(2) Defense costs added to that part of any judgment paid by us, when such defense costs are awarded by law or court order; and

(3) Pre-judgment interest on that part of any judgment paid by us.

b. "Network security liability settlement costs" does not mean:

(1) Civil or criminal fines or penalties imposed by law;

(2) Punitive or exemplary damages;

(3) The multiplied portion of multiplied damages;

(4) Taxes; or

(5) Matters which may be deemed uninsurable under the applicable law.

11. "Network Security Liability Suit"

a. "Network security liability suit" means a civil proceeding against you in which damages are alleged. Such proceeding must be brought in the United States of America, Puerto Rico or Canada. Such proceeding must be based on an allegation that a negligent security failure or weakness with respect to a computer or other electronic hardware that is owned or leased by you and operated under your control allowed one or more of the following to happen:

(1) The unintended propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers. Malware does not include shortcomings or mistakes in legitimate electronic code.

(2) The unintended abetting of a "denial of service attack" against one or more other systems.

(3) The loss, release or disclosure of business data that is owned by or proprietary to a third party. This does not include "personally identifying information" or other information that is sensitive or personal to individuals.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

b. "Network security liability suit" includes the following:

(1) An arbitration or alternative dispute resolution proceeding that you are required to submit to or which we agree you should submit to; or

(2) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.

c. "Network security liability suit" does not mean any demand or action alleging or arising from property damage or bodily injury.

d. "Network security liability suit" does not mean any demand or action brought by or on behalf of someone who is:

(1) Your director or officer;

(2) Your owner or part-owner; or

(3) A holder of your securities; in their capacity as such, whether directly, derivatively, or by class action.

12. "Period of Restoration" means the period of time that begins at the time that the "computer attack" is discovered by you and continues until the earlier of:

a. The date that all data restoration, data re-creation and system restoration directly related to the "computer attack" has been completed; or

b. The date on which such data restoration, data re-creation and system restoration could have been completed with the exercise of due diligence and dispatch.

13. "System Restoration Costs"

a. "System restoration costs" means the costs of an outside professional firm hired by you to do any of the following in order to restore your computer system to its pre- "computer attack" level of functionality:

(1) Replace or reinstall computer software programs;

(2) Remove any malicious code; and

(3) Configure or correct the configuration of your computer system.

b. "System restoration costs" does not mean:

(1) Costs to increase the speed, capacity or utility of your computer system;

(2) Labor of your employees;

(3) Any costs in excess of the actual cash value of your computer system; or

(4) Costs to repair or replace hardware.

All other provisions of this policy apply.

© 2014 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Services Office, Inc. and The Hartford Steam and Boiler Insurance Company, with their permission.

COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

LOSS CONDITIONS

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

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

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

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

C. Duties In The Event Of Loss

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

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

   Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

D. Insurance Under Two Or More Coverages

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

E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

© ISO Properties, Inc., 2003

4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
   a. We have reached agreement with you on the amount of the loss; or
   b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

F. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in **1.** above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

G. Pair, Sets Or Parts

1. **Pair or Set.**

   In case of loss or damage to any part of a pair or set we may:
   a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
   b. Pay the difference between the value of the pair or set before and after the loss or damage.
2. **Parts**

   In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. Recovered Property

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

I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

J. Transfer Of Rights Of Recovery Against Others To Us

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

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
   a. Someone insured by this insurance; or
   b. A business firm:
      (1) Owned or controlled by you; or
      (2) That owns or controls you.

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

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

C. Legal Action Against Us

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

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

© ISO Properties, Inc., 2003

D. No Benefit To Bailee

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

E. Policy Period, Coverage Territory

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

F. Valuation

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

© ISO Properties, Inc., 2003

COMMERCIAL COMPUTER COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F. DEFINITIONS.**

A. COVERAGE

We will pay for "loss" to Covered Property from a Covered Cause of Loss.

1. **COVERED PROPERTY,** as used in this Coverage Form means the following types of property for which a Limit of Insurance is shown in the Declarations and while such property is at a premises described in the Declarations:

   a. Computer Equipment means your electronic data processing equipment (including electronic data processing equipment used to maintain or service your building (such as heating, ventilating, or cooling or alarm systems)), facsimile machines, telephone systems, switchboards, word processors, photocopier, printers, laptop and portable computers, related surge protection devices and their component parts and peripherals (including related wiring between equipment) and similar property of others in your care, custody or control for which you may be legally liable;

   b. Software meaning your data stored on disks, films, tapes or similar electronic data processing media; the media itself, computer programs and instructions; and similar property of others in your care, custody or control for which you may be legally liable.

2. **PROPERTY NOT COVERED**

   Covered Property does not include:

   a. Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts, program documentation or other documents, except those in Software form and then only in that form;

   b. Property you rent or lease to others while such property is away from your premises;

   c. Software which cannot be replaced with other software of the same kind or quality;

   d. Contraband or property in the course of illegal transportation or trade;

   e. Covered Property held for sale by you;

   f. Covered Property of others on which you are performing repairs or work upon;

   g. Computerized production equipment including related software (including but not limited to CAD, CAM or CNC machines), except as provided in the Coverage Extensions.

3. **COVERED CAUSES OF LOSS**

   Covered Cause of Loss means RISK OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in the Exclusions.

   Covered Cause of Loss includes "loss" to Covered Property caused by or resulting from computer virus including the necessary and reasonable expenses you actually incur to extract computer virus from Covered Property. Computer virus means intrusive codes or programming that are entered into your computer system and interrupt your data processing operation or cause "loss" to Covered Property.

4. **COVERAGE EXTENSIONS**

   a. **DEBRIS REMOVAL**

      (1) We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of "Loss" that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical "loss".

      (2) The most we will pay under this Coverage Extension is the lesser of:

(a) 25% of the amount we pay for the direct physical "loss" to Covered Property plus the deductible in this policy applicable to that "loss"; or

(b) $25,000.

(3) This Coverage Extension does not apply to costs to:

(a) Extract "pollutants" from land or water; or

(b) Remove, restore or replace polluted land or water.

b. PRESERVATION OF PROPERTY

If it is necessary to move Covered Property from the described premises to preserve it from "loss" by a Covered Cause of "Loss", we will pay for any direct physical "loss" to that property:

(1) While it is being moved or while temporarily stored at another location; and

(2) Only if the loss or damage occurs within 10 days after the property is first moved.

This Coverage Extension is included within the Limits of Insurance applicable to the described premises from which the Covered Property is removed.

c. POLLUTANT CLEANUP AND REMOVAL

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

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

The most we will pay under this Coverage Extension is $10,000 for the sum of all covered expenses arising out of Covered Cause of "Loss" occurring during each separate 12 month period of this policy.

d. NEWLY ACQUIRED COVERED PROPERTY

We will pay up to $100,000 for Computer Equipment and $10,000 for Software you newly acquire at a described premises shown in the Declarations. "Loss" must be by a Covered Cause of Loss. Coverage under this Extension will end at the earliest of the following:

(1) When you report values to us;

(2) 60 days expire after you acquire the Computer Equipment or Software;

(3) This policy expires: or

(4) The Property is more specifically insured.

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

e. COVERED PROPERTY AT NEWLY ACQUIRED OR TEMPORARY LOCATION

We will pay up to $100,000 for Computer Equipment and $10,000 for Software at a new location which you acquire by purchase or lease or at a temporary location which you do not own, lease or operate. This Coverage Extension does not apply to Computer Equipment and software at trade shows, fairs or exhibitions.

Coverage under this Extension will end when any of the following first occurs:

(1) When you report values to us;

(2) 60 days expire after you acquire the location;

(3) This policy expires; or

(4) The Property is more specifically insured.

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

f. CELLULAR PHONES AND LAPTOP COMPUTERS OFF PREMISES

We will pay for "loss" by a Covered Cause of Loss to your cellular phones and lap top computers while in your or your employees possession while such property is located away from the premises described in the Declarations. The most we will pay for "loss" is $5,000. This Coverage Extension does not apply to lap top computers while at an exhibition, fair or trade show.

g. COVERED PROPERTY AT TRADE SHOWS, FAIRS OR EXHIBITIONS

We will pay up to $25,000 for Computer Equipment (including laptop computers) and $5,000 for Software while such property is temporarily at trade shows, fairs or exhibitions. Coverage under this Extension will end when any of the following first occurs:

(1) 14 days expire after the trade show, fair or exhibition begins; or

(2) This policy expires.

h. EXPENSE TO RECHARGE FIRE PROTECTIVE SYSTEM

We will pay your expenses to recharge or refill the fire protection system that protects Covered Property at a described premises in the event of any discharge. The most we will pay under this Coverage Extension is $25,000.

i. DUPLICATES IN STORAGE

This policy is extended to cover "loss" to duplicate or backup Software while stored at a location not described in the Declarations. The most we will pay under this Coverage Extension is the lesser of:

(1) The actual cost to replace the duplicate or backup Software; or

(2) $50,000.

j. PROPERTY IN TRANSIT

We will pay for "loss" to Covered Property while in transit and away from a described premises, Covered Property must be in:

(1) A vehicle you own, lease or operate;

(2) An employee's vehicle; or

(3) A carrier for hire.

The most we will pay for "loss" under this Coverage Extension is $100,000 for Computer Equipment and $10,000 for Software.

Payment under this Coverage Extension will not increase the applicable Limit of Insurance.

k. COMPUTERIZED PRODUCTION EQUIPMENT

We will pay for "loss" to computerized production equipment and related software (including but not limited to CAD, CAM or CNC machines, sound recording or imaging equipment). "Loss" must be by a Covered Cause of Loss.

The most we will pay under this Coverage Extension is $10,000.

l. EXTRA EXPENSE

We will pay the actual necessary and reasonable extra expense you incur to continue the normal computer operations of your business, as a direct result of "loss" by a Covered Cause of "Loss" that damages or destroys any of the following during the policy period:

(1) Covered Property that is situated at a described premises, Newly Acquired Location, Temporary Location or in transit.

(2) The building in which the covered property is located, provided the building is damaged to an extent which prevents access to the property;

(3) The air conditioning system that specifically services or is dedicated to your Covered Property;

(4) The electrical system that services your Covered Property.

Extra Expense is the actual necessary and reasonable additional cost over and above the total cost you would normally incur to conduct your business computer operations as if no damage had occurred. We will pay this Extra Expense only for the necessary and reasonable length of time needed to repair or replace the damaged property. This length of time may extend beyond the expiration date of the policy.

If you are prevented by a government authority from entering a described premises because of damage to other property, we will pay the actual necessary and reasonable Extra Expense you incur, for up to the first two weeks, to continue your computer operations. The other property must have been damaged by a Covered Cause of Loss insured against under this Coverage Form.

The most we will pay for "loss" under this Extension, unless otherwise shown in the Declarations, is $5,000.

We will not pay for any increase in extra expense caused by or resulting from any of the following:

a. Interference by strikers;

b. The suspension, lapse or cancellation of any lease, license, contract or order.

B. EXCLUSIONS

1. We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss":

   a. GOVERNMENTAL ACTION

   Seizure or destruction of property by order of governmental authority.

   But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if "loss" caused by such fire would be covered under this Coverage Form.

   b. NUCLEAR HAZARD

   (1) Any weapon employing atomic fission or fusion; or

   (2) Nuclear reaction or radiation, or radioactive contamination from any other cause.

   But we will pay for direct "loss" caused by resulting fire if such "loss" would be covered under this Coverage Form.

   c. WAR AND MILITARY ACTION

   (1) War, including undeclared or civil war;

   (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

   (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for a "loss" caused by or resulting from any of the following:

   a. Delay, loss of use, loss of market or any other consequential loss.

   b. Dishonest or criminal acts by:

   (1) You, any of your partners, employees, officers, directors, trustees or authorized representatives;

   (2) Anyone else with an interest in the property, or their employees or authorized representatives; or

   (3) Anyone else to whom the property is entrusted.

   This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

This exclusion does not apply to :

(1) Covered Property that is entrusted to others who are carriers for hire.

(2) Acts of destruction, including adding computer viruses to software by your employees; but theft by employees is not covered.

c. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

d. Unauthorized instructions to transfer property to any person or to any place.

e. Your neglect in protecting the Covered Property at the time of and after any "loss."

f. Discharge, dispersal, seepage, migration, release or escape of "pollutants."

g. Programming errors or faulty machine instructions, including but not limited to, the inability of computer equipment or software to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

However, this Exclusion does not apply to the acts of a computer hacker or malicious introduction of a computer virus.

h. Actual work performed upon or service, repair, installation or testing of the property covered. We will, however, pay for the "loss" caused by a resulting fire.

3. We will not pay for "loss" or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting "loss" or damage:

a. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

b. Faulty, inadequate or defective:

(1) Design, specifications, workmanship, or repair;

(2) Materials used in repair, or

(3) Maintenance;

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

c. Wear and tear; any quality in the property that causes it to damage or destroy itself; hidden or latent defect; gradual deterioration; obsolescence; or depreciation.

d. Corrosion, rust, dampness or dryness, cold or heat; but we will pay for such resulting "loss" to Covered Property resulting from direct physical "loss" to the air conditioning system that services your data processing equipment. The "loss" to such air conditioning system must be caused by a Covered Cause of Loss.

C. LIMITS OF INSURANCE

1. The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

2. The most we will pay for "loss" in any one occurrence for a Coverage Extension is the Limit of Insurance applicable to a Coverage Extension. The limits applicable to the Coverage Extensions are in addition to the Limits of Insurance shown in the Declarations, unless otherwise specified.

D. DEDUCTIBLE

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible up to the applicable Limit of Insurance.

This deductible provision does not apply to "loss" to surge protection devices, if there is no "loss" to other Computer Equipment or Software.

E. ADDITIONAL CONDITIONS

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

1. **COVERAGE TERRITORY**

   a. Coverage applies only while the Covered Property (except cellular phones and lap top computers) is located within the United States or Canada.

   b. Coverage applies to cellular phones and lap top computers located anywhere in the world.

2. **VALUATION**

   GENERAL CONDITION E. VALUATION in the Commercial Inland Marine Conditions is deleted and replaced by the following:

   a. Computer Equipment

   We will adjust a "loss" to computer equipment on the basis you have chosen, either replacement cost or actual cash value. The basis you have chosen appears in the Declarations.

   (1) If replacement cost is indicated in the Declarations, then:

   (a) The value of property will be the replacement cost (without deduction for depreciation).

   (b) You may make a claim for "loss" covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have the "loss" settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the "loss".

   (c) We will not pay for any "loss" on a replacement cost basis:

   (i) Until the lost or damaged property is actually repaired or replaced; and

   (ii) Unless the repairs or replacement are made as soon as reasonably possible after the "loss".

   (d) We will not pay more for "loss" on a replacement cost basis than the least of:

   (i) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

   (ii) The cost to replace, on the same premises, the lost or damaged property with identical property of comparable material and quality and used for the same purpose; or

   (iii) If repair or replacement with identical property is not possible, the cost to replace that property with similar property capable of performing the same functions.

   In the event of a total loss to Equipment we will replace such equipment with equipment as an upgrade where it performs the same function as the equipment lost or damaged. We will not pay more than the current replacement cost (new) of the original equipment plus an additional 15% for this upgrade.

   b. Software

   The value of software will be the actual cost of replacing or reproducing the lost or damaged data from backup, duplicate, non-Software sources or the actual cost of a re-license fee. If it is not replaced or reproduced, we will pay the cost of replacing the blank tapes, cartridges, or other media.

   (2) If Actual Cash Value is indicated in the Declarations, the value of property will be the least of the following amounts:

   (a) The Limit of Insurance applicable to the lost or damaged property;

   (b) The actual cash value of that property;

   (c) The cost of reasonably restoring that property to its condition immediately before "loss"; or

   (d) The cost of replacing that property with identical property. In the event of "loss", the value of property will be determined as of the time of "loss".

   (e) If repair or replacement with identical property is not possible, the cost to replace that property with similar property capable of performing the same functions.

3. IMPAIRMENT OF RECOVERY RIGHTS

The following is added to Commercial Inland Marine Loss Condition K., Transfer of Rights of Recovery Against Others to Us:

You may accept bills of lading or shipping receipts issued by carriers that limit their liability to less than the actual value of the property.

F. DEFINITIONS

1. "Loss" means accidental loss or damage.
2. "Pollutants" means any Covered Property that becomes a solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTHMOVEMENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

I. The following is added to Section **DEFINITIONS:**

"Earth Movement" means any movement or vibration of the earth's surface (other than "sinkhole collapse") including but not limited to earthquake; landslide; mudflow; mudslide; mine subsidence; or sinking, rising, or shifting, of earth.

II. The following is added to Section **EXCLUSIONS:**

Earth Movement Or Volcanic Eruption -- Except as provided under Supplemental Coverages - Earthquake Coverage, "we" do not pay for loss caused by any "earth movement" (other than "sinkhole collapse") or caused by eruption, explosion, or effusion of a volcano.

"We" do cover direct loss by fire, explosion, or "volcanic action" resulting from either "earth movement" or eruption, explosion, or effusion of a volcano.

This exclusion does not apply to covered property while in transit.

Other Terms Remain the Same

© 2010 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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

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

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

A. Coverage

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

1. Covered Property

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

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

(1) Completed additions;

(2) Fixtures, including outdoor fixtures;

(3) Permanently installed:

(a) Machinery and

(b) Equipment;

(4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:

(a) Fire extinguishing equipment;

(b) Outdoor furniture;

(c) Floor coverings; and

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

(5) If not covered by other insurance:

(a) Additions under construction, alterations and repairs to the building or structure;

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

b. Your Business Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property - Separation of Coverage form:

(1) Furniture and fixtures;

(2) Machinery and equipment;

(3) "Stock";

(4) All other personal property owned by you and used in your business;

(5) Labor, materials or services furnished or arranged by you on personal property of others;

(6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:

(a) Made a part of the building or structure you occupy but do not own; and

(b) You acquired or made at your expense but cannot legally remove;

(7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property of Others.

© ISO Properties, Inc., 2001

c. **Personal Property of Others** that is:

(1) In your care, custody or control; and

(2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

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

2. **Property Not Covered**

Covered Property does not include:

a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;

b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;

c. Automobiles held for sale;

d. Bridges, roadways, walks, patios or other paved surfaces;

e. Contraband, or property in the course of illegal transportation or trade;

f. The cost of excavations, grading, backfilling or filling;

g. Foundations of buildings, structures, machinery or boilers if their foundations are below:

(1) The lowest basement floor; or

(2) The surface of the ground, if there is no basement;

h. Land (including land on which the property is located), water, growing crops or lawns;

i. Personal property while airborne or waterborne;

j. Bulkheads, pilings, piers, wharves or docks;

k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;

l. Retaining walls that are not part of a building;

m. Underground pipes, flues or drains;

n. Electronic data, except as provided under Additional Coverages - Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, **n.**, does not apply to your "stock" of prepackaged software.

o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data.

p. Vehicles or self-propelled machines (including aircraft or watercraft) that:

(1) Are licensed for use on public roads; or

(2) Are operated principally away from the described premises.

This paragraph does not apply to:

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

(b) Vehicles or self-propelled machines, other than autos, you hold for sale;

(c) Rowboats or canoes out of water at the described premises; or

(d) Trailers, but only to the extent provided for in the Coverage Extension for Non-Owned Detached Trailers.

© ISO Properties, Inc., 2001

q. The following property while outside of buildings:

(1) Grain, hay, straw or other crops;

(2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes of Loss Form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

(1) Subject to Paragraphs **(3)** and **(4)**, we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

(2) Debris Removal does not apply to costs to:

(a) Extract "pollutants" from land or water; or

(b) Remove, restore or replace polluted land or water.

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

(a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.

(b) Subject to **(a)** above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

(4) We will pay up to an additional $10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if **(4)(a)** and/or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus $10,000.

(5) Examples

The following examples assume that there is no coinsurance penalty.

Example #1

Limit of Insurance	$ 90,000
Amount of Deductible	$ 500
Amount of Loss	$ 50,000
Amount of Loss Payable	$ 49,500
	($50,000 - $500)
Debris Removal Expense	$ 10,000
Debris Removal Expense Payable	$ 10,000

($10,000 is 20% of $50,000)

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

© ISO Properties, Inc., 2001

Example #2

Limit of Insurance	$ 90,000
Amount of Deductible	$ 500
Amount of Loss	$ 80,000
Amount of Loss Payable	$ 79,500
	($80,000 - $500)
Debris Removal Expense	$ 30,000
Debris Removal Expense Payable	
Basic Amount	$ 10,500
Additional Amount	$ 10,000

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

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph **(4)**, because the debris removal expense ($30,000) exceeds 25% of the loss payable plus the deductible ($30,000 is 37.5% of $80,000), and because the sum of the loss payable and debris removal expense ($79,500 + $30,000 = $109,500) would exceed the Limit of Insurance ($90,000). The additional amount of covered debris removal expense is $10,000, the maximum payable under Paragraph **(4)**. Thus the total payable for debris removal expense in this example is $20,500; $9,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

(1) While it is being moved or while temporarily stored at another location; and

(2) Only if the loss or damage occurs within 30 days after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to $1,000 for your liability for fire department service charges:

(1) Assumed by contract or agreement prior to loss; or

(2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

d. Pollutant Clean Up And Removal

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

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

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

e. Increased Cost Of Construction

(1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.

(2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with enforcement of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in **e.(3)** through **e.(9)** of this Additional Coverage.

© ISO Properties, Inc., 2001

(3) The ordinance or law referred to in **e.(2)** of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.

(4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:

(a) You were required to comply with before the loss, even when the building was undamaged; and

(b) You failed to comply with.

(5) Under this Additional Coverage, we will not pay for:

(a) The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or

(b) Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

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

The amount payable under this Additional Coverage is additional insurance.

(7) With respect to this Additional Coverage:

(a) We will not pay for the Increased Cost of Construction:

(i) Until the property is actually repaired or replaced, at the same or another premises; and

(ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the same premises.

(c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the new premises.

(8) This Additional Coverage is not subject to the terms of the Ordinance or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

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

© ISO Properties, Inc., 2001

f. Electronic Data

(1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered - Electronic Data.

(2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

(3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage - Electronic Data, subject to the following:

(a) If the Causes of Loss - Special Form applies, coverage under this Additional Coverage - Electronic Data is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.

(b) If the Causes of Loss - Broad Form applies, coverage under this Additional Coverage - Electronic Data includes Collapse as set forth in that Form.

(c) If the Causes of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage - Electronic Data.

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

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

5. Coverage Extensions

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

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

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

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

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

(i) Similar use as the building described in the Declarations; or

© ISO Properties, Inc., 2001

(ii) Use as a warehouse.

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

(2) **Your Business Personal Property**

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

(i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

(ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or

(iii) Business personal property that you newly acquire, located at the described premises.

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

(b) This Extension does not apply to:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) **Period of Coverage**

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(a) This policy expires;

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

(c) You report values to us.

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

b. Personal Effects And Property Of Others

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

(1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This extension does not apply to loss or damage by theft.

(2) Personal property of others in your care, custody or control.

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

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

(1) You may extend the insurance that applies to Your Business Personal Property to apply to your cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered - Electronic Data.

(2) If the Causes of Loss - Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.

© ISO Properties, Inc., 2001

(3) If the Causes of Loss - Broad Form applies, coverage under this Extension includes Collapse as set forth in that Form.

(4) Under this Extension, the most we will pay to replace or restore the lost information is $2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

d. Property Off-Premises

(1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

(a) Temporarily at a location you do not own, lease or operate;

(b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or

(c) At any fair, trade show or exhibition.

(2) This Extension does not apply to property:

(a) In or on a vehicle; or

(b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

(3) The most we will pay for loss or damage under this Extension is $10,000.

e. Outdoor Property

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

(1) Fire;

(2) Lightning;

(3) Explosion;

(4) Riot or Civil Commotion; or

(5) Aircraft.

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

f. Non-Owned Detached Trailers

(1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

(a) The trailer is used in your business;

(b) The trailer is in your care, custody or control at the premises described in the Declarations; and

(c) You have a contractual responsibility to pay for loss or damage to the trailer.

(2) We will not pay for any loss or damage that occurs:

(a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

© ISO Properties, Inc., 2001

(3) The most we will pay for loss or damage under this Extension is $5,000, unless a higher limit is shown in the Declarations.

(4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

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

B. Exclusions And Limitations

See applicable Causes of Loss Form as shown in the Declarations.

C. Limits Of Insurance

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

The most we will pay for loss or damage to outdoor signs attached to buildings is $1,000 per sign in any one occurrence.

The limits applicable to the Fire Department Service Charge and Pollutant Clean Up and Removal Additional Coverages are in addition to the Limits of Insurance.

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

D. Deductible

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

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

Example No. 1:

(This example assumes there is no coinsurance penalty.)

Deductible:	$ 250
Limit of Insurance - Bldg. 1:	$ 60,000
Limit of Insurance - Bldg. 2:	$ 80,000
Loss to Bldg. 1:	$ 60,100
Loss to Bldg. 2:	$ 90,000

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

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

$60,100
- 250
$59,850 Loss Payable - Bldg. 1

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

Total amount of loss payable: $59,850 + 80,000 = $139,850

Example No. 2:

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

The Deductible and Limits of Insurance are the same as those in Example No. 1.

Loss to Bldg. 1:	$ 70,000
(exceeds Limit of Insurance plus Deductible)	
Loss to Bldg. 2:	$ 90,000
(exceeds Limit of Insurance plus Deductible)	
Loss Payable - Bldg. 1:	$60,000
(Limit of Insurance)	
Loss Payable - Bldg. 2:	$80,000
(Limit of Insurance)	
Total amount of loss payable:	$140,000

E. Loss Conditions

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

1. Abandonment

There can be no abandonment of any property to us.

© ISO Properties, Inc., 2001

2. Appraisal

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

a. Pay its chosen appraiser; and

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

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

3. Duties In The Event Of Loss Or Damage

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

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

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

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

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

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

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

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

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

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

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

4. Loss Payment

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

(1) Pay the value of lost or damaged property;

(2) Pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;

(3) Take all or any part of the property at an agreed or appraised value; or

(4) Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.

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

© ISO Properties, Inc., 2001

b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

d. We will not pay you more than your financial interest in the Covered Property.

e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

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

(1) We have reached agreement with you on the amount of loss; or

(2) An appraisal award has been made.

5. **Recovered Property**

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

6. **Vacancy**

a. **Description Of Terms**

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

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

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

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

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

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

b. **Vacancy Provisions**

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

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

(a) Vandalism;

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

(c) Building glass breakage;

(d) Water damage;

(e) Theft; or

(f) Attempted theft.

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

7. **Valuation**

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

© ISO Properties, Inc., 2001

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

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

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

(1) Awnings or floor coverings;

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

(3) Outdoor equipment or furniture.

c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

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

e. Tenant's Improvements and Betterments at:

(1) Actual cash value of the lost or damaged property if you make repairs promptly.

(2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

(a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

(b) Divide the amount determined in **(a)** above by the number of days from the installation of improvements to the expiration of the lease.

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

(3) Nothing if others pay for repairs or replacement.

F. Additional Conditions

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

1. Coinsurance

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

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

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

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

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

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

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

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

Example No. 1 (Underinsurance):

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

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

Step **(2):** $100,000 ÷ $200,000 = .50

Step **(3):** $40,000 x .50 = $20,000

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

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

© ISO Properties, Inc., 2001

Example No. 2 (Adequate Insurance):

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

The minimum amount of insurance to meet your Coinsurance requirement is $200,000 ($250,000 x 80%). Therefore, the Limit of Insurance in this Example is adequate and no penalty applies. We will pay no more than $39,750 ($40,000 amount of loss minus the deductible of $250).

b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

Example No. 3:

When:		
	The value of property is:	
	Bldg. at Location No. 1	$ 75,000
	Bldg. at Location No. 2	$ 100,000
	Personal Property at Location No. 2	$ 75,000
		$ 250,000
	The Coinsurance percentage for it is	90%
	The Limit of Insurance for Buildings and Personal Property at Location Nos. 1 and 2 is	$ 180,000
	The Deductible is	$ 1,000
	The amount of loss is:	
	Bldg. at Location No. 2	$ 30,000
	Personal Property at Location No. 2	$ 20,000
		$ 50,000

Step **(1):** $250,000 x 90% = $225,000
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step **(2):** $180,000 ÷ $225,000 = .80

Step **(3):** $50,000 x .80 = $40,000.

Step **(4):** $40,000 - $1,000 = $39,000.

We will pay no more than $39,000. The remaining $11,000 is not covered.

2. Mortgageholders

a. The term mortgageholder includes trustee.

b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.

c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.

d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

(1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

(2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and

(3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

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

e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

(1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

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

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

f. If we cancel this policy, we will give written notice to the mortgageholder at least:

(1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

© ISO Properties, Inc., 2001

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

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

1. Agreed Value

a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

c. The terms of this Optional Coverage apply only to loss or damage that occurs:

(1) On or after the effective date of this Optional Coverage; and

(2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

a. The Limit of Insurance for property to which this Optional Coverage applied will automatically increase by the annual percentage shown in the Declarations.

b. The amount of increase will be:

(1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times

(2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times

(3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example:

If:	The applicable Limit of Insurance is	$ 100,000
	The annual percentage increase is	8%
	The number of days since the beginning of the policy year (or last policy change) is	146
	The amount of increase is $100,000 x .08 x 146 ÷ 365 =	$ 3,200

3. Replacement Cost

a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, of this Coverage Form.

b. This Optional Coverage does not apply to:

(1) Personal property of others;

(2) Contents of a residence;

(3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

(4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.

d. We will not pay on a replacement cost basis for any loss or damage:

(1) Until the lost or damaged property is actually repaired or replaced; and

© ISO Properties, Inc., 2001

(2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

(3) If the conditions in **d.(1)** and **d.(2)** above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Condition of this Coverage Form; and

(4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.

e. We will not pay more for loss or damage on a replacement cost basis than the least of **(1)**, **(2)** or **(3)**, subject of **f.** below:

(1) The Limit of Insurance applicable to the lost or damaged property;

(2) The cost to replace the lost or damaged property with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose; or

(3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in **e.(2)** above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

f. The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

4. **Extension Of Replacement Cost To Personal Property Of Others**

a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph **3.b.(1)** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. DEFINITIONS

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

© ISO Properties, Inc., 2001

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

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

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

A. Coverage

1. Business Income

Business Income means the:

a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and

b. Continuing normal operating expenses incurred, including payroll.

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

Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

a. Business Income including "Rental Value".

b. Business Income other than "Rental Value".

c. "Rental Value".

If option **a.** above is selected, the term Business Income will include "Rental Value". If option **c.** above is selected, the term Business Income will mean "Rental Value" only.

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

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of the site at which the described premises are located.

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

a. The portion of the building which you rent, lease or occupy; and

b. Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

2. Extra Expense

a. Extra Expense coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income coverage applies at that premises.

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

We will pay Extra Expense (other than the expense to repair or replace property) to:

(1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

(2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

3. Covered Causes of Loss, Exclusions And Limitations

See applicable Causes of Loss Form as shown in the Declarations.

© ISO Properties, Inc., 2001

4. **Additional Limitation - Interruption of Computer Operations**

   a. Coverage for Business Income does not apply when a "suspension" of " operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage - Interruption of Computer Operations.

   b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage - Interruption of Computer Operations.

   c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

5. **Additional Coverages**

   a. **Civil Authority**

      We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

      The coverage for Business Income will begin 72 hours after the time of that action and will apply for a period of up to three consecutive weeks after coverage begins.

      The coverage for Extra Expense will begin immediately after the time of that action and will end:

      (1) 3 consecutive weeks after the time of that action; or

      (2) When your Business Income coverage ends;

      whichever is later.

   b. **Alterations And New Buildings**

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

      (1) New buildings or structures, whether complete or under construction;

      (2) Alterations or additions to existing buildings or structures; and

      (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:

         (a) Used in the construction, alterations or additions; or

         (b) Incidental to the occupancy of new buildings.

      If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

   c. **Extended Business Income**

      (1) Business Income Other Than "Rental Value"

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

         (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and

© ISO Properties, Inc., 2001

(b) Ends on the earlier of:

(i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or

(ii) 30 consecutive days after the date determined in **(1)(a)** above.

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

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

(2) "Rental Value"

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

(a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and

(b) Ends on the earlier of:

(i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or

(ii) 30 consecutive days after the date determined in **(2)(a)** above.

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

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

d. Interruption of Computer Operations

(1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation - Interruption of Computer Operations.

(2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss.

(3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

(a) If the Causes of Loss - Special Form applies, coverage under this Additional Coverage - Interruption of Computer Operations is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.

(b) If the Causes of Loss - Broad Form applies, coverage under this Additional Coverage - Interruption of Computer Operations includes Collapse as set forth in that Form.

© ISO Properties, Inc., 2001

(c) If the Causes of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage - Interruption of Computer Operations.

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

(4) The most we will pay under this Additional Coverage - Interruption of Computer Operations is $2,500 for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

(5) This Additional Coverage - Interruption in Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.

6. Coverage Extension

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

Newly Acquired Locations

a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.

b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is $100,000 at each location.

c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

(1) This policy expires;

(2) 30 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

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

This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

B. Limits Of Insurance

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

The limit applicable to the Coverage Extension is in addition to the Limit of Insurance.

Payments under the following coverages will not increase the applicable Limit of Insurance:

1. Alterations and New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

C. Loss Conditions

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

© ISO Properties, Inc., 2001

1. **Appraisal**

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

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

a. Pay its chosen appraiser; and

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

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

2. **Duties In The Event Of Loss**

a. You must see that the following are done in the event of loss:

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

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

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

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

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

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

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

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

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

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

3. **Loss Determination**

a. The amount of Business Income loss will be determined based on:

(1) The Net Income of the business before the direct physical loss or damage occurred;

(2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

(3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and

(4) Other relevant sources of information, including:

(a) Your financial records and accounting procedures;

© ISO Properties, Inc., 2001

(b) Bills, invoices and other vouchers; and

(c) Deeds, liens or contracts.

b. The amount of Extra Expense will be determined based on:

(1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

(a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

(b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

(2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. **Resumption Of Operations**

We will reduce the amount of your:

(1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

(2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

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

4. **Loss Payment**

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

a. We have reached agreement with you on the amount of loss; or

b. An appraisal award has been made.

D. Additional Condition

Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

a. The Coinsurance percentage shown for Business Income in the Declarations; times

b. The sum of:

(1) The Net Income (Net Profit or Loss before income taxes), and

(2) Operating expenses, including payroll expenses,

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

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

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

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

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

1. Prepaid freight - outgoing;
2. Returns and allowances;
3. Discounts;
4. Bad debts;
5. Collection expenses;
6. Cost of raw stock and factory supplies consumed (including transportation charges);
7. Cost of merchandise sold (including transportation charges);

© ISO Properties, Inc., 2001

8. Cost of other supplies consumed (including transportation charges);
9. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
10. Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
11. All ordinary payroll expenses or the amount of payroll expense excluded (if Form **CP 15 10** is attached); and
12. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example No. 1 (Underinsurance):

When:	The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been	$ 400,000
	The Coinsurance percentage is	50%
	The Limit of Insurance is	$ 150,000
	The amount of loss is	$ 80,000

Step **1:** $400,000 x 50% = $200,000 (the minimum amount of insurance to meet your Coinsurance requirements)

Step **2:** $150,000 ÷ $200,000 = .75

Step **3:** $ 80,000 x .75 = $60,000

We will pay no more than $60,000. The remaining $20,000 is not covered.

Example No. 2 (Adequate Insurance):

When:	The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been	$ 400,000
	The Coinsurance percentage is	50%
	The Limit of Insurance is	$ 200,000
	The amount of loss is	$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is $200,000 ($400,000 x 50%). Therefore, the Limit of Insurance in this Example is adequate and no penalty applies. We will pay no more than $80,000 (amount of loss).

This condition does not apply to Extra Expense coverage.

E. Optional Coverages

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

1. Maximum Period Of Indemnity

a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:

(1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or

(2) The Limit of Insurance shown in the Declarations.

2. Monthly Limit Of Indemnity

a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:

(1) The Limit of Insurance, multiplied by

(2) The fraction shown in the Declarations for this Optional Coverage.

Example:

When: The Limit of Insurance is $ 120,000
The fraction shown in the Declarations for this Optional Coverage is 1/4
The most we will pay for loss in each period of 30 consecutive days is:
$120,000 x 1/4 = $ 30,000
If, in this example, the actual amount of loss is:

Days 1-30	$ 40,000
Days 31-60	20,000
Days 61-90	30,000
	$ 90,000

We will pay:

Days 1-30	$ 30,000
Days 31-60	20,000
Days 61-90	30,000
	$ 80,000

The remaining $10,000 is not covered.

3. Business Income Agreed Value

a. To activate this Optional Coverage:

(1) A Business Income Report/ Work Sheet must be submitted to us and must show financial data for your "operations":

(a) During the 12 months prior to the date of the Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:

(a) The Coinsurance percentage shown in the Declarations; multiplied by

(b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.

b. The Additional Condition, Coinsurance, is suspended until:

(1) 12 months after the effective date of this Optional Coverage; or

(2) The expiration date of this policy;

whichever occurs first.

c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

(1) Within 12 months of the effective date of this Optional Coverage; or

(2) When you request a change in your Business Income Limit of Insurance.

d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

(1) The Business Income Limit of Insurance; divided by

(2) The Agreed Value.

Example:

When: The Limit of Insurance is $ 100,000
The Agreed Value is $ 200,000
The amount of loss is $ 80,000

Step **(a):** $100,000 ÷ $200,000 = .50

Step **(b):** .50 x $80,000 = $40,000

We will pay $40,000. The remaining $40,000 is not covered.

4. Extended Period Of Indemnity

Under paragraph **A.5.c.,** Extended Business Income, the number "30" in Subparagraphs **(1)(b)** and **(2)(b)** is replaced by the number shown in the Declarations for this Optional Coverage.

F. Definitions

1. "Finished Stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

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

2. "Operations" means:

a. Your business activities occurring at the described premises; and

b. The tenantability of the described premises, if coverage for Business Income including "Rental Value" or "Rental Value" applies.

© ISO Properties, Inc., 2001

3. "Period of Restoration" means the period of time that:
   a. Begins:
      (1) 72 hours after the time of direct physical loss or damage for Business Income coverage; or
      (2) Immediately after the time of direct physical loss or damage for Extra Expense coverage;

      caused by or resulting from any Covered Cause of Loss at the described premises; and
   b. Ends on the earlier of:
      (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
      (2) The date when business is resumed at a new permanent location.

   "Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:
      (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
      (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

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

4. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
5. "Rental Value" means Business Income that consist of:
   a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
   b. Continuing normal operating expenses incurred in connection with that premises, including:
      (1) Payroll; and
      (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.
6. "Suspension" means:
   a. The slowdown or cessation of your business activities; or
   b. That a part or all of the described premises is rendered untenantable, if coverage for Business Income including "Rental Value" or "Rental Value" applies.

© ISO Properties, Inc., 2001

COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

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

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

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

C. INSURANCE UNDER TWO OR MORE COVERAGES

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

D. LEGAL ACTION AGAINST US

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

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

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

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

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
   a. During the policy period shown in the Declarations; and
   b. Within the coverage territory.

 Copyright, ISO Commercial Risk Services, Inc., 1983, 1987

2. The coverage territory is:

   a. The United States of America (including its territories and possessions);

   b. Puerto Rico; and

   c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

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

1. Prior to a loss to your Covered Property or Covered Income.

2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:

   a. Someone insured by this insurance;

   b. A business firm:

      (1) Owned or controlled by you; or

      (2) That owns or controls you; or

   c. Your tenant.

This will not restrict your insurance.

 Copyright, ISO Commercial Risk Services, Inc., 1983, 1987

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.

B. We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.

C. With respect to any loss or damage subject to the exclusion in Paragraph B., such exclusion supersedes any exclusion relating to "pollutants".

D. The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:

1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
2. Additional Coverage - Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.

E. The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

©ISO Properties, Inc., 2006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES - REPLACEMENT COST

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. An "open policy" is a policy under which the value of Covered Property is not fixed at policy inception, but is determined at the time of loss in accordance with policy provisions on valuation. The term "open policy" does not apply to Covered Property that is subject to an Agreed Value clause or similar clause that establishes an agreed value prior to loss, unless such clause has expired.

B. Under an "open policy", when the Replacement Cost Optional Coverage (Replacement Cost) is shown as applicable in the Declarations, that Coverage is replaced by the following:

Replacement Cost

1. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, of the applicable Coverage Form.

2. This Optional Coverage does not apply to:

a. Personal property of others;

b. Contents of a residence;

c. Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

d. "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

3. We will not pay on a replacement cost basis for any loss or damage until the lost or damaged property is actually repaired or replaced. Prior to such repair or replacement, and in accordance with the terms of the applicable Loss Payment conditions in this policy, we will pay the actual cash value of the lost or damaged property as described in Paragraph **4.** below. If the actual cash value does not exhaust the applicable Limit of Insurance, we will then pay the difference between the actual cash value and the replacement cost, provided that the repair or replacement is completed:

a. Within 12 months after our payment of the actual cash value; or

b. Within 36 months after we pay the actual cash value if the loss or damage relates to a state of emergency under California Law.

The following provision applies to real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit:

If you, acting in good faith and with reasonable diligence, encounter a delay or delays in approval for, or reconstruction of, the residence that are beyond your control, we shall provide one or more additional extensions of six months for good cause. Circumstances beyond your control include, but are not limited to:

a. Unavoidable construction permit delays;

b. The lack of necessary construction materials; or

c. The unavailability of contractors to perform the necessary work.

 © Insurance Services Office, Inc., 2019

The foregoing provisions do not constitute a waiver of our right to deny the claim for any valid reason or to restrict payment in cases of suspected fraud.

4. Actual cash value is determined as follows:
   a. In the event of a partial or total loss to a building or structure, actual cash value is calculated as **a.(1)** or **a.(2)**, whichever is less:
      (1) The amount it would cost to repair, rebuild or replace the property less a fair and reasonable deduction for physical depreciation of the components of the building or structure that are normally subject to repair or replacement during its useful life. Physical depreciation is based upon the condition of the property at the time of the loss; or
      (2) The Limit of Insurance applicable to the property.
   b. In the event of a partial or total loss to Covered Property other than a building or structure, actual cash value is calculated as **b.(1)** or **b.(2)**, whichever is less:
      (1) The amount it would cost to repair or replace the property less a fair and reasonable deduction for physical depreciation, based on the condition of the property at the time of loss; or
      (2) The Limit of Insurance applicable to the property.
5. With respect to tenants' improvements and betterments, the following also apply:
   a. If the property is not repaired or replaced, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Condition of the applicable Coverage Form.
   b. We will not pay for loss or damage to tenants' improvements and betterments if others pay for repair or replacement.
6. We will not pay more for loss or damage on a replacement cost basis than the least of **a.**, **b.** or **c.**, subject to **7.** below:
   a. The Limit of Insurance applicable to the lost or damaged property;
   b. The cost to replace the lost or damaged property with other property:
      (1) Of comparable material and quality; and
      (2) Used for the same purpose; or
   c. The amount actually spent that is necessary to repair or replace the lost or damaged property.

   If a building is rebuilt at a new premises, the cost described in **6.b.** above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.
7. The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

C. Extension Of Replacement Cost To Personal Property Of Others

1. Under an "open policy", when the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph **B.2.a.** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.
2. With respect to replacement cost on the personal property of others, the following limitation applies:

   If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

© Insurance Services Office, Inc., 2019

CAUSES OF LOSS - SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section **F.** - Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is:

1. Excluded in Section **B.**, Exclusions; or
2. Limited in Section **C.**, Limitations;

that follow.

B. Exclusions

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

   a. Ordinance Or Law

   The enforcement of any ordinance or law:

   (1) Regulating the construction, use or repair of any property; or

   (2) Requiring the tearing down of any property, including the cost of removing its debris.

   This exclusion, Ordinance or Law, applies whether the loss results from:

   (1) An ordinance or law that is enforced even if the property has not been damaged; or

   (2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

   b. Earth Movement

   (1) Earthquake, including any earth sinking, rising or shifting related to such event;

   (2) Landslide, including any earth sinking, rising or shifting related to such event;

   (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

   (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

   But if Earth Movement, as described in **b.(1)** through **(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

   (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

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

   (a) Airborne volcanic blast or airborne shock waves;

   (b) Ash, dust or particulate matter; or

   (c) Lava flow.

   All volcanic eruptions that occur within any 168 hour period will constitute a single occurrence.

   Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

©ISO Properties, Inc., 2001

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

d. Nuclear Hazard

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

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

e. Utility Services

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises. Failure includes lack of sufficient capacity and reduction in supply.

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

This exclusion does not apply to the Business Income coverage or to Extra Expense coverage. Instead, the Special Exclusion in paragraph **B.4.a.(1)** applies to these coverages.

f. War And Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

(1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

(2) Mudslide or mudflow;

(3) Water that backs up or overflows from a sewer, drain or sump; or

(4) Water under the ground surface pressing on, or flowing or seeping through:

(a) Foundations, walls, floors or paved surfaces;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings.

But if Water, as described in **g. (1)** through **g. (4)** above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

h. "Fungus", Wet Rot, Dry Rot And Bacteria

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

But if "fungus", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage - Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions **B.1.a.** through **B.1.h.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

©ISO Properties, Inc., 2001

a. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

b. Delay, loss of use or loss of market.

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

d. **(1)** Wear and tear;

(2) Rust, or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

(7) The following causes of loss to personal property:

(a) Dampness or dryness of atmosphere;

(b) Changes in or extremes of temperature; or

(c) Marring or scratching.

But if an excluded cause of loss that is listed in **2.d. (1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

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

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

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

(1) You do your best to maintain heat in the building or structure; or

(2) You drain the equipment and shut off the supply if the heat is not maintained.

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

(1) Acting alone or in collusion with others; or

(2) Whether or not occurring during the hours of employment.

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

i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

j. Rain, snow, ice or sleet to personal property in the open.

k. Collapse, except as provided below in the Additional Coverage for Collapse. But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

©ISO Properties, Inc., 2001

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

This exclusion, **l.**, does not apply to damage to glass caused by chemicals applied to the glass

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

3. We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph **1.** above to produce the loss or damage.

b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

c. Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance;

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

4. **Special Exclusions**

The following provisions apply only to the specified Coverage Forms.

a. **Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, or Extra Expense Coverage Form**

We will not pay for:

(1) Any loss caused directly or indirectly by the failure of power or other utility service supplied to the described premises, however caused, if the failure occurs outside of a covered building. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss resulting from that Covered Cause of Loss.

(2) Any loss caused by or resulting from:

(a) Damage or destruction of "finished stock"; or

(b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

(3) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

(4) Any increase of loss caused by or resulting from:

(a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or

(b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the

©ISO Properties, Inc., 2001

Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

(5) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

(6) Any other consequential loss.

b. Leasehold Interest Coverage Form

(1) Paragraph **B.1.a.** Ordinance Or Law, does not apply to insurance under this Coverage Form.

(2) We will not pay for any loss caused by:

(a) Your cancelling the lease;

(b) The suspension, lapse or cancellation of any license; or

(c) Any other consequential loss.

c. Legal Liability Coverage Form

(1) The following exclusions do not apply to insurance under this Coverage Form:

(a) Paragraph **B.1.a.**, Ordinance Or Law;

(b) Paragraph **B.1.c.**, Governmental Action;

(c) Paragraph **B.1.d.**, Nuclear Hazard;

(d) Paragraph **B.1.e.**, Utility Services; and

(e) Paragraph **B.1.f.**, War And Military Action.

(2) The following additional exclusions apply to insurance under this Coverage Form:

(a) **Contractual Liability**

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

(i) Your assumption of liability was executed prior to the accident; and

(ii) The building is Covered Property under this Coverage Form.

(b) **Nuclear Hazard**

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

C. Limitations

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

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.

a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

(1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or

(2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

(1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or

(2) Business Income coverage or Extra Expense coverage.

e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.

2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

a. Animals, and then only if they are killed or their destruction is made necessary.

b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:

(1) Glass; or

(2) Containers of property held for sale.

c. Builders' machinery, tools, and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

(1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income coverage or to Extra Expense coverage.

3. The special limit shown for each category, **a.** through **d.**, is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:

a. $2,500 for furs, fur garments and garments trimmed with fur.

b. $2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth $100 or less per item.

c. $2,500 for patterns, dies, molds and forms.

d. $250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

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

This limitation, **C.3.**, does not apply to Business Income coverage or to Extra Expense coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:

a. Results in discharge of any substance from an automatic fire protection system; or

b. Is directly caused by freezing.

However, this limitation does not apply to Business Income coverage or to Extra Expense coverage.

D. Additional Coverage - Collapse

The term Covered Cause of Loss includes the Additional Coverage - Collapse as described and limited in **D.1.** through **D.5.** below.

1. With respect to buildings:

a. Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose;

©ISO Properties, Inc., 2001

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

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

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

2. We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if the collapse is caused by one or more of the following:

a. The "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;

b. Decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;

c. Insect or vermin damage that is hidden from view, unless the presence of such damage is know to an insured prior to collapse.

d. Weight of people or personal property;

e. Weight of rain that collects on a roof;

f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in **2.a.** through **2.e.**, we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling or renovation, contributes to the collapse.

The criteria set forth in **1.a.** through **1.d.** do not limit the coverage otherwise provided under this Causes of Loss Form for the causes of loss listed in **2.a.**, **2.d.** and **2.e.**

3. With respect to the following property:

a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

b. Awnings, gutters and downspouts;

c. Yard fixtures;

d. Outdoor swimming pools;

e. Fences;

f. Piers, wharves and docks;

g. Beach or diving platforms or appurtenances;

h. Retaining walls; and

i. Walks, roadways and other paved surfaces;

if the collapse is caused by a cause of loss listed in **2.b.** through **2.f.**, we will pay for loss or damage to that property only if:

a. Such loss or damage is a direct result of the collapse of a building insured under this Coverage Form; and

b. The property is Covered Property under this Coverage Form.

4. If personal property abruptly falls down or caves in and such collapse is not the result of collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

a. The collapse was caused by a Cause of Loss listed in **2.a.** through **2.f.** above;

b. The personal property which collapses is inside a building; and

c. The property which collapses is not of a kind listed in **3.** above, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **4.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

Collapse of personal property does not mean cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

5. This Additional Coverage - Collapse, will not increase the Limits of Insurance provided in this Coverage Part.

E. Additional Coverage - Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
   a. A "specified cause of loss" other than fire or lightning; or
   b. Flood, if the Flood Coverage Endorsement applies to the affected premises.
2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:
   a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
   b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
   c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.
3. The coverage described under **E.2.** of this Limited Coverage is limited to $15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of $15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.
4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

   If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.
5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph **F.2.** (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss Form or under the Additional Coverage - Collapse.
6. The following, **6.a.** or **6.b.**, applies only if Business Income and/or Extra Expense coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense coverage form.
   a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
   b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay

©ISO Properties, Inc., 2001

(regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit.

This Extension applies only to your personal property to which this form applies.

a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

b. Loss or damage must be caused by or result from one of the following causes of loss:

(1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.

(2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed.

(3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

c. The most we will pay for loss or damage under this Extension is $5000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage.

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.

b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension, **F.3.**, does not increase the Limit of Insurance.

G. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

2. "Specified Causes of Loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

(1) The cost of filling sinkholes; or

(2) Sinking or collapse of land into man-made underground cavities.

b. Falling objects does not include loss or damage to:

(1) Personal property in the open; or

(2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The exclusion in Paragraph **B.** replaces the **Water** Exclusion in this Coverage Part or Policy.

B. Water

1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

2. Mudslide or mudflow;

3. Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

4. Water under the ground surface pressing on, or flowing or seeping through:

a. Foundations, walls, floors or paved surfaces;

b. Basements, whether paved or not; or

c. Doors, windows or other openings; or

5. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **1.**, **3.** or **4.**, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **1.** through **5.**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **1.** through **5.**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

© Insurance Services Office, Inc., 2008

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUILDERS' RISK COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

SCHEDULE

Provisions Applicable		
Loss Payable	**Lender's Loss Payable**	**Contract Of Sale**
X		

Prem. No. 2828 Easy St

Bldg. No.

Placerville, CA 956673952

Description Of Property Copy Machine

Loss Payee(Name & Address)
De Lage Landen

PO Box 5000

Johnston, IA 50131

A. When this endorsement is attached to the STANDARD PROPERTY POLICY **CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.

The following is added to the LOSS PAYMENT Loss Condition, as indicated in the Declarations or by an "X" in the Schedule:

B. LOSS PAYABLE

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

Copyright, ISO Commercial Risk Services, Inc., 1994

C. LENDER'S LOSS PAYABLE

1. The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:
   a. Warehouse receipts;
   b. A contract for deed;
   c. Bills of lading;
   d. Financing statements; or
   e. Mortgages, deeds of trust, or security agreements.
2. For Covered Property in which both you and a Loss Payee have an insurable interest:
   a. We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
   b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
   c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:
      (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
      (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
      (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

      All of the terms of this Coverage Part will then apply directly to the Loss Payee.
   d. If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
      (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
      (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

      At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.
3. If we cancel this policy, we will give written notice to the Loss Payee at least:
   a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

D. CONTRACT OF SALE

1. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered a contract with for the sale of Covered Property.
2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:
   a. Adjust losses with you; and
   b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear:
3. The following is added to the OTHER INSURANCE Condition:

   For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

Copyright, ISO Commercial Risk Services, Inc., 1994

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT- SPECIAL FORM

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUILDERS RISK COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

I. The following change applies to the BUILDING AND PERSONAL PROPERTY COVERAGE FORM, the BUILDERS RISK COVERAGE FORM, the CONDOMINIUM ASSOCIATION COVERAGE FORM and the CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM:

The following wording is added under the **Pollutant Clean Up And Removal** Additional Coverage:

A. Coverage

4. Additional Coverages

d. Pollutant Clean Up And Removal

We will pay for the pollutant clean up and removal for loss resulting from an **Equipment Breakdown.** The most we will pay for the pollutant clean up and removal is $25,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

II. The following change applies to the BUILDING AND PERSONAL PROPERTY COVERAGE FORM and the CONDOMINIUM ASSOCIATION COVERAGE FORM:

The following Additional Condition is added:

F. Additional Conditions

3. Suspension

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the perils covered by this endorsement. Coverage can be suspended and possibly re-instated by delivering or mailing a written notice of suspension/coverage reinstatement to:

a. Your last known address; or

b. The address where the property is located.

If we suspend your insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

4. Inspections and Surveys

a. We have the right to:

(1) Make inspections and surveys at any time;

(2) Give you reports on the conditions we find: and

(3) Recommend changes.

b. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

 Includes copyrighted material of Insurance Services Office, Inc., with its permission.

(1) Are safe or healthful; or

(2) Comply with laws, regulations, codes or standards.

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

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

e. If Covered Property requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf.

III. The following change applies to the BUILDERS RISK COVERAGE FORM:

The following Additional Condition is added:

F. Additional Conditions

5. Suspension

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the perils covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension/coverage reinstatement to:

a. Your last known address; or

b. The address where the property is located.

If we suspend your insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

IV. The following change applies to the CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM:

The following Additional Condition is added:

F. Additional Conditions

Suspension

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the perils covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension/coverage reinstatement to:

a. Your last known address; or

b. The address where the property is located.

If we suspend your insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

V. The following changes apply to the CAUSES OF LOSS - SPECIAL FORM:

B. Exclusions

As respects to the coverage provided by this endorsement **Exclusion 1.e. Utility Services,** is replaced by the following:

1. e. Utility Services

Loss resulting from **Equipment Breakdown** to power supplied from utility, landlord, or other services supplied to the described premises, however caused, if the failure occurs beyond 1,000 feet from the described premises. Failure includes lack of sufficient capacity and reduction in supply.

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

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement and flood.

This exclusion does not apply to the Business Income coverage or to Extra Expense coverage. Instead the Special Exclusion in paragraph **B.4.a.(1)** applies to these coverages.

The most we will pay for loss or damage under this coverage is $250,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

The following **Exclusions** are removed:

2.a. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

2.d.(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force.

But if mechanical breakdown results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

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

But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion.

As respect to the coverage provided by this endorsement subparagraph **(1)** under **a.** of section **4. Special Exclusion a.** is changed to read as follows:

4. Special Exclusions

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form or Extra Expense Coverage Form

Loss resulting from **Equipment Breakdown,** we will not pay for:

(1) Any loss caused directly or indirectly by the failure of power supplied from utility, landlord, or other services supplied to the described premises, however caused, if the failure occurs beyond 1,000 feet of the described premises. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss resulting from that Covered Cause of Loss.

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement and flood.

The most we will pay for loss or damage under this coverage is $250,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

C. Limitations

As respects to the coverage provided by this endorsement, the following **Limitations** are removed:

1.a. Steam boilers, steam pipes, steam engines, or steam turbines caused by or resulting from any condition or event inside such equipment.

But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

1.b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than any explosion.

F. Additional Coverage Extensions

The following **Additional Coverage Extensions** are added:

4. Expediting Expenses

We will pay for the expediting expense loss resulting from an **Equipment Breakdown** with respect to your damaged Covered Property. We will pay the reasonable extra cost to:

a. Make temporary repairs;

b. Expedite permanent repairs; and

c. Expedite permanent replacement.

Reasonable extra cost shall mean "the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation" which will be a part of and not in addition to the limit per loss.

5. Refrigerant Contamination

Contamination by a refrigerant resulting from **Equipment Breakdown** with respect to your damaged Covered Property to refrigerating, cooling or humidity control equipment at the described premises.

The most we will pay for loss or damage under this coverage is $25,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

6. Spoilage Coverage

Any other consequential loss, except that we will pay for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by **Equipment Breakdown** to types of property covered by this policy, that are:

(1) located on or within 1,000 feet of your described premises;

(2) owned by the building owner at your described premises, or owned by a public utility; and

(3) used to supply telephone, electricity, air conditioning, heating, gas, water or steam to your described premises.

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement and flood.

The most we will pay for loss or damage under this coverage is $25,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

7. Data Restoration

We will pay you the cost to research, replace and restore data, including programs and operating systems, that is lost or corrupted due to the cause of loss provided by this endorsement. This coverage is provided up to a Data Restoration coverage limit of $100,000. This limit is part of and not in addition to the policy limits.

8. Environmental, Safety and Efficiency Improvements

If Covered Property requires replacement due to a loss covered by this endorsement, we will pay your additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced.

However, we will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This coverage does not increase any of the applicable limits. This coverage does not apply to any property indicated as being valued on an Actual Cash Value.

 Includes copyrighted material of Insurance Services Office, Inc., with its permission.

9. Demolition and ICC (Increased Cost of Construction)

If a building that is Covered Property is damaged by a loss covered by this endorsement and the loss is increased by enforcement of any ordinance or law in force at the time of the **Equipment Breakdown** that regulates the construction or repair of buildings, or establishes zoning or land use requirements, we will pay for the following additional costs to comply with such ordinance or law:

(1) Your actual expenditures for the cost to demolish and clear the site of undamaged parts.

(2) Your actual expenditures for increased costs to repair, rebuild or construct the building. If the building is repaired or rebuilt, it must be intended for similar use or occupancy as the current building, unless otherwise required by zoning or land use ordinance or law.

(3) Your loss as described in Business Income and Extra Expense coverages caused by loss covered in **(1)** or **(2)** above, if these coverages are indicated in the policy Declarations.

We will not pay for:

(1) Any fine;

(2) Any liability to a third party;

(3) Any increase in loss due to a "hazardous substance"; or

(4) Increased construction costs until the building is actually repaired or replaced.

The most we will pay for loss or damage under this coverage is $100,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

G. Definitions

The following Definition **"Specified Causes of Loss"** has been added to as follows:

"Specified Causes of Loss" also means **Equipment Breakdown.**

Equipment Breakdown as used herein means:

a. Physical loss or damage both originating within:

(1) Boilers, fired or unfired pressure vessels, vacuum vessels and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:

(a) waste disposal piping;

(b) any piping forming part of a fire protective system;

(c) furnaces; and

(d) any water piping other than:

(i) boiler feed water piping between the feed pump and the boiler;

(ii) boiler condensate return piping; or

(iii) water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.

(2) All mechanical, electrical, electronic or fiber optic equipment; and

b. Caused by, resulting from, or consisting of:

(1) Mechanical breakdown; or

(2) Electrical or electronic breakdown; or

(3) Rupture, bursting, bulging, implosion or steam explosion.

c. Should covered electrical equipment require drying out as a result of a flood, we will reimburse only the direct expenses of such drying out, not the repair or replacement of the electrical equipment, subject to the Property Damage limit and the Property Damage deductible.

 Includes copyrighted material of Insurance Services Office, Inc., with its permission.

However, **Equipment Breakdown** will not mean:

Physical loss or damage caused by or resulting from any of the following; however if loss or damage not otherwise excluded results, then we will pay for such resulting damage:

(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents or other animals;

(6) Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs or software; or

(7) The following causes of loss to personal property:

(a) Dampness and dryness of atmosphere; or

(b) Marring and scratching.

 Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REMOVAL PERMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

If Covered Property is removed to a new location that is added by endorsement to the policy subsequent to its original issue, you may extend this insurance to include that Covered Property at each location during the removal. Coverage at each location will apply in the proportion that the value at each location bears to the value of all Covered Property being removed. This permit applies up to 10 days after the effective date of the endorsement adding the new location; after that, this insurance does not apply at the previous location.

©2010 Liberty Mutual Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY EXTENSION PLUS

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM
WATER EXCLUSION ENDORSEMENT

The following is a summary of increased limits of insurance and additional coverages provided by this endorsement. This endorsement is subject to the provisions of your policy which means that it is subject to all limitations and conditions applicable to this Coverage Part, Coverage Form and Causes of Loss - Special Form unless specifically deleted, replaced, or modified herein. Except as otherwise stated herein, this endorsement is applicable only to those premises described in the Declarations.

Coverage for loss of Business Income or Extra Expense, whether provided by this endorsement or elsewhere, does not apply if a loss is covered only as a result of this endorsement.

If loss or damage is covered elsewhere in this policy and under this endorsement, the amount payable under this endorsement will apply excess over that payable elsewhere in this policy unless otherwise stated. We will not pay more than the actual amount of the covered loss or damage.

Coverage Description	Limit of Insurance
Special Deductible Provision	Included
Broadened Premises	Included
Additional Covered Property	Included
Real Property of Others Required by Contract	$ 20,000 at any one location
Debris Removal	$ 25,000 for each location, in an occurrence
Preservation of Property	90 days
Fire Department Service Charge ***(Not Applicable In Arizona)***	$ 10,000 at any one location
Pollutant Clean Up and Removal	$ 25,000 in each separate 12-month period of this policy
Electronic Data	$ 15,000 in any one policy year
Arson or Theft Reward	$ 25,000 at any one location, regardless of the number of persons providing information
Employee Dishonesty	$ 10,000 in any one "occurrence"
Forgery Or Alteration	$ 5,000 in any one occurrence
Money Orders and Counterfeit Money	$ 2,500 in any one occurrence
Newly Acquired or Constructed Property	180 days
Buildings	$ 500,000 at each building
Business Personal Property	$ 250,000 at each building
Personal Effects and Property of Others	$ 25,000 at each described premises
Valuable Papers and Records (Other Than Electronic Data)	$ 25,000 at each described premises
Property Off-Premises	$ 50,000 at any one location
Electronic Data in Transit	$ 5,000 in any one policy year
Outdoor Property	$ 25,000 in any one occurrence
Accounts Receivable	
At Premises Described in the Declarations	$ 100,000 in any one occurrence
Away From Premises Described in the Declarations	$ 25,000 in any one occurrence
Fine Arts	$ 25,000 at any one location
Fire Protective Equipment	$ 25,000 in each separate 12-month policy period

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

Coverage Description	Limit of Insurance
Loss of Refrigeration	$ 25,000 in any one occurrence
Computer Equipment (Including Laptop/Portable Computers)	$ 30,000 at any one location
Computer Equipment Extra Expense	$ 7,500 at any one location
Lock Replacement	$ 2,500 in any one occurrence
Money and Securities	
Inside the Premises	$ 5,000 in any one "occurrence"
Outside the Premises	$ 5,000 in any one "occurrence"
Utility Services Interruption - Direct Damage	$ 25,000 in any one occurrence
Consequential Loss	$ 25,000 at any one location
Business Income and Extra Expense	$ 50,000 at any one location
Extended Business Income	60 days
Business Income - Newly Acquired Locations	60 days
Utility Services Interruption - Business Income	$ 25,000 in any one occurrence
Loss Adjustment Expenses	$ 10,000 in any one occurrence
Salespersons Samples	$ 5,000 for each salesperson, in any one occurrence
Appurtenant Structures	
Buildings	$ 50,000 at any one location
Business Personal Property	$ 5,000 at any one location
Consequential Loss to Pair or Set	Included in Business Personal Property Limit
Signs (Outdoor)	$ 10,000 in any one occurrence
Special Valuation Provision	$ 5,000
Manufacturers Selling Price	Included
Brands and Labels	$ 25,000 at any one location
Waiver of Coinsurance on Losses $10,000 or Less	Included
Ordinance or Law	
Undamaged Portion of Building	Included in the Building Limit
Demolition Cost & Increased Cost of Construction	$ 200,000 Combined, at any one location
Theft of Dies, Patterns, Molds and Forms	Included in Business Personal Property Limit
Property In Transit	$ 10,000 in any one occurrence
Back-Up of Sewers or Drains	$ 25,000 at any one location
Water Seepage	$ 10,000 in any one policy year

A. The following is added to Section **D. DEDUCTIBLE,** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Special Deductible Provision

From any loss or damage covered under this endorsement, we will deduct the amount of the Deductible shown in the Declarations that applies to the peril of fire, unless otherwise stated in this endorsement. In the event there is more than one different deductible on the policy applying to fire, the smallest such deductible will apply. The deductible shall apply separately to each occurrence.

B. The following changes apply to Section **A. COVERAGE** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

1. Broadened Premises

The words **within 100 feet of the described premises** in Paragraph **A.1.a.(5)(b), Building;** Paragraph **A.1.b., Your Business Personal Property;** Paragraph **A.1.c.(2), Personal Property of Others;** and Paragraph **A.5., Coverage Extensions** are deleted and replaced by **within 1,000 feet of the described premises.**

2. Additional Covered Property

The following are added to item **a. Building** of Paragraph **A.1. Covered Property:**

(6) Bridges not exceeding 30 feet in length, roadways, walks, patios or other paved surfaces;

(7) Retaining walls (except retaining walls two feet or higher used to contain water or protect against wave action or storm surges) that are not part of a building;

(8) Fences;

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

(9) Foundations of buildings.

Additional Condition **F.1. Coinsurance** does not apply to bridges which qualify as Additional Covered Property under this endorsement.

Items **d., g., l.** and **q.(2)** of Paragraph **A.2 Property Not Covered** are deleted and replaced with the following:

d. Bridges exceeding 30 feet in length;

g. Foundations of structures other than buildings, machinery or boilers if their foundations are below:

(1) The lowest basement floor; or

(2) The surface of the ground, if there is no basement;

l. Retaining walls two feet or higher used to contain water or protect against wave action or storm surges;

q. (2) Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

3. Real Property of Others Required by Contract

The following is added to item **b. Your Business Personal Property** of Paragraph **A.1. Covered Property:**

(8) Real Property including but not limited to building, doors and windows you are responsible for due to contract or lease agreement.

The most we will pay for loss or damage to covered property at any one location is $20,000.

4. Debris Removal

The limit of insurance in item **a.(4) Debris Removal** of Paragraph **A.4. Additional Coverages** is increased from $10,000 to $25,000 for each location in any one occurrence.

5. Preservation of Property

The 30-day limitation in item **b.(2) Preservation of Property** of Paragraph **A.4. Additional Coverages** is increased to 90 days.

6. Fire Department Service Charge *(Not Applicable in Arizona)*

The limit of insurance in item **c. Fire Department Service Charge** of Paragraph **A.4. Additional Coverages** is increased from $1,000 to $10,000 at any one location.

7. Pollutant Clean Up and Removal

The limit of insurance in item **d. Pollutant Clean Up and Removal** of Paragraph **A.4. Additional Coverages** is increased from $10,000 to $25,000 during each separate 12-month period of the policy.

8. Electronic Data

The limit of insurance in item **f.(4) Electronic Data** of Paragraph **A.4. Additional Coverages** is increased from $2,500 to $15,000 in any one policy year.

9. The following are added to paragraph **A.4 Additional Coverages:**

g. Arson or Theft Reward

We will pay on behalf of the insured up to $25,000 at any one location for information which leads to an arson conviction or theft conviction in connection with a fire loss or theft loss covered under the BUILDING AND PERSONAL PROPERTY COVERAGE FORM. Regardless of the number of persons involved in providing information, our liability under this Additional Coverage will not be increased.

No deductible applies to this Additional Coverage.

h. Employee Dishonesty

(1) We will pay for direct loss of or damage to business personal property, including "money" and "securities", resulting from dishonest acts committed by any of your "employees" acting alone, or in collusion with other persons (except you or your partner) with the manifest intent to:

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

(a) Cause you to sustain loss or damage; and

(b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:

1. Any "employee"; or
2. Any other person or organization.

(2) We will not pay for loss or damage:

(a) Resulting from any dishonest or criminal act that you or any of your partners commit whether acting alone or in collusion with other persons; or

(b) The only proof of which as to its existence or amount is dependent upon:

1. An inventory computation; or
2. A profit and loss computation.

(3) The most we will pay for loss or damage in any one "occurrence" is $10,000.

(4) As respects this Additional Coverage, all loss or damage:

(a) Caused by one or more persons; or

(b) Involving a single act or series of related acts;

is considered one "occurrence."

(5) If any loss is covered:

(a) Partly by this insurance; and

(b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger amount recoverable under this insurance or the prior insurance.

(6) We will pay for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

(7) This Additional Coverage does not apply to the dishonest act of any "employee" that occurs after the discovery by:

(a) You; or

(b) Any of your partners, officers, directors or trustees not in collusion with the "employee"

of any dishonest act committed by that "employee" whether before or after becoming employed by you.

(8) We will pay only for covered loss or damage discovered no later than one year from the end of the Policy Period.

(9) If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:

(a) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and

(b) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

(10) The insurance under paragraph (9) above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:

(a) This Additional Coverage as of its effective date; or

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

(b) The prior insurance had it remained in effect.

Coverage provided under this Additional Coverage is subject to a Deductible equal to the Property Deductible shown in the Declarations.

"Employee" means:

(a) Any natural person:

(1) While in your service and for 30 days after termination of service; and

(2) Whom you compensate directly by salary, wages or commissions; and

(3) Whom you have the right to direct and control while performing services for you; or

(b) Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the premises.

But "employee" does not mean any:

(1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

(2) Director or trustee except while performing acts coming within the scope of the usual duties of an "employee.

"Occurrence" means all loss caused by or involving, one or more "employees," whether the result of a single act or series of acts.

"Money" means:

(a) Currency, coins and bank notes in current use and having a face value; and

(b) Travelers checks, register checks and money orders held for sale to the public.

"Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

(a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

(b) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

i. Forgery or Alteration

(1) We will pay for loss resulting directly from alteration of any check, draft, promissory note, bill of exchange or similar written promise of payment in "money" that you or your agent has issued, or that was issued by someone who impersonates you or your agent. We will pay for loss you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no limit of insurance cumulates from year to year or period to period.

(2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expense that you incur in that defense.

(3) For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.

(4) We will not pay for loss resulting from any dishonest or criminal acts committed by you or any of your partners, employees, managers, members, officers, directors or trustees, whether acting alone or in collusion with others.

(5) The most we will pay for all loss in any one occurrence, including legal expenses, under this Additional Coverage is $5,000.

"Money" means:

a. Currency, coins and bank note in current use and having a face value; and

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

b. Travelers checks, register checks and money orders held for sale to the public.

j. Money Orders and Counterfeit Money

We will pay for your loss when you accept in good faith:

1) Any money order in exchange for goods or services if the money order is not paid when presented to the issuer; or

2) Counterfeit U.S. or Canadian paper money in the regular course of business.

The most we will pay under this Additional Coverage is $2,500 in any one occurrence.

10. Newly Acquired or Constructed Property

The limit of insurance in item **a.(1) Newly Acquired or Constructed Property - Buildings** of Paragraph **A.5. Coverage Extensions** is increased from $250,000 to $500,000 at each building.

The limit of insurance in item **a.(2) Newly Acquired or Constructed Property - Your Business Personal Property** of Paragraph **A.5. Coverage Extensions** is increased from $100,000 to $250,000 at each building.

The number of days in item **a.(3)(b) Newly Acquired or Constructed Property - Period of Coverage** of Paragraph **A.5. Coverage Extensions** is increased from 30 to 180 days.

11. Personal Effects and Property of Others

The last paragraph of item **b. Personal Effects and Property of Others** of Paragraph **A.5. Coverage Extensions** is deleted and replaced by the following:

The most we will pay for loss or damage under this Extension is $25,000 at each premises described in the Declarations. Our payment for loss of or damage to personal property of others (including property of others held by you on consignment) will only be for the account of the owner of the property.

12. Valuable Papers and Records (Other Than Electronic Data)

The limit of insurance in item **c.(4) Valuable Papers and Records (Other Than Electronic Data)** of Paragraph **A.5. Coverage Extensions** is increased from $2,500 to $25,000 at each described premises.

13. Property Off-Premises

The limit of insurance in item **d.(3) Property Off-Premises** of Paragraph **A.5. Coverage Extensions** is increased from $10,000 to $50,000 at any one location.

There is no coverage under this Extension for fine arts.

The following is added to item **d. Property Off-Premises** of Paragraph **A.5. Coverage Extensions:**

(4) Coverage under this Extension is extended to cover electronic data in transit. Under this Extension, electronic data has the meaning described in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM under Property Not Covered - Electronic Data. The most we will pay for loss or damage to electronic data under this Extension is $5,000 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or number of computer systems involved. This $5,000 limit is part of and not in addition to the $15,000 limit in Paragraph **A.4.f. Electronic Data** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

14. Outdoor Property

Item **e. Outdoor Property** of Paragraph **A.5. Coverage Extensions** is deleted and replaced by the following:

You may extend the insurance provided by the BUILDING AND PERSONAL PROPERTY COVERAGE FORM to apply to your outdoor lighting, lighting standards, radio and television antennas, satellite dishes, playground equipment, scoreboards, trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is $25,000, but not more than $500 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or numbers of items lost or damaged in that occurrence.

15. The following are added to Paragraph **A.5. Coverage Extensions:**

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

g. Accounts Receivable

We will pay:

(1) All amounts due from your customers that you are unable to collect;

(2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;

(3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and

(4) Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result from a Covered Cause of Loss to your records of accounts receivable.

The most we will pay for loss in any one occurrence under this Extension is:

(1) $100,000 for premises described in the Declarations, and

(2) $ 25,000 while away from premises described in the Declarations.

No deductible applies to this Extension.

h. Fine Arts

You may extend the insurance that applies to Your Business Personal Property to apply to your fine arts and fine arts owned by others that are in your care, custody or control.

This Extension does not apply to loss or damage caused by or resulting from:

(1) Any repairing, restoration or retouching process;

(2) Insects, birds, rodents or other animals;

(3) Wear and tear;

(4) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in the property that causes it to damage or destroy itself;

(5) Breakage of art glass windows, statuary, marbles, glassware, bric-a-brac, porcelains and similar fragile articles. But we will pay for loss or damage caused directly by fire, lightning, aircraft, theft or attempted theft, cyclone, tornado, windstorm, explosion, vandalism, or by accident to the vehicle carrying the property.

The most we will pay for loss or damage at any one location under this Extension is $25,000. This Extension also applies to fine arts while in transit or located away from the premises described in the Declarations. The limit for loss or damage sustained while in transit applies to any one occurrence.

i. Fire Protective Equipment

You may extend the insurance provided by the BUILDING AND PERSONAL PROPERTY COVERAGE FORM to apply to your costs to:

(1) Recharge or refill fire protective equipment; and

(2) Clean up and remove the fire extinguishing agent, resulting from the discharge of a fire extinguishing agent from fire protective equipment.

The discharge must:

(1) Be caused by a Covered Cause of Loss;

(2) Result from the intended operation of the fire protective equipment to prevent or control a Covered Cause of Loss;

(3) Be accidental; or

(4) Result from a malfunction of the fire protective equipment.

We will not pay for damage:

(1) If you fail to use reasonable care to maintain the fire protective equipment in proper operating condition; or

(2) Caused by discharge at the time of servicing, refilling or testing of the fire protective equipment.

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

The most we will pay under this Extension is $25,000 for each separate 12-month period of this policy.

j. Loss of Refrigeration

You may extend the insurance provided by the BUILDING AND PERSONAL PROPERTY COVERAGE FORM to apply to direct physical loss of or damage to property owned by you and used in your business or owned by others and in your care, custody or control, contained in any refrigeration or cooling apparatus or equipment resulting from:

(1) The fluctuation or total interruption of electrical power, either on or off the described premises, due to conditions beyond your control; or

(2) Mechanical failure of any refrigeration or cooling apparatus or equipment (on premises).

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

k. Computer Equipment *(refer to paragraph B.8. of this endorsement for Electronic Data coverage)*

You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to "computer equipment" owned by you or similar property of others in your care, custody or control for which you are legally liable, caused by a Covered Cause of Loss.

You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to "laptop/portable computers" owned by you and in your care, custody and control or in the care, custody or control of your employee.

(1) Property Not Covered

We will not cover the following kinds of property under this Extension:

(a) Property which you rent or lease to others;

(b) Software or other electronic data;

(c) Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts, program documentation or other documents.

(d) "Computer equipment" held for sale by you;

(e) "Computer equipment" of others on which you are performing repairs or work;

(f) "Computer equipment" that is part of any:

(i) Production or processing equipment (such as CAD, CAM or CNC machines);

(ii) Equipment used to maintain or service your building (such as heating, ventilating, cooling or alarm systems); or

(iii) Communication equipment (such as telephone systems).

(g) Property that is covered under another coverage form of this or any other policy in which such property is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance.

(2) Property In Transit

We will pay for your "computer equipment", or "laptop/portable computer" while in transit.

(3) Section **B. Exclusions, 1.b. Earth Movement** of the CAUSES OF LOSS - SPECIAL FORM, as respects **A.5.k. Computer Equipment,** is deleted in its entirety.

(4) Section **B. Exclusions, 1.e. Utility Services** of the CAUSES OF LOSS - SPECIAL FORM, as respects **A.5.k. Computer Equipment,** is deleted in its entirety.

(5) Section **B. Exclusions, 1.g. Water** of the CAUSES OF LOSS - SPECIAL FORM, as respects **A.5.k. Computer Equipment,** is deleted in its entirety.

(6) The artificially generated electrical current exclusion, Item **B.2.a.** of the CAUSES OF LOSS - SPECIAL FORM, as respects **A.5.k. Computer Equipment,** is deleted in its entirety.

(7) The mechanical breakdown exclusion, Item **B.2.d.(6)** of the CAUSES OF LOSS - SPECIAL FORM, as respects **A.5.k. Computer Equipment,** is deleted and replaced by the following:

(6) Mechanical breakdown, failure or derangement, except:

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

(a) This exclusion does not apply for the accidental loss or damage caused by a resulting fire or explosion.

(b) This exclusion does not apply if any of the above is sudden and accidental and manifests itself by physical damage to "computer equipment" which requires repair or replacement.

(8) Loss Payment will be determined as follows:

"Computer equipment" or "laptop/portable computers"

We will pay the least of the following amounts:

(i) The cost of reasonably restoring that property to its condition immediately before the loss or damage; or

(ii) The cost of replacing that property with identical property of comparable material and quality and used for the same purpose.

However, when repair or replacement with identical property is not possible, we will pay the cost to replace that property with similar property capable of performing the same functions.

If not repaired or replaced, the property will be valued at its actual cash value.

"Computer Equipment" means a network of electronic machine components capable of accepting information, processing it according to instructions and producing the results in a desired form.

"Laptop/Portable Computers" means "computer equipment" and accessories that are designed to function with it that can easily be carried and is designed to be used at more than one location.

The most we will pay under this Extension for loss or damage to "computer equipment" including "laptop/portable computers" at any one location is $30,000. This Extension also applies to "laptop/portable computers" which are away from the described premises.

l. Computer Equipment Extra Expense

We will pay the necessary operating expenses over and above your normal cost of operating your "computer equipment" that you incur due to direct physical loss of or damage to your "computer equipment" caused by or resulting from any Covered Cause of Loss. We will pay the necessary operating expenses from the date of loss until:

(1) The equipment is repaired or replaced and normal operation resumes; or

(2) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(3) The limit of insurance applicable to this Extension is exhausted.

You must resume your normal business operations as soon as possible following any loss or damage.

"Computer equipment" means a network of electronic machine components capable of accepting information, processing it according to instructions and producing the results in a desired form.

The most we will pay at any one location under this Extension is $7,500.

m. Lock Replacement

You may extend the insurance provided by the BUILDING AND PERSONAL PROPERTY COVERAGE FORM to apply to replacement of locks necessitated by theft of Covered Property or theft of keys from the premises described in the Declarations.

The most we will pay for loss under this Coverage Extension is $2,500 in any one occurrence.

n. Money and Securities

(1) You may extend the insurance that applies to Your Business Personal Property to apply to loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

(a) Theft, meaning any act of stealing;

(b) Disappearance; or

(c) Destruction.

(2) In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:

(a) Resulting from accounting or arithmetical errors or omissions;

(b) Due to the giving or surrendering of property in any exchange or purchase; or

(c) Of property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

(3) The most we will pay for loss in any one occurrence is:

(a) $5,000 for Inside the Premises for "money" and "securities" while:

(i) In or on the described premises; or

(ii) Within a bank or savings institution; and

(b) $5,000 for Outside the Premises for "money" and "securities" while anywhere else.

(4) As respects this Additional Coverage all loss:

(a) Caused by one or more persons; or

(b) Involving a single act or series of related acts;

is considered one "occurrence."

(5) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.

(6) "Money" means:

(a) Currency, coins and bank notes in current use and having a face value; and

(b) Travelers checks, register checks and money orders held for sale to the public.

(7) "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

(a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

(b) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

(8) "Occurrence" means an:

(a) Act or series of related acts involving one or more persons; or

(b) Act or event, or a series of related acts or events not involving any person.

o. **Utility Services Interruption - Direct Damage**

You may extend the insurance provided by the BUILDING AND PERSONAL PROPERTY COVERAGE FORM to apply to loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the described premises:

(1) **Water Supply Services,** meaning the following types of property supplying water to the described premises:

(a) Pumping stations; and

(b) Water mains.

(2) **Communication Supply Services,** meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

(a) Communication transmission lines, including optic fiber transmission lines;

(b) Coaxial cables; and

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

(c) Microwave radio relays except satellites.

It does not include above ground communication lines.

(3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

(a) Utility generating plants;

(b) Switching stations;

(c) Substations;

(d) Transformers; and

(e) Transmission lines.

It does not include above ground transmission or distribution lines.

This Extension does not apply to loss of or damage to property owned by you and used in your business or owned by others and in your care, custody or control, contained in any refrigeration or cooling apparatus or equipment, resulting from:

(a) The fluctuation or total interruption of electrical power, either on or off the described premises, due to conditions beyond your control; or

(b) Mechanical failure of any refrigeration or cooling apparatus or equipment.

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

p. Consequential Loss

We will pay up to $25,000 at any one location for the consequential loss of undamaged business personal property.

Consequential Loss, as described in this Coverage Extension is the loss of value of an undamaged part or parts of a product which becomes unmarketable. It must be unmarketable due to a physical loss or damage caused by a Covered Cause of Loss to another part or parts of the same product.

Payments provided under this Coverage Extension are included within and do not increase the Business Personal Property Limit of Insurance shown in the Declarations.

q. Business Income and Extra Expense

Unless amended by endorsement elsewhere in this policy, "Period of Restoration" means the period of time as defined in this Coverage Extension

Business Income

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration." The "suspension" must be caused by direct physical loss of or damage to your covered Building or Business Personal Property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to Business Personal Property in the open or in a vehicle, the described premises includes the area within 1,000 feet of the site at which the described premises are located.

If you are a tenant, your premises are the portion of the building which you rent, lease or occupy, including:

(i) All routes within the building to gain access to the described premises; and

(ii) Your Business Personal Property in the open (or in a vehicle) within 1,000 feet.

The COINSURANCE Additional Condition does not apply as respects this Coverage Extension.

However, if Business Income coverage is provided under this policy by the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM or the BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM, the Business Income limit provided by this Coverage Extension may be included with the limit(s) for those forms for the application of the Coinsurance Additional Condition.

Business Income means the:

(a) Net Income (net profit or loss before income taxes) that would have been earned or incurred, including "Rental Value"; and

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

(b) Continuing normal operating expenses incurred, including payroll.

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

Extra Expense

We will pay the actual and necessary Extra Expense you incur due to direct physical loss of or damage to the property at the premises described in the Declarations, including Business Personal Property in the open or in a vehicle, within 1,000 feet of the premises, caused by or resulting from a Covered Cause of Loss.

If you are a tenant, your premises are the portion of the building which you rent, lease or occupy, including:

(i) All routes within the building to gain access to the described premises; and

(ii) Your personal property in the open (or in a vehicle) within 1,000 feet.

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property. Coverage pertains to expenses which are incurred to:

(a) Avoid or minimize the "suspension" of business and to continue "operations":

1. At the described premises; or

2. At replacement premises or at temporary locations, including:

(a) Relocation expenses; or

(b) Costs to equip and operate the replacement or temporary locations.

(b) Minimize the "suspension" of business if you cannot continue "operations."

(c) To repair or replace any property

(d) To research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Extension.

Extended Business Income

(1) Business Income Other Than "Rental Value"

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

(a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and

(b) Ends on the earlier of:

(i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or

(ii) 60 consecutive days after the date determined in **(a)** above.

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

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

(2) "Rental Value"

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

(a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and

(b) Ends on the earlier of:

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

(i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or

(ii) 60 consecutive days after the date determined in **(2)(a)** above.

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

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

Newly Acquired Locations

a. You may extend the Business Income and Extra Expense Coverages provided by this endorsement to apply to property at any location you acquire other than fairs or exhibitions.

b. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

(1) This policy expires;

(2) 60 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

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

The following definitions are added as respects this Coverage Extension:

(1) "Finished Stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

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

(2) "Operations" means the type of your business activities occurring at the described premises.

(3) Unless amended by endorsement elsewhere in this policy, "Period of Restoration" means the period of time that:

(a) Begins:

(i) 72 hours after the time of direct physical loss or damage for Business Income coverage; or

(ii) Immediately after the time of direct physical loss or damage for Extra Expense coverage;

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

(b) Ends on the earlier of:

(i) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(ii) The date when business is resumed at a new permanent location.

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

(a) Regulates the construction, use or repair, or requires the tearing down of any property; or

(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

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

(4) "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

(5) "Rental Value" means Business Income that consists of:

a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and

b. Continuing normal operating expenses incurred in connection with that premises, including:

(1) Payroll; and

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

(6) "Suspension" means:

a. The slowdown or cessation of your business activities; or

b. That a part or all of the described premises is rendered untenantable.

The most we will pay at any one location under this Extension (including Extended Business Income and Newly Acquired Locations) for the sum of Business Income loss and Extra Expense incurred is $50,000.

r. Utility Services Interruption - Business Income

We will pay up to $25,000 in any one occurrence for the actual loss of Business Income you sustain at the described premises due to the necessary "suspension" of your "operations" during the "period of restoration" caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following types of property located outside of a covered building described in the Declarations:

(1) Water Supply Services, meaning the following types of property supplying water to the described premises:

(a) Pumping stations; and

(b) Water mains.

(2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

(a) Communication transmission lines, including optic fiber transmission lines;

(b) Coaxial cables; and

(c) Microwave radio relays except satellites.

It does not include above ground communication lines.

(3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

(a) Utility generating plants;

(b) Switching stations;

(c) Substations;

(d) Transformers; and

(e) Transmission lines.

It does not include above ground transmission or distribution lines.

Coverage under this Extension does not apply to Business Income loss related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning described in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM under Property Not Covered - Electronic Data.

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

Business Income means the:

(a) Net income (net profit or loss before income taxes) that would have been earned or incurred, including "Rental Value"; and

(b) Continuing normal operating expenses incurred, including payroll.

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

Refer to the Business Income / Extra Expense Coverage Extension for the following definitions:

(1) "Operations"

(2) "Period of Restoration"

(3) "Rental Value"

(4) "Suspension"

s. Loss Adjustment Expenses

You may extend the insurance provided by the BUILDING AND PERSONAL PROPERTY COVERAGE FORM to apply to your expenses for preparation of loss data, including inventories and appraisals, in connection with any claim covered under this policy. We will not pay for expenses incurred in using the services of a public adjuster or an attorney.

The most we will pay at any one location under this Extension is $10,000.

t. Salespersons Samples

You may extend the insurance that applies to Your Business Personal Property to apply to Salespersons' Samples of your stock in trade, including their containers, while they are in the care, custody or control of your sales representative(s), agent(s) or yourself while acting as a sales representative.

The most we will pay for loss to Salespersons Samples in any one occurrence is $5,000 for property in the custody of any one salesperson.

u. Appurtenant Structures

If not otherwise covered by this policy, you may extend the insurance that applies to Building to apply to your storage buildings, your garages and your other appurtenant structures, except outdoor fixtures, at the premises described in the Declarations. The most we will pay at any one location for such loss or damage under this Extension is $50,000.

If not otherwise covered by this policy, you may extend the insurance that applies to Your Business Personal Property to apply to such property in your storage buildings, your garages and your other appurtenant structures at the premises described in the Declarations. The most we will pay at any one location for such loss or damage under this Extension is $5,000.

v. Consequential Loss to Pair or Set

You may extend the insurance that applies to Your Business Personal Property to include the loss of value to undamaged Business Personal Property that is a pair or set, due to loss or damage to Covered Property, caused by a Covered Cause of Loss to part of the pair or set.

In Case of physical damage to any part of a pair or set, we may:

(1) Repair or replace any part to restore the pair or set to its value immediately before the loss or damage; or

(2) Pay the difference between the value of the pair or set immediately before and after the loss or damage.

Payments provided under this Coverage Extension are included within and do not increase the Business Personal Property Limit of Insurance shown in the Declarations.

C. The second paragraph of Section **C. LIMITS OF INSURANCE** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is deleted and replaced by the following:

Signs (Outdoor)

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is $10,000 per sign in any one occurrence.

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

D. The following changes are applicable to Section **E. LOSS CONDITIONS** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

Special Valuation Provision

The limit of insurance in Paragraph **7.b. Valuation** is increased from $2,500 to $5,000.

Manufacturers Selling Price

The following is added to Paragraph **7. Valuation** Loss Condition:

f. We will determine the value of finished "stock" you manufacture, in the event of loss or damage, at:

(1) The selling price, as if no loss or damage occurred;

(2) Less discounts and expenses you otherwise would have had.

E. Brands and Labels

The following is added to Section **E. LOSS CONDITIONS,** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

8. Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may, at our expense:

a. Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or

b. Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

The most we will pay at any one location under this coverage is $25,000.

F. Coinsurance

Section **F. ADDITIONAL CONDITIONS,** Paragraph **1. Coinsurance** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM applies only when the total loss or damage to all Covered Property in any one occurrence is greater than $10,000.

G. Ordinance or Law

For purposes of this endorsement only, Paragraph **A.4.e. Increased Cost of Construction** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is deleted.

The following coverage is added:

1. If a Covered Cause of Loss occurs to covered Building property, we will pay:

a. Coverage for Loss to the Undamaged Portion of the Building - For the loss in value of the undamaged portion of that building as a consequence of enforcement of any ordinance or law that:

(i) Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;

(ii) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at a described premises; and

(iii) Is in force at the time of loss.

Coverage for loss to the undamaged portion of the building is included within the Limit of Insurance shown in the Declarations as applicable to the covered building and does not increase the Limit of Insurance.

b. Demolition Cost Coverage - The cost to demolish and clear the site of undamaged parts of that property caused by the enforcement of building, zoning or land use ordinance or law. The COINSURANCE Additional Condition does not apply to this demolition cost coverage.

c. Increased Cost of Construction Coverage - The increased cost to:

(i) Repair or reconstruct damaged portions of that Building property; and/or

(ii) Reconstruct or remodel undamaged portions of that Building property, whether or not demolition is required;

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

when the increased cost is a consequence of enforcement of building, zoning or land use ordinance or law.

However:

(i) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

(ii) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

This coverage applies only to buildings to which the Replacement Cost Optional Coverage applies. The COINSURANCE Additional Condition does not apply to this increased cost of construction coverage.

The most we will pay at any one location under Demolition Cost Coverage and Increased Cost of Construction Coverage combined is $200,000.

2. We will not pay the increased costs of construction under this coverage:
   a. Until the property is actually repaired or replaced, at the same or another premises; and
   b. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
3. We will not pay under this coverage for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
4. We will not pay for loss due to any ordinance or law that:
   a. You were required to comply with before the loss, even if the building was undamaged, and
   b. You failed to comply with.

H. Theft of Dies, Patterns, Molds and Forms

Section **C. Limitations**, Paragraph **3.c.** of the CAUSES OF LOSS - SPECIAL FORM is deleted in its entirety.

I. Property In Transit

With respect to the Property In Transit Additional Coverage Extension of the CAUSES OF LOSS - SPECIAL FORM:

Paragraphs **a.** and **c.** are replaced by:

a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than fine arts or property in the care, custody or control of your salespersons) in transit more than 1,000 feet from the described premises. Property must be in or on a motor vehicle while between points in the coverage territory.

c. The most we will pay for loss or damage under this Extension is $10,000 in any one occurrence.

Paragraph **d.** is added:

d. This Coverage Extension does not apply to fine arts in transit.

J. Back-Up of Sewers or Drains

Paragraph **B.3. Water** of the WATER EXCLUSION ENDORSEMENT is deleted and replaced by the following:

3. Except as provided under the Back-Up of Sewers or Drains Additional Coverage Extension, water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

The following is added to Section **F. Additional Coverage Extensions** of the CAUSES OF LOSS - SPECIAL FORM:

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

4. Back-Up of Sewers or Drains

We cover direct physical loss or damage caused by water:

a. Which backs up into a building or structure through sewers or drains which are directly connected to a sanitary sewer or septic system; or

b. Which enters into and overflows from within a sump pump, sump pump well or other type of system designed to remove subsurface water which is drained from the foundation area.

This coverage does not apply if the loss or damage is caused by your negligence.

We will not pay for water or other materials that back up, overflow, or are discharged from a sewer, drain, sump, sump pump or related equipment when it is caused by any flood, whether the flood is caused by an act of nature or is otherwise caused.

The most we will pay for loss or damage at any one location under this Coverage Extension is $25,000.

If the DISCHARGE FROM SEWER, DRAIN OR SUMP (NOT FLOOD-RELATED) endorsement is attached to and made a part of this policy, the provisions of this Coverage Extension are superseded for any location to which the aforementioned endorsement applies.

K. Water Seepage

Paragraph **B.4. Water** of the WATER EXCLUSION ENDORSEMENT is deleted and replaced by the following:

4. Except as provided under the Water Seepage Additional Coverage Extension, water under the ground surface pressing on, or flowing or seeping through:

a. Foundations, walls, floors or paved surfaces;

b. Basements, whether paved or not; or

c. Doors, windows, or other openings; or

The following is added to Section **F. Additional Coverage Extensions** of the CAUSES OF LOSS - SPECIAL FORM:

5. Water Seepage

You may extend the insurance provided by the BUILDING AND PERSONAL PROPERTY COVERAGE FORM to apply to loss or damage to Covered Property caused by water under the ground surface pressing on, or flowing or seeping through:

(a) Foundations, walls, floors or paved surfaces; or

(b) Basements, whether paved or not.

The most we will pay for loss or damage under this Coverage Extension is $10,000 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises or locations involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

All other terms and conditions remain unchanged.

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES - INCREASED COST OF CONSTRUCTION

This endorsement modifies insurance provided under the following:

PROPERTY EXTENSION PLUS
PROPERTY EXTENSION PLUS FOR MANUFACTURING
PROPERTY EXTENSION PLUS FOR RESTAURANTS
PROPERTY EXTENSION PLUS FOR LESSORS
PROPERTY EXTENSION FOR RELIGIOUS ORGANIZATIONS
PROPERTY EXTENSION PLUS FOR RETAILERS
PROPERTY EXTENSION PLUS FOR SERVICE PROVIDERS
PROPERTY EXTENSION PLUS FOR WHOLESALERS
PROPERTY EXTENSION PLUS FOR HOTELS
PROPERTY EXTENSION PLUS FOR CONSTRUCTION
PROPERTY EXTENSION PLUS FOR AUTOMOBILE SERVICES
PROPERTY EXTENSION PLUS FOR ARTISAN CONTRACTORS
PROPERTY EXTENSION PLUS FOR GOLF COURSES
PROPERTY EXTENSION OPTIMUM
CUSTOM PROTECTOR™ ENDORSEMENT
CUSTOM PROTECTOR™ PLUS ENDORSEMENT
CUSTOM PROTECTOR™ CONDOMINIUM UNIT OWNERS PLUS ENDORSEMENT

Paragraph **2.** of **Ordinance or Law** coverage is deleted and replaced by:

2. We will not pay the increased costs of construction under this coverage:

a. Until the property is actually repaired or replaced, at the same or another premises; and

b. Unless such repair or replacement is made within two years after our payment of the actual cash value of the property subject to the replacement cost coverage, if any, unless we extend the time period for good cause.

© 2017 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

IDENTITY THEFT ADMINISTRATIVE SERVICES AND EXPENSE COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

The following is added to paragraph **A.4. Additional Coverages:**

IDENTITY THEFT ADMINISTRATIVE SERVICES AND EXPENSE COVERAGE

We will provide "Identity Theft Administrative Services" and will reimburse up to $25,000 for "Identity Theft Expenses" incurred by an "identity theft insured" as a direct result of any one "identity theft" in the "coverage territory" if all of the following requirements are met:

1. The personal identity of an "identity theft insured" under this policy was the subject of an "identity theft"; and
2. Such "identity theft" is first discovered by the "identity theft insured" during the policy period for which this Identity Theft Expense Coverage is applicable; and
3. Such "identity theft" is reported to us as soon as practicable but in no event later than 60 days after it is first discovered by the "identity theft insured"; and
4. The "identity theft insured" reports the "identity theft" in writing to the appropriate law enforcement agency.

Any act or series of acts committed by one or more persons, or in which such person or persons are aiding or abetting others, against an "identity theft insured" is considered to be one "identity theft", even if a series of acts continues into a subsequent policy period.

LIMITS

Regardless of the number of claims or "Identity Theft Insureds", the most we will pay in the aggregate for all "identity theft expenses" resulting from "identity theft" discovered during the policy period is $25,000.

1. The $25,000 Identity Theft Expense Limit shall be reduced by the amount of any payment made by us under the terms of this insurance. If the Identity Theft Expense Limit of Insurance is exhausted, we will have no further liability to pay for loss which may be discovered during the remainder of the policy period.
2. Any recovery made by us after settlement of a loss covered by this insurance shall not be used to increase or reinstate the Limit of Insurance.
3. "Identity Theft Incident Administrative Services" is provided up to 12 consecutive months after service begins.
4. "Identity Theft Administrative Services "do not reduce the "Identity Theft" limit.

This "Identity Theft Administrative Service" and "Identity Theft Expense" Coverage is additional insurance.

EXCLUSIONS

The following exclusions are added to the applicable Cause of Loss Form shown on the Declarations.

We do not provide "Identity Theft Administrative Services" or cover "identity theft expenses":

1. Incurred as the result of "identity theft" due to any fraudulent, dishonest, or criminal act by you, your partners, employees, members, "executive officers", managers, directors, or trustees or by any authorized representative of yours, whether acting alone or in collusion with others.

   In the event of any such act, no "identity theft insured" is entitled to "identity theft expenses", even an "identity theft insured" who did not commit or conspire to commit the act causing the "identity theft".

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

2. Arising out of "identity theft" committed by or with knowledge of any relative or former relative of the "identity theft insured".
3. Arising out of an "identity theft" first discovered by the "identity theft insured "prior to the policy period or after the policy period, even if the "identity theft" began or continued during the policy period.
4. Arising out of an "identity theft" that is not reported to us within 60 days after it is first discovered by the "identity theft insured".

DEDUCTIBLE

1. There is no deductible applicable to the "Identity Theft Administrative Services".
2. We will not pay for "identity theft expenses" resulting from an "identity theft" unless the amount exceeds $250. We will then pay the amount of "identity theft expense" in excess of the Deductible Amount, up to the Limit of Insurance. Each "identity theft insured" shall be subject to only one deductible during any one policy period.

CONDITIONS

The following additional conditions are added for "Identity Theft Administrative Services" and Expense Coverage:

1. The coverage provided under this endorsement will be excess over any other insurance covering the same loss or damage, whether you can collect on it or not. But we will not pay any more than the Identity Theft Expense Limits of Insurance applicable to this coverage.
2. Reimbursement for "Identity Theft Expense" will be made to the "Identity Theft Insured."
3. "Identity Theft Administrative Services" will provide instructions on:
   a. How to respond to a potential "Identity Theft";
   b. How to submit a request for "Identity Theft Administrative Services"; and
   c. Information needed for reimbursement of "Identity Theft Expenses".

   We may provide "Identity Theft Administrative Services" prior to a final determination of "Identity Theft." However, if we determine there was not an "Identity Theft" these services will end and we will not have a right or duty to continue these services. Offering "Identity Theft Administrative Service" does not indicate an admission of liability under this policy.
4. Identify Theft Administrative Services. The following apply with respect to "Identity Theft Administrative Services":
   a. Services will depend on the cooperation, permissions, and assistance provided by the "Identity Theft Insured";
   b. There is no warranty or guarantee that "Identity Theft" issues will end and it will not prevent future "Identity Theft" incidences; and
   c. All services may not be offered or applicable to all "Identity Theft Insureds." For example, minors may not have credit reports available to be monitored.

DEFINITIONS

1. "Coverage Territory" means:
   a. The United States of America (including its territories and possessions);
   b. Puerto Rico; and
   c. Canada.
2. "Executive officers" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
3. "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of an "identity theft insured' with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law. "Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

4. "Identity Theft Expenses" means the following reasonable and necessary items incurred as a result of "identity theft":
    a. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies.
    b. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.
    c. Costs for obtaining credit reports.
    d. Charges incurred for long distance telephone calls to merchants, vendors, suppliers, customers, law enforcement agencies, financial institutions or similar credit grantors, or credit agencies to report or discuss an actual "identity theft".
    e. Application fees for re-applying for a loan, or loans when the original application is rejected solely because the lender received incorrect credit information as a result of a covered "identity theft."
    f. Lost income resulting from time taken off from work to complete fraud affidavits, meet with or talk to law enforcement agencies, credit agencies and/or legal counsel, up to a maximum of $250 per day. Total payment for loss of income is not to exceed $5,000 per "identity theft insured" and is included within the "identity theft expense" and aggregate limits.
    g. Attorney fees to:
        i. Defend lawsuits brought against an "identity theft insured" by merchants, vendors, suppliers, financial institutions, or their collection agencies.
        ii. Remove any criminal or civil judgments wrongly entered against an "identity theft insured"; and
        iii. Challenge the accuracy or completeness of any information in a consumer credit report.
    h. Advertising expenses to restore the reputation of your business after an "identity theft insured" has been the victim of "identity theft". Total payment for advertising expenses is not to exceed $5,000 per "identity theft insured" and is included within the "identity theft expense" and aggregate limits.
5. "Identity Theft Administrative Services" means one or more individuals assigned by us to the "identity theft insured" to assist with the communication needed to re-establish the integrity of the "identity theft insured's" identity, including with the "identity's theft insured's" permission and cooperation, written and telephone communication with law enforcement authorities, government agencies, credit agencies, and individual creditors and businesses.
6. "Identity Theft Insured" means the following if you are designated in the Declarations as:
    a. An individual or sole proprietorship, you and your spouse are insureds.
    b. A partnership or joint venture, your members, your partners, and their spouses are insured's.
    c. A limited liability company, your members are insured's.
    d. An organization other than a partnership, joint venture, or limited liability company, your "executive officers" and directors are insureds. Your stockholders are not "identity theft insureds."

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY ANTI-STACKING ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

This policy may contain multiple editions of one or more property forms and/or endorsements. Where coverage for specific loss or damage is provided by more than one edition of the same form and/or endorsement, payment under only one such edition shall apply in any given occurrence.

When coverage and/or limits differ among the various editions of the same form or endorsement, the claim will be settled using the edition that provides the most favorable outcome to you.

© 2017 Liberty Mutual Insurance

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.

B. We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Cyber Incident, meaning:

1. Unauthorized access to or use of any computer system or computer software (including electronic data).
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system or computer software (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 or computer software (including electronic data) or otherwise disrupt their normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system or computer software (including electronic data), or otherwise disrupts their normal functioning or operation.

C. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **B.1.** through **B.3.** of this exclusion results in fire or explosion, we will pay for the direct physical loss or damage caused by that fire or explosion.

2. Additional Coverages and Coverage Extension

The exclusion in Paragraph **B.** does not apply to the Additional Coverages and Coverage Extension listed below, when a part of this policy:

a. Additional Coverage - Electronic Data;

b. Additional Coverage - Interruption Of Computer Operations;

c. Additional Coverage - Computer Fraud; or

d. Coverage Extension - Computer Virus And Hacking Coverage

D. Vandalism

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Causes of Loss - Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph **B.**

© 2020 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

E. The terms of the exclusion in Paragraph **B.** or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

© 2020 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

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

©ISO Properties, Inc., 2007

COMMON POLICY CONDITIONS

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

A. CANCELLATION

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

B. CHANGES

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

C. EXAMINATION OF YOUR BOOKS AND RECORDS

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

D. INSPECTIONS AND SURVEYS

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

E. PREMIUMS

The first Named Insured shown in the Declarations:

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

F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

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

Copyright, Insurance Services Office, Inc., 1998

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

Copyright, Insurance Services Office, Inc., 1998

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

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

1. The insurance does not apply:
   - **A.** Under any Liability Coverage, to "bodily injury" or "property damage":
     - **(1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
     - **(2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
   - **B.** Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
   - **C.** Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
     - **(1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
     - **(2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

© ISO Properties, Inc., 2007

(3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

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

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

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

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

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

"Nuclear facility" means:

(a) Any "nuclear reactor";

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

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

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

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

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

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

© ISO Properties, Inc., 2007

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES - ACTUAL CASH VALUE

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

With respect to an "open policy", the following are added to any provision which uses the term actual cash value:

A. In the event of a partial or total loss to a building or structure, actual cash value is calculated as the lesser of the following:

1. The amount it would cost to repair, rebuild or replace the property less a fair and reasonable deduction for physical depreciation of the components of the building or structure that are normally subject to repair or replacement during its useful life. Physical depreciation is based upon the condition of the property at the time of the loss; or
2. The Limit of Insurance applicable to the property.

B. In the event of a partial or total loss to Covered Property other than a building or structure, actual cash value is calculated as the lesser of the following:

1. The amount it would cost to repair or replace the property less a fair and reasonable deduction for physical depreciation, based on the condition of the property at the time of loss; or
2. The Limit of Insurance applicable to the property.

C. An "open policy" is a policy under which the value of Covered Property is not fixed at policy inception, but is determined at the time of loss in accordance with policy provisions on valuation. The term "open policy" does not apply to Covered Property that is subject to an Agreed Value clause or similar clause that establishes an agreed value prior to loss, unless such clause has expired.

© Insurance Services Office, Inc., 2019

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART - FARM PROPERTY - OTHER FARM PROVISIONS FORM - ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS
FARM COVERAGE PART - LIVESTOCK COVERAGE FORM
FARM COVERAGE PART - MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM
STANDARD PROPERTY POLICY

A. When this endorsement is attached to the Standard Property Policy **CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.

B. The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following with respect to loss ("loss") or damage caused by fire:

We do not provide coverage to the insured ("insured") who, whether before or after a loss ("loss"), has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Coverage Part;
2. The Covered Property;
3. That insured's ("insured's") interest in the Covered Property; or
4. A claim under this Coverage Part or Coverage Form.

C. The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following with respect to loss ("loss") or damage caused by a Covered Cause of Loss other than fire:

This Coverage Part is void if any insured ("insured"), whether before or after a loss ("loss"), has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Coverage Part;
2. The Covered Property;
3. That insured's ("insured's") interest in the Covered Property; or
4. A claim under this Coverage Part or Coverage Form.

C. The Concealment, Misrepresentation Or Fraud Condition is replaced by the following with respect to loss ("loss") or damage caused by a Covered Cause of Loss other than fire:

This Coverage Part is void if any insured ("insured"), whether before or after a loss ("loss"), has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Coverage Part;
2. The Covered Property;
3. An insured's ("insured's") interest in the Covered Property; or
4. A claim under this Coverage Part or Coverage Form.

D. Except as provided in **E.**, the **Appraisal** Condition is replaced by the following:

If we and you disagree on the value of the property or the actual cash value or the amount of loss ("loss"), either may make written request for an appraisal of the loss ("loss"). In this event, each party will select a competent and impartial appraiser. However, in the event of a government-declared disaster, as defined in the Government Code, appraisal may be requested by either you or us but shall not be compelled. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and actual cash value and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of actual cash value and loss ("loss") and will be binding. Each party will:

1. Pay its chosen appraiser; and

© Insurance Services Office, Inc., 2020

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

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

E. The Appraisal Condition in:

1. Business Income (And Extra Expense) Coverage Form **CP 00 30;** and
2. Business Income (Without Extra Expense) Coverage Form **CP 00 32;**

is replaced by the following:

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent and impartial appraiser. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

a. Pay its chosen appraiser; and

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

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

© Insurance Services Office, Inc., 2020

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

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

A. Paragraphs **2.** and **3.** of the **Cancellation** Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

(1) Nonpayment of premium; or

(2) Discovery of fraud by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

(2) Discovery of fraud or material misrepresentation by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

(3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

©Insurance Services Office, Inc., 2020

(4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.

(5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.

(6) A determination by the Commissioner of Insurance that the:

(a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or

(b) Continuation of the policy coverage would:

(i) Place us in violation of California law or the laws of the state where we are domiciled; or

(ii) Threaten our solvency.

(7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.

b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph **3.a.**

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

7. Residential Property

This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part - Farm Property - Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in **b.** and **c.** below.

b. We may not cancel this policy solely because the first Named Insured has:

(1) Accepted an offer of earthquake coverage; or

(2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.

©Insurance Services Office, Inc., 2020

c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction **(c.)** applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:

(1) Commercial Property Coverage Part - Causes Of Loss - Special Form; or

(2) Farm Coverage Part - Causes Of Loss Form - Farm Property, Paragraph **D.** Covered Causes Of Loss - Special.

d. If a state of emergency under California Law is declared and the residential property is located in any ZIP Code within or adjacent to the fire perimeter, as determined by California Law, we may not cancel this policy for one year, beginning from the date the state of emergency is declared, solely because the dwelling or other structure is located in an area in which a wildfire has occurred. However, we may cancel:

(1) When you have not paid the premium, at any time by letting you know at least 10 days before the date cancellation takes effect;

(2) If willful or grossly negligent acts or omissions by the Named Insured, or his or her representatives, are discovered that materially increase any of the risks insured against; or

(3) If there are physical changes in the property insured against, beyond the catastrophe-damaged condition of the structures and surface landscape, which result in the property becoming uninsurable.

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

Nonrenewal

1. Subject to the provisions of Paragraphs **C.2.** and **C.3.** below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part - Farm Property - Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

a. If this policy provides coverage as described in the preceding paragraph, and we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at the mailing address shown in the policy, at least 75 days, but not more than 120 days, before the expiration or anniversary date.

If we fail to give the first Named Insured shown in the Declarations notice of nonrenewal at least 75 days prior to the policy expiration, as required in the paragraph above, this policy, with no change in its terms and conditions, shall remain in effect for 75 days from the date that the notice of nonrenewal is delivered or mailed to the Named Insured. A notice to this effect shall be provided by us to the first Named Insured with the notice of nonrenewal.

b. We may elect not to renew such coverage for any reason, except as provided in Paragraphs **c., d.** and **e.** below.

c. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

(1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

(2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or

(3) We have:

(a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or

(b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

d. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.

e. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction **(e.)** applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:

(1) Commercial Property Coverage Part - Causes Of Loss - Special Form; or

(2) Farm Coverage Part - Causes Of Loss Form - Farm Property, Paragraph **D.** Covered Causes Of Loss - Special.

f. If a state of emergency under California Law is declared and the residential property is located in any ZIP Code within or adjacent to the fire perimeter, as determined by California Law, we may not nonrenew this policy for one year, beginning from the date the state of emergency is declared, solely because the dwelling or other structure is located in an area in which a wildfire has occurred.

©Insurance Services Office, Inc., 2020

However, we may nonrenew:

(1) If willful or grossly negligent acts or omissions by the Named Insured, or his or her representatives, are discovered that materially increase any of the risks insured against;

(2) If losses unrelated to the postdisaster loss condition of the property have occurred that would collectively render the risk ineligible for renewal; or

(3) If there are physical changes in the property insured against, beyond the catastrophe-damaged condition of the structures and surface landscape, which result in the property becoming uninsurable.

3. We are not required to send notice of nonrenewal in the following situations:

a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **C.1.**

c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.

d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.

e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.

f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **C.1.**, to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

©Insurance Services Office, Inc., 2020

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
STANDARD PROPERTY POLICY

A. We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.

1. The failure, malfunction or inadequacy of:
   a. Any of the following, whether belonging to any insured or to others:
      (1) Computer hardware, including microprocessors;
      (2) Computer application software;
      (3) Computer operating systems and related software;
      (4) Computer networks;
      (5) Microprocessors (computer chips) not part of any computer system; or
      (6) Any other computerized or electronic equipment or components; or
   b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

   due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.

2. Any device, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.

B. If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:

1. In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
2. Under the Commercial Property Coverage Part:
   a. In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss - Special Form; or
   b. In a Covered Cause of Loss under the Causes of Loss - Basic Form or the Causes of Loss - Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.

C. We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

© ISO Properties, Inc., 2001

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

© Insurance Services Office, Inc., 2015

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN PROTECTION COVERAGE FORM
FARM COVERAGE PART
STANDARD PROPERTY POLICY

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph **D)** applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part or Policy
California, Connecticut, Georgia, Illinois, Iowa, Maine, Massachusetts, Missouri, New Jersey, New York, North Carolina, Oregon, Rhode Island, Virginia, Washington, West Virginia, Wisconsin	Commercial Property Coverage Part
California, Connecticut, Georgia, Illinois, Iowa, Maine, Massachusetts, Missouri, New Jersey, New York, North Carolina, Oregon, Rhode Island, Virginia, Washington, West Virginia, Wisconsin	Commercial Inland Marine Coverage Part

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Applicability Of The Provisions Of This Endorsement

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

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

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

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

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

©ISO Properties, Inc., 2005

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

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

a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to loss or damage from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and

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

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

B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

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

1. That involve the following or preparation for the following:
   a. Use or threat of force or violence; or
   b. Commission or threat of a dangerous act; or
   c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
   a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
   b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

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

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

D. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

©ISO Properties, Inc., 2005

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

E. Application Of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of **C.1.** or **C.2.**, such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part or Policy.
2. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss or damage which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

©ISO Properties, Inc., 2005

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

EMPLOYEE BENEFITS LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART
PASTORAL PROFESSIONAL LIABILITY COVERAGE PART
PRINTERS ERRORS AND OMISSIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART

A. Applicability Of The Provisions Of This Endorsement

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

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

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

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

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

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

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

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

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

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

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

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

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

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

      (1) Use or threat of force or violence; or

      (2) Commission or threat of a dangerous act; or

      (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

   b. When one or both of the following applies:

      (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

      (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. "Any injury or damage" means any claim, "claim" (if defined) injury or damage covered under any Coverage Part to which this endorsement is applicable, and may include but is not limited to bodily injury, property damage, personal and advertising injury, injury, damages, suit, wrongful acts, loss or employment practices as may be defined or used in any applicable Coverage Part.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

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

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

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

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

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

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Part.

© 2012 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

EMPLOYEE BENEFITS LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART
PASTORAL PROFESSIONAL LIABILITY COVERAGE PART
PRINTERS ERRORS AND OMISSIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART

A. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to a pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

B. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any injury, damage, damages, claims, suits, wrongful acts, losses or employment practices that are otherwise excluded under this Coverage Part.

© 2015 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM

This endorsement modifies insurance provided under the following:

EMPLOYEE BENEFITS LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART
PASTORAL PROFESSIONAL LIABILITY COVERAGE PART
PRINTERS ERRORS AND OMISSIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM PUNITIVE DAMAGES

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

B. The following definition is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any injury, damage, damages, claims, suits, wrongful acts, losses or employment practices that are otherwise excluded under this Coverage Part.

© 2015 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL CASH VALUE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
FARM COVERAGE PART

The following is added to any provision which uses the term actual cash value as it pertains to direct loss or damage to covered property by a Covered Cause of Loss or covered peril:

Actual Cash Value is the amount it would cost to repair or replace, on the date of loss, with material of like kind and quality, with reasonable deduction for physical depreciation and obsolescence, but in no event more than the fair market value.

Unless otherwise provided by this policy, we may deduct expense depreciation. Expense depreciation is defined as depreciation, including but not limited to the cost of goods, materials, overhead and profit, and services necessary to replace, repair or rebuild damaged property. If expense depreciation is applied to loss for damaged property, we shall provide a written explanation as to how the expense depreciation was calculated.

© 2020 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LC 87 10 05 00

PUNITIVE OR EXEMPLARY DAMAGES EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
EMPLOYEE BENEFITS COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS & CONTRACTORS PROTECTIVE COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROFESSIONAL COVERAGE PART

A. LIABILITY COVERAGE is changed by adding the following exclusion:

Regardless of any other provision of this policy, this policy does not apply to "punitive or exemplary damages" awarded against an "insured". However, if a suit is brought against an "insured" arising out of a claim which alleges both compensatory and "punitive or exemplary damages", we will defend the entire suit with the understanding that we pay only the compensatory damages.

B. ADDITIONAL DEFINITION

"Punitive or exemplary damages" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for "bodily injury" or "property damage".

IMPORTANT NOTICE
NOTICE TO POLICYHOLDERS

This explanation is not a part of your insurance policy, and it does not alter any of its provisions or conditions. No coverage is provided by this notice nor can it be construed to replace any provision in your policy or policies with us, or any forms attached to your policy or policies.

The following information only gives a general explanation which may have occurred from your prior (or old) policy. Read your policy carefully to determine rights, duties, and what is and is not covered. Only the provisions of your policy determine the scope of your insurance protection.

This notice has been prepared to provide you with information since one of the forms listed below maybe attached to your policy.

Fully Earned and Minimum Premium Endorsements*

CG 04 37 - Electronic Data Liability
CG 20 03 - Additional Insured - Concessionaires Trading Under Your Name
CG 20 10 - Additional Insured - Owners, Lessees Or Contractors - Scheduled Person Or Organization
CG 89 79 - Additional Insured - Owners, Lessees Or Contractors - Completed Operations - Scheduled Person Or Organization - Arising Out Of Your Ongoing Operations
CG 90 47 - Additional Insured - Owners, Lessees or Contractors - Scheduled Person Or Organization - Caused In Whole Or In Part
CG 90 43 - Additional Insured - Owners, Lessees Or Organizations - Scheduled Person Or Organization - Including Primary/Non-Contributory And Waiver Of Subrogation
CG 90 44 - Additional Insured - Owners, Lessees Or Contractors - Completed - Operations - Including Primary And Non Contributory And Waiver Of Subrogation
CG 20 11 - Additional Insured - Managers Or Lessors Of Premises
CG 20 15 - Additional Insured - Vendors
CG 20 26 - Additional Insured - Designated Person Or Organization
CG 20 28 - Additional Insured - Lessor Of Leased Equipment
CG 20 29 - Additional Insured - Grantor Of Franchise
CG 20 32 - Additional Insured - Engineers, Architects Or Surveyors Not Engaged By The Named Insured
CG 20 34 - Additional Insured - Lessor Of Leased Equipment - Automatic Status When Required In Lease Agreement With You
CG 20 37 - Additional Insured - Owners, Lessees Or Contractors - Completed Operations
CG 89 80 - Additional Insured - Owners, Lessees Or Contractors - Completed Operations - Arising Out Of Your Work
CG 84 56 - Additional Insured - Boat Shows
CG 85 83 - Blanket Additional Insured Contractors - Products - Completed Operations
CG 85 84 - Additional Insured Contractors Products - Completed Operations
CG 86 11 - Additional Insured Automatic Status When Required In Construction Agreement With You - Contractors - Completed Operations
CG 89 95 - Additional Insured - Automatic Status When Required In Construction Agreement With You - Products/Completed Operations
CG 88 83 - Amendment of Other Insurance Condition - Designated Persons or Organizations
CG 89 98 - Amendment of Other Insurance Condition

One of the above endorsement(s) may be attached to your policy. With the attachment of the endorsement a premium charge has been made along with a fully earned or minimum premium amount which will be retained if the policy is cancelled or issued for less than a one year period.

Please refer any questions you may have to your insurance agent.

* Not applicable in Ohio.

© 2013 Liberty Mutual Insurance
Includes copyrighted material of Insurance Services Office, Inc., with its permission.