



**Report Claims Immediately by Calling\***  
**1-800-238-6225**

*Speak directly with a claim professional  
24 hours a day, 365 days a year*

\*Unless Your Policy Requires **Written** Notice or Reporting

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## **COMMERCIAL INSURANCE**

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**A Custom Insurance Policy Prepared for:**

SUMMER HILL SUBDIVISION HOA  
PO BOX 3896  
GRAND JUNCTION CO 81502

TRAVELERS CORP. TEL: 1-800-328-2189  
CONDOMINIUM  
COMMON POLICY DECLARATIONS  
ISSUE DATE: 02/22/23  
POLICY NUMBER: I-660-4668X408-TCT-23

INSURING COMPANY:  
THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

1. NAMED INSURED AND MAILING ADDRESS:  
SUMMER HILL SUBDIVISION HOA  
PO BOX 3896  
GRAND JUNCTION, CO 81502

2. POLICY PERIOD: From 04/18/23 to 04/18/24 12:01 A.M. Standard Time at  
your mailing address.

3. LOCATIONS  
Premises Bldg.  
Loc. No. No. Occupancy Address  
  
SEE IL T0 03

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:  
COMMERCIAL PROPERTY COV PART DECLARATIONS CP T0 11 01 03 TCT  
COMMERCIAL GENERAL LIABILITY COV PART DECLARATIONS CG T0 01 11 03 TCT

5. NUMBERS OF FORMS AND ENDORSEMENTS  
FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy  
containing its complete provisions:  
Policy Policy No. Insuring Company

DIRECT BILL  
7. PREMIUM SUMMARY:  
Provisional Premium \$ 1,490  
Due at Inception \$  
Due at Each \$

NAME AND ADDRESS OF AGENT OR BROKER:  
HOME LOAN & INVESTMENT (TY613)  
P O BOX 100  
GRAND JUNCTION, CO 81502

COUNTERSIGNED BY:

\_\_\_\_\_  
Authorized Representative

DATE: \_\_\_\_\_

POLICY NUMBER: I-660-4668X408-TCT-23

EFFECTIVE DATE: 04-18-23

ISSUE DATE: 02-22-23

## LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL T0 02 11 89	COMMON POLICY DECLARATIONS
IL T8 01 10 93	FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS
IL T0 01 01 07	COMMON POLICY CONDITIONS
IL T0 03 04 96	LOCATION SCHEDULE

### COMMERCIAL PROPERTY

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CP T1 08 02 17	CAUSE OF LOSS - SPECIAL FORM
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CP T3 82 02 04	CAUSES OF LOSS - EQUIPMENT BREAKDOWN
CP T3 81 01 21	FEDERAL TERRORISM RISK INSURANCE ACT DIS

### COMMERCIAL GENERAL LIABILITY

CG T0 01 11 03	COML GENERAL LIABILITY COV PART DEC
CG T0 07 09 87	DECLARATIONS PREMIUM SCHEDULE
CG T0 08 11 03	KEY TO DECLARATIONS PREMIUM SCHEDULE
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CG T1 00 02 19	COMMERCIAL GENERAL LIABILITY COV FORM
CG D2 37 02 19	EXCL-REAL ESTATE DEV ACTIVITIES-COMPL OP
CG D9 10 09 21	AMENDMENT OF INTELLECTUAL PROPERTY EXCL
GN 00 61 02 88	ADDL INSD-HOMEOWNERS OR PROPERTY OWNERS
CG D0 28 10 91	DIR & OFFICERS LIAB END COMMUNITY ASSOC
CG D2 03 12 97	AMEND-NON CUMULATION OF EACH OCC
CG D2 43 01 02	FUNGI OR BACTERIA EXCLUSION
CG D4 21 07 08	AMEND CONTRAC LIAB EXCL-EXC TO NAMED INS
CG D6 18 10 11	EXCL-VIOLATION OF CONSUMER FIN PROT LAWS
CG D1 42 02 19	EXCLUSION-DISCRIMINATION
CG T3 23 08 11	EXCL - AIRCRAFT PROD AND GROUNDING
CG T3 33 11 03	LIMIT WHEN TWO OR MORE POLICIES APPLY

### INTERLINE ENDORSEMENTS

IL T0 63 07 22	ACTUAL CASH VALUE
IL T3 68 01 21	FED TERRORISM RISK INS ACT DISCLOSURE
IL T4 12 03 15	AMNDT COMMON POLICY COND-PROHIBITED COVG
IL T4 14 01 21	CAP ON LOSSES FROM CERT ACTS OF TERRORIS
IL T4 27 06 19	ADDITIONAL BENEFITS
IL T4 40 10 20	PROTECTION OF PROPERTY

POLICY NUMBER: I-660-4668X408-TCT-23

EFFECTIVE DATE: 04-18-23

ISSUE DATE: 02-22-23

INTERLINE ENDORSEMENTS (CONTINUED)

IL T3 82 05 13	EXCL OF LOSS DUE TO VIRUS OR BACTERIA
IL 00 21 09 08	NUCLEAR ENERGY LIAB EXCL END-BROAD FORM
IL 01 25 11 13	COLORADO CHANGES - CIVIL UNION
IL 01 69 09 07	CO CHANGES CONCEAL MISREP OR FRAUD
IL 02 28 09 07	CO CHANGES-CANCELLATION AND NONRENEWAL
IL T3 55 05 13	EXCLUSION OF CERTAIN COMPUTER LOSSES

# 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 or any Coverage Part 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. If the policy is cancelled, that date will become the end of the policy period. If a Coverage Part is cancelled, that date will become the end of the policy period as respects that Coverage Part only.
5. If this policy or any Coverage Part 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 as 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

1. The first Named Insured shown in the Declarations:
  - a. Is responsible for the payment of all premiums; and
  - b. Will be the payee for any return premiums we pay.
2. We compute all premiums for this policy in accordance with our rules, rates, rating plans, premiums and minimum premiums. The premium shown in the Declarations was computed based on rates and rules 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.

**F. Transfer Of Your Rights And Duties Under This Policy**

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

If you die, your rights and duties will be transferred to your legal representative but only while

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

**G. Equipment Breakdown Equivalent to Boiler and Machinery**

On the Common Policy Declarations, the term Equipment Breakdown is understood to mean and include Boiler and Machinery and the term Boiler and Machinery is understood to mean and include Equipment Breakdown.

This policy consists of the Common Policy Declarations and the Coverage Parts and endorsements listed in that declarations form.

In return for payment of the premium, we agree with the Named Insured to provide the insurance afforded by a Coverage Part forming part of this policy. That insurance will be provided by the company indicated as insuring company in the Common Policy Declarations by the abbreviation of its name opposite that Coverage Part.

One of the companies listed below (each a stock company) has executed this policy, and this policy is countersigned by the officers listed below:

The Travelers Indemnity Company (IND)

The Phoenix Insurance Company (PHX)

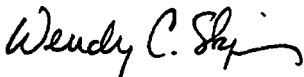
The Charter Oak Fire Insurance Company (COF)

Travelers Property Casualty Company of America (TIL)

The Travelers Indemnity Company of Connecticut (TCT)

The Travelers Indemnity Company of America (TIA)

Travelers Casualty Insurance Company of America (ACJ)



Secretary



President

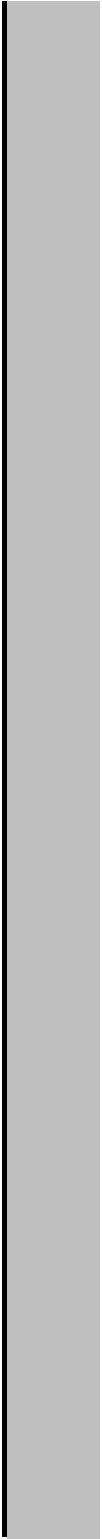
**LOCATION SCHEDULE**

**POLICY NUMBER: I-660-4668X408-TCT-23**

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 04-18-23 to 04-18-24 .

<b>Loc. No.</b>	<b>Bldg. No.</b>	<b>Address</b>	<b>Occupancy</b>
1	1	SUMMER HILL WAY AND HAVEN COURT GRAND JUNCTION, CO 81501	HOA
1	2	SUMMER HILL WAY AND HAVEN COURT GRAND JUNCTION, CO 81501	HOA
2	3	SUMMER HILL WAY & SPRINGS CROSSING GRAND JUNCTION, CO 81506	HOA
3	4	SUMMER HILL SUBDIVISION GRAND JUNCTION, CO 81501	EQUIPMENT

# COMMERCIAL PROPERTY







**COMMERCIAL PROPERTY**

**COMMERCIAL PROPERTY  
COVERAGE PART DECLARATIONS**

**POLICY NUMBER: I-660-4668X408-TCT-23  
ISSUE DATE: 02-22-23**

**INSURING COMPANY:  
THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT**

**DECLARATIONS PERIOD: From 04/18/23 to 04/18/24 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.**

The Commercial Property Coverage Part consists of these Declarations and the attached Supplemental Declaration(s), Schedule(s), Table of Contents, Commercial Property Conditions, the Coverage Form(s), the Cause of Loss Form(s) and endorsements.

1. **COVERAGE** - Insurance applies only to premises location(s) and building number(s) shown below for the coverage(s), optional coverage(s) or coverage option(s) indicated in this Declarations or specified in any endorsements attached to this Coverage Part.
2. **DEDUCTIBLE** - The following deductible applies unless a different or more specific deductible is indicated within this Declarations or by endorsement.

\$ 500 per occurrence

**PREMISES LOCATION NO. 0001      BUILDING NO. 0002**

COVERAGE	LIMIT OF INSURANCE	COINSURANCE	CAUSES OF LOSS
Your Business Personal Property Replacement Cost applies	\$ 8,021	80%	Special

**PREMISES LOCATION NO. 0002      BUILDING NO. 0003**

COVERAGE	LIMIT OF INSURANCE	COINSURANCE	CAUSES OF LOSS
GAZEBO Replacement Cost applies	\$ 22,220	80%	Special
PUMPHOUSE AND PUMPS Replacement Cost applies	\$ 20,000	80%	Special

**PREMISES LOCATION NO. 0003      BUILDING NO. 0004**

COVERAGE	LIMIT OF INSURANCE	COINSURANCE	CAUSES OF LOSS
Miscellaneous Structures Replacement Cost applies	\$ 22,450	80%	Special

**CP T0 11 01 03**

COMMERCIAL PROPERTY  
COVERAGE PART DECLARATIONSPOLICY NUMBER: I-660-4668X408-TCT-23  
ISSUE DATE: 02-22-23

## SUPPLEMENTAL DECLARATIONS

## ADDITIONAL COVERAGES &amp; COVERAGE EXTENSIONS

The following Additional Coverages and Coverage Extensions are provided under the Coverage Form(s) listed below for the Limits of Insurance shown. These Limits of Insurance apply in any one occurrence unless otherwise stated.

Some of these Additional Coverages and Coverage Extensions, or the applicable Limits of Insurance, may be modified by endorsements attached to this policy. There may also be other Additional Coverages or Coverage Extensions within your policy. Please read it carefully.

## BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Additional Coverages	Limit of Insurance
Debris Removal	
- Additional Amount at each described premises	\$ 25,000
Pollutant Cleanup and Removal	
- 12 Month Aggregate Limit	\$ 25,000
Preservation of Property	Policy Limit
Fire Department Service Charge	\$ 5,000
Reward Coverage	
- Maximum Limit	\$ 5,000
Increased Cost of Construction	
- At each described premises	\$ 10,000
Fire Protective Equipment Discharge	\$ 5,000

## Coverage Extensions

Newly Acquired or Constructed Property	
- Each Building	\$ 500,000
- Personal Property in total, at each premises	\$ 250,000
Personal Effects and Property of Others	
- At each described premises	\$ 10,000
- Any one employee	\$ 2,500
Valuable Papers and Records	
- At each described premises	\$ 10,000
Property Off-Premises	
- At any installation premises or temporary storage premises while awaiting installation	\$ 10,000
- At any other premises you do not own, lease, or regularly operate including fairs, trade shows and "exhibitions"	\$ 25,000
Temporary Relocation of Property	\$ 50,000
Outdoor Property	\$ 10,000
- Any one tree, shrub or plant	\$ 500
- Any one antenna	\$ 2,500
Claim Data Expense	\$ 2,500

CP T0 11 01 03



COMMERCIAL PROPERTY  
COVERAGE PART DECLARATIONS

POLICY NUMBER: I-660-4668X408-TCT-23  
ISSUE DATE: 02-22-23

BUILDING AND PERSONAL PROPERTY COVERAGE FORM (continued)

Coverage Extensions	Limit of Insurance
Extra Expense (including Expediting Expenses)	\$ 2,500
Accounts Receivable	
- At each described premises	\$ 10,000
Non-Owned Detached Trailers	\$ 5,000
Outside Signs	\$ 2,500
Covered Property in Transit	\$ 10,000
Duplicate Electronic Data Processing Data & Media	\$ 10,000
Electronic Data Processing Equipment and Data & Media - Limited	\$ 10,000
Theft Damage to Rented Property	Policy Limit

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**COMMERCIAL PROPERTY COVERAGE PART**

The following indicates the contents of the principal Forms which may be attached to your policy. It contains no reference to the Declarations or Endorsements which also may be attached.

Page No. Varies By Form

**COMMERCIAL PROPERTY CONDITIONS**

- A. Concealment, Misrepresentation or Fraud
- B. Control Of Property
- C. Insurance Under Two or More Coverages
- D. Legal Action Against Us
- E. Liberalization
- F. No Benefit to Bailee
- G. Other Insurance
- H. Policy Period, Coverage Territory
- I. Transfer of Rights of Recovery Against Others to Us

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM**

- A. Coverage
- B. Exclusions and Limitations
- C. Limits of Insurance
- D. Deductible
- E. Loss Conditions
- F. Additional Conditions
- G. Optional Coverages
- H. Definitions

**CAUSES OF LOSS – BASIC FORM**

- A. Covered Causes of Loss
- B. Exclusions
- C. Limitations
- D. Definitions

**CAUSES OF LOSS – BROAD FORM**

- A. Covered Causes of Loss
- B. Exclusions
- C. Limitations
- D. Additional Coverage – Collapse
- E. Definitions

**CAUSES OF LOSS – SPECIAL FORM**

- A. Covered Causes of Loss
- B. Exclusions
- C. Limitations
- D. Additional Coverage – Collapse
- E. Additional Coverage Extensions
- F. Definitions

**BUSINESS INCOME COVERAGE FORM**

- A. Coverage
- B. Covered Causes of Loss, Exclusions and Limitations
- C. Limits of Insurance
- D. Loss Conditions
- E. Additional Condition
- F. Optional Coverages
- G. Definitions

**BUILDERS' RISK COVERAGE FORM**

- A. Coverage
- B. Exclusions and Limitations
- C. Limits of Insurance
- D. Deductible
- E. Loss Conditions
- F. Additional Conditions
- G. Definition

**CONDOMINIUM ASSOCIATION COVERAGE FORM**

- A. Coverage
- B. Exclusions and Limitations
- C. Limits of Insurance
- D. Deductible
- E. Loss Conditions
- F. Additional Conditions
- G. Optional Coverages
- H. Definition

**CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM**

- A. Coverage
- B. Exclusions and Limitations
- C. Limits of Insurance
- D. Deductible
- E. Loss Conditions
- F. Additional Condition
- G. Optional Coverages
- H. Definitions

**TABLE OF CONTENTS (Cont'd)**

Page No. Varies By Form

**EXTRA EXPENSE COVERAGE FORM**

- A. Coverage
- B. Covered Causes of Loss, Exclusions and Limitations
- C. Limits of Insurance
- D. Loss Conditions
- E. Definitions

**LEGAL LIABILITY COVERAGE FORM**

- A. Coverage
- B. Exclusions
- C. Limits of Insurance
- D. Loss Conditions
- E. Additional Conditions
- F. Definition

**MORTGAGEHOLDER'S ERRORS AND OMISSIONS COVERAGE FORM**

- A. Coverage
- B. Exclusions
- C. Limitations
- D. Limits of Insurance
- E. Deductible
- F. Additional Coverage – Collapse
- G. Additional Coverage – Limited Coverage for "Fungus", Wet Rot or Dry Rot
- H. Additional Conditions
- I. Definitions

**LEASEHOLD INTEREST COVERAGE FORM**

- A. Coverage
- B. Exclusions
- C. Limits of Insurance
- D. Loss Conditions
- E. Additional Condition
- F. Definitions

**FORECLOSED PROPERTY COVERAGE FORM**

- A. Coverage
- B. Exclusions and Limitations
- C. Limits of Insurance
- D. Deductible
- E. Loss Conditions
- F. Additional Conditions
- G. Definitions

**SECURITY INTEREST ERRORS AND OMISSIONS COVERAGE FORM**

- A. Coverage
- B. Exclusions
- C. Limits of Insurance
- D. Deductible
- E. Commercial Property Conditions
- F. Loss Conditions
- G. Additional Conditions
- H. Definitions

**TOBACCO SALES WAREHOUSES COVERAGE FORM**

- A. Coverage
- B. Exclusions
- C. Limits of Insurance
- D. Deductible
- E. Loss Conditions
- F. Additional Conditions
- G. Definitions

# 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.
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

## COMMERCIAL PROPERTY

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.



# 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 the 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 a 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(s)**, meaning the building(s) or structure(s) described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Machinery and equipment permanently attached to the building or structure;
- (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;
  - (d) Lobby and hallway furnishings owned by you;
  - (e) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering (not used for restaurant operations);
  - (f) Lawn maintenance and snow removal equipment; and
  - (g) Alarm systems;
- (5) If not covered by other insurance:

(a) Alterations and repairs to the building or structure; and

(b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises, used for making alterations or repairs to the building or structure.

**b. Your Business Personal Property** consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the building or structure or within 1,000 feet of the premises described in the Declarations, whichever distance is greater:

- (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 or lease, but do not own; and
  - (b) You acquired or made at your expense but are not permitted to remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless coverage is

## COMMERCIAL PROPERTY

otherwise provided for under Personal Property of Others.

Your Business Personal Property does not include "Electronic Data Processing Equipment" or "Electronic Data Processing Data and Media" except as provided under Sections **A.1.d.** "Electronic Data Processing Equipment" and **A.1.e.** "Electronic Data Processing Data and Media".

**c. Personal Property of Others** that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the building or structure or within 1,000 feet of the premises described in the Declarations, whichever distance is greater.

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.

Personal Property of Others does not include "Electronic Data Processing Equipment" or "Electronic Data Processing Data and Media" except as provided under Sections **A.1.d.** "Electronic Data Processing Equipment" and **A.1.e.** "Electronic Data Processing Data and Media".

- d. "Electronic Data Processing Equipment"** that you own or lease, or that is in your care, custody or control, while located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the building or structure or within 1,000 feet of the premises described in the Declarations, whichever distance is greater.
- e. "Electronic Data Processing Data and Media"** that you own or lease, or that is in your care, custody or control, while located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the building or structure or within 1,000 feet of the premises described in the Declarations, whichever distance is greater.

## 2. Property Not Covered

Unless the following property is added by endorsement to this Coverage Form, Covered Property does not include:

- a. Accounts, bills, currency, other evidences of debt, money, notes, checks, drafts, securities or food stamps except as provided in the Accounts Receivable Coverage Extension. 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, motorcycles, motor trucks, motor homes and similar vehicles held for sale, lease, loan or rent;
- d. Contraband, or property in the course of illegal transportation or trade;
- e. The cost of excavations, grading, back filling or filling;
- f. 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;
- g. Water or land whether in its natural state or otherwise (including land on which the property is located), land improvements, growing crops, standing timber;
- h. Aircraft or watercraft (other than watercraft owned by you while out of water at the described premises); and personal property while airborne or waterborne except as provided in the Covered Property In Transit Coverage Extension;
- i. Bulkheads, pilings, piers, wharves, docks, dikes or dams;
- j. 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 over the amount due (whether you can collect on it or not) from that other insurance;
- k. The following underground property:
  - (1) Wires;
  - (2) Pipes, flues and drains;
  - (3) Tanks (including their contents);

- (4) Tunnels (whether or not connected to buildings);
  - (5) Mines or mining property;
  - I. The cost to research, replace or restore the information on "Valuable Papers and Records", except as provided in the Valuable Papers and Records – Cost of Research Coverage Extension;
  - m. Vehicles or self-propelled machines that:
    - (1) Are licensed for use on public roads; or
    - (2) Are operated principally away from the described premises;
 but this paragraph does not apply to:
    - (a) Vehicles, self-propelled machines or automobiles you manufacture, process or warehouse;
    - (b) Vehicles or self-propelled machines you hold for sale, lease, loan or rent other than those excluded under **A.2.c.** above; or
    - (c) Trailers and Semi-Trailers to the extent covered under the Non-Owned Detached Trailers Coverage Extension;
  - n. The following property while outside of buildings:
    - (1) Harvested grain, hay, straw or other crops; or
    - (2) The following Outdoor Property, except as provided in the Outdoor Property Coverage Extension:
      - (a) Bridges, walks, roadways, patios or other paved surfaces;
      - (b) Retaining walls that are not part of the buildings described in the Declarations;
      - (c) Fences, trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), or lawns, (including fairways, greens and tees) other than lawns which are part of a vegetated roof; or
      - (d) Radio or television antennas (including microwave or satellite dishes) and their lead-in wiring, masts or towers;
  - o. The cost of restoring land or water;
  - p. Any "Electronic Data Processing Data and Media" which is obsolete or no longer used by you;
  - q. Outside signs, except as provided in the Outside Signs Coverage Extension;
  - r. Additions under construction except as provided in the Newly Acquired or Constructed Property Coverage Extension; or
  - s. Human body parts and fluids including organs, tissue, blood and cells.
- 3. Covered Causes of Loss**  
See applicable Causes Of Loss Form as shown in the Declarations.
- 4. Additional Coverages**  
Each of these Additional Coverages is additional insurance unless otherwise indicated.  
Unless otherwise indicated in the Declarations or by endorsement, the following Additional Coverages apply:
- a. Debris Removal**
- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the described premises, other than outdoor property as included in the Outdoor Property Coverage Extension, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.  
This Additional Coverage does not apply to costs to:
    - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
    - (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;

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- (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
  - (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
  - (e) Remove deposits of mud or earth from the grounds of the described premises;
  - (f) Extract "pollutants" from land or water; or
  - (g) Remove, restore or replace polluted land or water.
- (2) Except as provided in (3) below, payment for Debris Removal is included within the applicable Limit of Insurance shown in the Declarations. The most we will pay under this Additional Coverage is 25% of:
- (a) The amount we pay for the direct physical loss of or damage to Covered Property; plus
  - (b) The deductible in this Coverage Part applicable to that loss or damage.

However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.

- (3) When the debris removal expense exceeds the 25% limitation in (2) above or when the sum of the debris removal expense and the amount we pay for the direct physical loss of or damage to Covered Property exceeds the applicable Limit of Insurance, we will pay an additional amount for debris removal expense up to \$25,000, for each of your premises, in any one occurrence.

### b. Pollutant Cleanup 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 which occurs:

- (1) On the described premises;
- (2) To Covered Property; and
- (3) 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 is \$25,000 for the sum of all covered expenses arising out of all Covered Causes of Loss occurring during each separate 12 month period of this policy beginning with the effective date of this policy.

### c. Preservation of Property

If it is necessary to temporarily move Covered Property from the described premises to preserve it from the threat of imminent loss or damage by a Covered Cause of Loss:

- (1) We will pay for the reasonable and necessary expenses incurred by you to remove the Covered Property from the described premises, temporarily store the Covered Property at another location and move the Covered Property back to the described premises within a reasonable time after the threat of imminent loss or damage to the property by the Covered Cause of Loss passes. The most we will pay for the sum of all such expenses that you incur due to the threat of loss or damage from any one occurrence is \$100,000, subject to the following:

- (a) This Limit of Insurance is an additional amount of insurance that is not included in, and does not reduce, the Covered Property Limits of Insurance.

- (b) When the Causes of Loss – Earthquake endorsement or

Causes of Loss – Earthquake Sprinkler Leakage endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of all such Covered Causes of Loss in any one policy year will not exceed \$100,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss – Earthquake endorsement or the Causes of Loss – Earthquake Sprinkler Leakage endorsement applies.

- (c) When the Causes of Loss – Broad Form Flood endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of such Covered Cause of Loss in any one policy year will not exceed \$100,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss – Broad Form Flood endorsement applies.
  - (d) If the threat of imminent direct physical loss or damage to Covered Property from the same occurrence spans over multiple policy years, only the limit that applies to this Coverage in the policy year in which the expenses are first incurred by you will apply to the total of the expenses incurred due to the threat of loss or damage from that occurrence.  
  
This Coverage is subject to the deductible that applies to loss or damage to the Covered Property by the Covered Cause of Loss from which the property is being preserved.
- (2) We will also pay for any direct physical loss of or damage to the

Covered Property while it is being moved from the described premises, while temporarily stored at another location or while being moved back to the described premises, subject to the following:

- (a) This Coverage is subject to, and does not increase the applicable Covered Property Limit of Insurance.
- (b) This Coverage will only apply if the loss or damage occurs within 90 days after the Covered Property is first moved and will end when any of the following first occurs:
  - (i) The policy is amended to provide insurance at the new location;
  - (ii) The Covered Property is returned to the original location; or
  - (iii) This policy expires.

**d. 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 \$5,000 for service at each premises described in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

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

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

No Deductible applies to this Additional Coverage.

**e. Reward Coverage**

We will reimburse you for rewards you have incurred for information leading to:

- (1) The successful return of undamaged stolen Covered Property to a law enforcement agency; or
- (2) The arrest and conviction of any person who has damaged or stolen any of your Covered Property.

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We will pay 25% of the covered loss (prior to the application of any applicable deductible and recovery of undamaged stolen Covered Property) up to a maximum of \$5,000 in any one occurrence for the payments of rewards you make. These reward payments must be documented. No deductible applies to this Additional Coverage.

### **f. Increased Cost of Construction or Repair**

- (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 buildings that are Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in **f.(3)** through **f.(8)** of this Additional Coverage.
- (3) The ordinance or law referred to in **f.(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 any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
- (6) The most we will pay under this Additional Coverage at each of your

described premises is \$10,000 in any one occurrence.

### **(7) With respect to this Additional Coverage:**

**(a)** We will not pay the Increased Cost of Construction or Repair:

**(i)** Until the property is actually repaired or replaced at the same or another premises; and

**(ii)** Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

**(b)** If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction or Repair, subject to the provisions of **f.(6)** of this Additional Coverage, is the increased cost of construction or repair 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 or Repair, subject to the provisions of **f.(6)** of this Additional Coverage, is the increased cost of construction or repair 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.

### **g. Fire Protective Equipment Discharge**

If fire protective equipment discharges accidentally or to control a Covered Cause of Loss we will pay your cost to:

**(1)** Refill or recharge the system with the extinguishing agents that were discharged; and

**(2)** Replace or repair faulty valves or controls which caused the discharge.

The most we will pay under this Additional Coverage is \$5,000 in any one occurrence.

(other than at fairs, trade shows or exhibitions).

**5. Coverage Extensions**

Each of these Coverage Extensions is additional insurance unless otherwise indicated.

Unless otherwise indicated in the Declarations or by endorsement, the following Coverage Extensions apply:

**a. Newly Acquired or Constructed Property**

We will pay for direct physical loss or damage by a Covered Cause of Loss to:

**(1) Buildings:**

- (a) Your new buildings or additions to existing buildings insured under this Coverage Part while being built on the described premises or newly acquired premises including materials, equipment, supplies and temporary structures, on or within 1,000 feet of the premises; and
- (b) Buildings you acquire at the described premises or at locations other than the described premises.

The most we will pay for loss or damage to this building property in any one occurrence is \$500,000 at each building.

**(2) Your Business Personal Property, Personal Property of Others, Electronic Data Processing Equipment, and Electronic Data Processing Data and Media:**

- (a) If a Limit of Insurance is shown in the Declarations for Your Business Personal Property, Personal Property of Others, "Electronic Data Processing Equipment" or "Electronic Data Processing Data and Media", you may extend that insurance to apply to that type of property at:
  - (i) A building you newly acquire at a location described in the Declarations; or
  - (ii) At any other location you acquire by purchase or lease

The most we will pay for loss or damage to all types of property described above in any one occurrence is \$250,000 in total at each location.

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

- (a) This policy expires;
- (b) 90 days expire after you acquire or begin to construct the property;
- (c) You report values to us; or
- (d) The property is more specifically insured.

We will charge you additional premium for values reported from the date construction begins or you acquire the property.

**b. Personal Effects and Property of Others**

You may extend the insurance that applies to Your Business Personal Property to apply to the following types of property only while on the described premises:

- (1) Personal effects or "Fine Arts" owned by you, your officers, your partners, your managers or your employees.
- (2) Personal property (other than personal effects, "Fine Arts", "Electronic Data Processing Equipment" or "Electronic Data Processing Data and Media") owned by:
  - (a) Your employees, for not more than \$2,500 for any one employee; or
  - (b) Others, and in your care, custody or control.

The most we will pay for loss or damage under this Extension in any one occurrence is \$10,000 at each described premises. The direct physical loss or damage must be caused by a Covered Cause of Loss. Our payment for loss of or damage to personal property of others

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will only be for the account of the owner of the property.

### c. Valuable Papers and Records – Cost of Research

You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace or restore the lost information on lost or damaged "Valuable Papers and Records" for which duplicates do not exist.

The most we will pay under this Extension in any one occurrence is \$10,000 at each described premises. The direct physical loss or damage must be caused by a Covered Cause of Loss.

### d. Property Off-Premises

(1) You may extend the insurance that applies to your Covered Property and Covered Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to such property while temporarily away from the described premises:

- (a) At any fair, trade show or "exhibition" within the Coverage Territory at a premises you do not own, lease or regularly operate;
- (b) At installation premises or temporary storage premises while awaiting installation within the Coverage Territory that you do not own, lease or regularly operate. This coverage applies only to such property that will or has become a permanent part of an installation project being performed for others by you or on your behalf. This coverage will end when any of the following first occurs:
  - (i) Your interest in the property ceases;
  - (ii) The installation is accepted;
  - (iii) The installation is abandoned;
  - (iv) The property is more specifically insured; or
  - (v) This policy is cancelled or expires, whichever occurs first; or

(c) At any other premises within the Coverage Territory that you do not own, lease or regularly operate.

(2) This Extension does not apply to:

- (a) Property in due course of transit;
- (b) Property to which the Temporary Relocation of Property or the Duplicate Electronic Data Processing Data and Media Coverage Extensions apply; or
- (c) Property sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan after delivery to the purchasers.

(3) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000, but we will not pay more than \$10,000 at any installation premises or temporary storage premises while awaiting installation.

### e. Temporary Relocation of Property

If Personal Property for which a Limit of Insurance is shown in the Declarations is removed from the described premises and stored temporarily at another location you own, lease or operate while the described premises is being renovated or remodeled, we will pay for direct physical loss or damage to that stored property:

- (1) Caused by or resulting from a Covered Cause of Loss;
- (2) Up to \$50,000 in any one occurrence; and
- (3) During the storage period of up to 90 consecutive days, but not beyond the expiration date of this policy.

This Extension does not apply if the stored property is more specifically insured.

### f. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor property described below on the described premises, as follows:

- (1) Fences, retaining walls that are not part of a building, lawns (including fairways, greens, and tees) other than lawns which are part of a



vegetated roof, trees, shrubs and plants, (other than trees, shrubs, or plants which are "stock" or are part of a vegetated roof), bridges, walks, roadways, patios, or other paved surfaces for loss or damage by the following causes of loss, if they are a Covered Cause of Loss:

- (a) Fire;
  - (b) Lightning;
  - (c) Explosion;
  - (d) Riot or Civil Commotion;
  - (e) Aircraft;
  - (f) Falling Objects;
  - (g) Sinkhole Collapse; or
  - (h) Volcanic Action.
- (2) Radio and television antennas (including microwave or satellite dishes) for loss or damage by the following causes of loss, if they are a Covered Cause of Loss:
- (a) A cause of loss listed in (1)(a) through (1)(h) above;
  - (b) Windstorm or hail;
  - (c) Vehicles; or
  - (d) Vandalism.

The most we will pay under this Extension in any one occurrence is \$10,000, but we will not pay more than \$500 for any one tree, shrub or plant nor more than \$2,500 for any one antenna.

We will also pay your necessary and reasonable expense that you incur to remove debris of Outdoor Property shown under f.(1) and f.(2) above at your described premises caused by or resulting from a Covered Cause of Loss listed above that occurs during the policy period. Such 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. This will not increase the Limits of Insurance that apply to this Extension.

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

in which you are a tenant and such property is owned by the landlord of the described premises.

**g. Claim Data Expense**

You may extend the insurance provided by this Coverage Form to apply to the expense you incur in preparing claim data when we require it. This includes the cost of taking inventories, making appraisals and preparing other documentation to show the extent of loss. The most we will pay for preparation of claim data under this Extension in any one occurrence is \$2,500. We will not pay for:

- (1) Any expenses incurred, directed, or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries;
- (2) Any costs as provided in the Loss Condition – Appraisal; or
- (3) Any expenses incurred, directed, or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.

**h. Extra Expense (Including Expediting Expenses)**

In the event of covered loss or damage, you may extend the insurance provided by this Coverage Form to apply to:

- (1) The necessary and reasonable extra expense you incur to continue as nearly as possible your normal business operation; and
- (2) The necessary and reasonable additional expenses you incur to make temporary repairs, or expedite permanent replacement at the premises sustaining loss or damage. Expediting expenses include overtime wages and the extra cost of express or other rapid means of transportation.

The most we will pay in total in any one occurrence under this Extension is \$2,500.

**i. Accounts Receivable**

You may extend the insurance that applies to Your Business Personal Property to apply to the following loss and

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expenses resulting from direct physical loss or damage by a Covered Cause of Loss to your accounts receivable records (including those on electronic data processing media). Credit card company charge media will be considered accounts receivable until delivered to the credit card company.

**(1) We will pay:**

- (a)** All amounts due from your customers that you are unable to collect;
  - (b)** Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
  - (c)** Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage.
- (2)** The most we will pay in any one occurrence under this Extension is \$10,000 for all loss and expense at each described premises.

**j. Non-Owned Detached Trailers**

- (1)** You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to trailers or semi-trailers that you do not own, provided that:
- (a)** The trailer or semi-trailer is used in your business;
  - (b)** The trailer or semi-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 or semi-trailer.
- (2)** We will not pay for any loss or damage that occurs:
- (a)** While the trailer or semi-trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion; or
  - (b)** During hitching or unhitching operations, or when a trailer or

semi-trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

- (3)** The most we will pay for loss or damage in any one occurrence under this Extension is \$5,000.
- (4)** This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

**k. Outside Signs**

You may extend the insurance that applies to Building or Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to outside signs, whether or not the sign is attached to a building, on or within 1,000 feet of the described premises.

The most we will pay for loss or damage under this Extension is \$2,500 per sign in any one occurrence.

**l. Covered Property In Transit**

- (1)** You may extend the insurance that applies to Covered Property to apply to direct physical loss or damage by a Covered Cause of Loss to such property while in due course of transit at your risk within the Coverage Territory.
- (2)** When the Causes of Loss – Special Form is applicable, the Earth Movement exclusion and the Water exclusion do not apply to this Extension.
- (3)** The exclusion of personal property while airborne or waterborne under Section **A.2. Property Not Covered**, does not apply to this Extension, but the insurance provided under this Extension for property while waterborne is limited as provided in paragraph **(4) (c)** below.
- (4)** This Extension does not apply to:
  - (a)** Property within 1,000 feet of the described premises;
  - (b)** Property shipped by mail;
  - (c)** Property while waterborne, except in regular ferry operations in the course of being moved by

other means of transportation, and then to include General Average and Salvage Charges for which you become liable;

- (d) Export shipments once:
    - (i) The shipment is loaded on board the export conveyance; or
    - (ii) Coverage under an Ocean Marine or other insurance policy covering the shipment begins;

whichever is earlier;
  - (e) Import shipments prior to:
    - (i) The shipment being unloaded from the import conveyance; or
    - (ii) Coverage under an Ocean Marine or other insurance policy covering the shipment ends;

whichever is later;
  - (f) Property of others for which you are responsible while acting as a common or contract carrier, freight forwarder, freight consolidator, freight broker or public warehouseman;
  - (g) Property sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan after delivery to the purchasers; or
  - (h) Tools, equipment, supplies and materials all used for service or repair in your business which are kept in a motor vehicle. However, this does not apply to property in the care, custody or control of your sales representatives.
- (5) The following additional exclusion applies to this Extension when the Causes of Loss – Special Form applies to this Coverage Form:

We will not pay for loss or damage by theft from a conveyance or container while unattended unless the portion of the conveyance or container containing the Covered Property is fully enclosed and securely locked,

and the theft is by forcible entry of which there is visible evidence.

- (6) The most we will pay for loss or damage in any one occurrence under this Extension is \$10,000.
- m. Duplicate Electronic Data Processing Data and Media**
- (1) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage by a Covered Cause of Loss to duplicates of your "Electronic Data Processing Data and Media" while stored in a separate, unattached building from where your original "Electronic Data Processing Data and Media" are kept.
  - (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$10,000.
- n. Electronic Data Processing Equipment and Data and Media – Limited**
- This Extension only applies when a Limit of Insurance is not stated in the Declarations for "Electronic Data Processing Equipment" and "Electronic Data Processing Data and Media".
- (1) If a Limit of Insurance is shown in the Declarations for Your Business Personal Property, you may extend that insurance to apply to direct physical loss or damage by a Covered Cause of Loss to "Electronic Data Processing Equipment" and "Electronic Data Processing Data and Media" located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the building or structure or within 1,000 feet of the premises described in the Declarations, whichever distance is greater.
  - (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$10,000.
- o. Theft Damage to Rented Property**
- You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by theft or attempted theft to that part of any non-owned building at the

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described premises you occupy and which contains the Covered Property, and to property within the non-owned building used for maintenance or service of the non-owned building.

This Extension applies only if you are a tenant and are required in your lease to cover this exposure.

We shall not be liable under this Extension for damage by fire or explosion, or to glass (other than glass building blocks) or to any lettering, ornamentation or burglar alarm tape on glass.

Payment under this Extension will not increase the Limit of Insurance that applies to Your Business Personal Property at the premises where the direct physical loss or damage occurs.

### **p. Business Personal Property Temporarily In Portable Storage Units**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 1,000 feet of the building or structure described in the Declarations or within 1,000 feet of the premises described in the Declarations, whichever distance is greater.
- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.
- (3) Coverage under this Extension:
  - (a) Will end 90 days after the business personal property has been placed in the storage unit;
  - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.

(4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$25,000 regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.

(5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

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, this Coverage Form or any endorsements applicable to this Coverage Form.

### **D. DEDUCTIBLE**

Unless otherwise indicated, we will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance, after any deduction required by the Coinsurance Additional Condition.

If more than one deductible applies to loss or damage in any one occurrence, we will apply each deductible separately. But the total of all deductible amounts applied in any one occurrence will not exceed the largest applicable deductible.

### **E. LOSS CONDITIONS**

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

#### **1. Abandonment**

There can be no abandonment of any property to us.

## 2. Appraisal

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

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

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

## 3. Duties in the Event of Loss or Damage

- a. You must see that the following are done in the event of loss or damage:
  - (1) Notify the police if a law may have been broken.
  - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
  - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
  - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
  - (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
  - (6) As often as may be reasonably required, permit us to inspect the

property proving the loss or damage and examine your books and records.

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

- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
  - (8) Cooperate with us in the investigation or settlement of the claim.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

## 4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
  - (1) Pay the value of lost or damaged property;
  - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;
  - (3) Take all or any part of the property at an agreed or appraised value; or
  - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.
- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property, except as provided under the Increased Cost of Construction or Repair Additional Coverage.

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- 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 owner's 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.
- h. At our option, we may make a partial payment toward any claims, subject to the policy provisions and our normal adjustment process. To be considered for a partial claim payment, you must submit a partial sworn proof of loss with supporting documentation. Any applicable deductibles must be satisfied before any partial payments are made.
- i. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may

have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

### 5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property.

- a. We will pay:
  - (1) Recovery expense; and
  - (2) Costs to repair the recovered property;
- b. But the amount we pay will not exceed:
  - (1) The total of **a.(1)** and **a.(2)** above;
  - (2) The value of the recovered property; or
  - (3) The Limit of Insurance;whichever is less.

### 6. Valuation

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

- a. At actual cash value as of the time of loss or damage, except as provided in **b.**, **c.**, **d.**, **e.**, **f.**, **g.**, **h.**, **i.**, **j.**, **k.**, **l.**, and **m.** 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 \$5,000 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property except as provided under the Increased Cost of Construction or Repair Additional Coverage.

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. "Valuable Papers and Records" at the cost of:
  - (1) Blank materials for reproducing the papers and records; and
  - (2) Labor to transcribe or copy the papers and records when there is a duplicate, but only if the papers and records are actually transcribed or copied.
- g. "Fine Arts" at the least of:
  - (1) Market value at the time and place of loss;
  - (2) The cost of reasonably restoring that property; or
  - (3) The cost of replacing that property with substantially the same property.
- h. Personal Property of Others at the amount you are liable not to exceed actual cash value.
- i. The value of Accounts Receivable will be determined as follows:
  - (1) If you cannot accurately establish the amount of Accounts Receivable outstanding as of the time of loss, we will:
    - (a) Determine the total of the average monthly amounts of Accounts Receivable for the 12 months immediately preceding the month in which the loss occurs; and
    - (b) Adjust that total for any normal fluctuations in the amount of Accounts Receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month.
  - (2) If you can accurately establish the amount of Accounts Receivable outstanding, that amount will be used in the determination of loss.
  - (3) The following will be deducted from the total amount of Accounts Receivable, however that amount is established:
    - (a) The amount of the accounts for which there is no loss;
    - (b) The amount of the accounts that you are able to re-establish or collect;
    - (c) An amount to allow for probable bad debts that you are normally unable to collect; and
    - (d) All unearned interest and service charges.
- j. Stock in process at the cost of raw materials, and labor, plus the proper proportion of overhead charges.
- k. "Electronic Data Processing Equipment" at replacement cost as of the time and place of loss, without deduction for physical deterioration, depreciation, obsolescence and depletion. However, in the event replacement of "Electronic Data Processing Equipment" with identical property is impossible, the replacement cost will be the cost of items that are similar to the damaged or destroyed

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equipment and intended to perform the same function, but which may include technological advances.

"Electronic Data Processing Equipment" that is obsolete or no longer used by you will be valued at actual cash value.

- I. "Electronic Data Processing Data and Media" for which duplicates do not exist will be valued as follows:

- (1) The cost of blank media; and
- (2) Your cost to research, replace or restore the lost electronic data on lost, damaged or destroyed "Electronic Data Processing Data and Media", but only if the lost electronic data is actually replaced or restored.

- m. Duplicate "Electronic Data Processing Data and Media" at the cost of:

- (1) Blank media; and
- (2) Labor to copy the electronic data, but only if the electronic data is actually copied.

### F. ADDITIONAL CONDITIONS

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

#### 1. Coinsurance

This Additional Condition does not apply to "Electronic Data Processing Equipment" and "Electronic Data Processing Data and Media" when a specific Limit of Insurance is shown for that coverage in the Declarations.

If a Coinsurance percentage is shown in the Declarations, the following condition applies when the loss or damage in any one occurrence is \$5,000 or more.

- 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:	\$120,000
The Deductible is:	\$500
The amount of loss is:	\$40,000

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

Step (2):  $\$120,000 / \$200,000 = 60$

Step (3):  $\$40,000 \times .60 = \$24,000$

Step (4):  $\$24,000 - \$500 = \$23,500$

We will pay no more than \$23,500. The remaining \$16,500 is not covered.

#### 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:	\$500
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 \$39,500 (\$40,000 amount of loss minus the deductible of \$500).

- 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: (Underinsurance)**

When:

The value of the property is:

Bldg. at Location No. 1:	\$75,000
Bldg. at Location No. 2:	\$100,000
Personal Property at Location No. 2	\$75,000
Total Value:	\$250,000
The Coinsurance percentage for it is:	90%
The Limit of Insurance for Buildings and Personal Property at Locations No. 1 and 2 is:	\$180,000
The Deductible is:	\$1,000
The amount of loss is:	\$30,000
Bldg. at Location No. 2:	
Personal Property at Location No. 2:	\$20,000
Total amount of loss	\$50,000

Step (1):  $\$250,000 \times 90\% = \$225,000$

(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2):  $\$180,000 / \$225,000 = 80$

Step (3):  $\$50,000 \times .80 = \$40,000$

Step (4):  $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

**2. Mortgageholders**

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

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:

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- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
  - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g.** If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

### 3. Unintentional Errors In Description

Your error in how you describe the address of a location in the Location Schedule shall not prejudice coverage afforded by this policy, provided such error is not intentional. Any such error shall be reported and corrected when discovered and appropriate premium charged.

## 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.
- b.** The terms of this Optional Coverage apply only to loss or damage that occurs on or after the effective date of this Optional Coverage.

### 2. Inflation Guard

- a.** The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.
- b.** The amount of increase will be:
  - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
  - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
  - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

### Example:

If:

The applicable Limit of Insurance is:	\$100,000
The annual percentage increase is:	8%

The number of days since the beginning of the policy year (or last policy change) is: 146

The amount of increase is:

$$\$100,000 \times .08 \times 146/365 = \$3,200$$

### 3. Replacement Cost

- a.** Replacement Cost (without deduction for depreciation) replaces the term Actual Cash Value in provisions **a.**, **e.** and **h.** of the Valuation Loss Condition in Section **E.6.** of this Coverage Form.
- b.** If you decide to repair or rebuild buildings which have sustained loss or damage, our payment will include any necessary and reasonable architectural, engineering, consulting or supervisory fees incurred in the repair or rebuilding. This will not increase the applicable Limits of Insurance.
- c.** This Optional Coverage does not apply to:
  - (1) Obsolete property, or property no longer used by you;
  - (2) Residential personal property or personal effects;
  - (3) Awnings or floor coverings;
  - (4) Outdoor equipment or furniture;
  - (5) "Stock", unless the Including "Stock" option is shown in the Declarations; or
  - (6) "Vacant" buildings.
- d.** 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.
- e.** We will not pay on a replacement cost basis for any loss or damage:

- (1) Until the lost or damaged property is actually repaired or replaced; and
- (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

This restriction does not apply to losses less than \$5,000 in any one occurrence, other than losses to tenants' improvements and betterments.

With respect to tenants' improvements and betterments, the following also apply:

- (3) If the conditions in e.(1) and e.(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 Loss 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.
- f. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2), or (3), subject to g. below:
- (1) The Limit of Insurance applicable to the lost or damaged property;
  - (2) The cost to replace, on the same premises, 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 f.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- g. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property except as provided under the Increased

Cost of Construction or Repair Additional Coverage.

- h. We will determine the value of patterns, dies, molds, and forms not in current usage at actual cash value. If the loss is paid on an actual cash value basis, and within 24 months from the date of the loss you need to repair or replace one or more of them, we will pay you, subject to the conditions of this insurance, the difference between actual cash value and Replacement Cost for those patterns, molds and dies which are actually repaired or replaced.
- i. "Electronic Data Processing Equipment" at replacement cost as of the time and place of loss, without deduction for physical deterioration, depreciation, obsolescence and depletion. However, in the event replacement of "Electronic Data Processing Equipment" with identical property is impossible, the replacement cost will be the cost of items that are similar to the damaged or destroyed equipment and intended to perform the same function, but which may include technological advances.  
"Electronic Data Processing Equipment" that is obsolete or no longer used by you will be valued at actual cash value.
- j. "Electronic Data Processing Data and Media" for which duplicates do not exist will be valued as follows:
  - (1) The cost of blank media; and
  - (2) Your cost to research, replace or restore the lost electronic data on lost, damaged or destroyed "Electronic Data Processing Data and Media", but only if the lost electronic data is actually replaced or restored.

**H. DEFINITIONS**

**1. "Electronic Data Processing Data and Media" means the following:**

- a. "Electronic data processing data and media" means:
  - (1) Data stored on, created or used on, or transmitted to or from computer software (including systems and applications software) on electronic data processing recording or storage media such as hard or floppy disks, CDs, DVDs, flash memory, tapes,

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- drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment;
- (2) The electronic media on which the data is stored; and
  - (3) Programming records and instructions used with "electronic data processing equipment".
- b. "Electronic data processing data and media" does not mean:
- (1) Prepackaged software;
  - (2) Property that you manufacture or hold for sale;
  - (3) Property that is licensed, leased, or rented to others; or
  - (4) Electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.
2. **"Electronic Data Processing Equipment"** means the following:
- a. "Electronic data processing equipment" means any of the following equipment used in your data processing operations:
- (1) Electronic data processing equipment, facsimile machines, word processors, multi-functional telephone equipment and laptop and portable computers; and
  - (2) Any component parts or peripherals of such equipment, including related surge protection devices.
- b. "Electronic data processing equipment" does not mean:
- (1) Property that is in the course of manufacture, or held for sale or distribution by you;
  - (2) Property that is leased or rented to others; or
  - (3) Equipment that is used to control or operate production-type machinery or equipment.
3. **"Exhibition"** means the temporary display of personal property at a convention, exposition, trade show or similar event at a location you do not own, lease or regularly occupy.
4. **"Fine Arts"** means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, and similar property of rarity, historical value, or artistic merit.
5. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and any unhealthful or hazardous building materials (including asbestos and lead products or materials containing lead). Waste includes materials to be recycled, reconditioned or reclaimed.
6. **"Stock"** means merchandise held in storage or for sale, including supplies used in their packing or shipping.
7. **"Vacant."** See applicable Causes of Loss form as shown in the Declarations.
8. **"Valuable Papers and Records"** means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages. But "Valuable Papers and Records" does not include money, securities or "Electronic Data Processing Data and Media".

## 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 or compliance with any ordinance or law:

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

This exclusion, Ordinance or Law, applies whether the loss results from:

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

#### b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine,

whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **b. (1)** through **(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

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

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

With respect to coverage for Volcanic Action as set forth in **(5)(a)**, **(5)(b)** and **(5)(c)**, all volcanic eruptions that occur within any 168 hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5)**, is naturally occurring or due to man-made or other artificial causes.

**c. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

**d. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

**e. Utility Services**

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include service relating to Internet access or access to any electronic, cellular or satellite network.

**f. War and Military Action**

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

**g. Water**

- (1) Flood, surface water, waves (including tidal wave and tsunami) tides, tidal water, overflow of any body of water, or spray from any of these, all whether driven by wind (including storm surge) or not;
- (2) Mudslide or mudflow;
- (3) Water or sewage 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 (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 naturally occurring or due to man-made or other artificial causes. 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).

Exclusions **B.1.a.** through **B.1.g.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

Electrical, magnetic or electromagnetic energy includes:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

This Exclusion does not apply to loss or damage to "electronic data processing equipment" or "electronic data processing data and media".

- 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, other corrosion, fungus, 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;
- (c) Marring or scratching;
- (d) Changes in flavor, color, texture or finish;
- (e) Evaporation or leakage; or
- (f) Contamination by other than "pollutants".

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.

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- g.** Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
- (1)** You do your best to maintain heat in the building or structure; or
  - (2)** You drain the equipment and shut off the supply if the heat is not maintained.
- h.** Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1)** Applies whether or not an act occurs during your normal hours of operation;
  - (2)** Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered
- i.** Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- j.** Rain, snow, sand, dust, ice or sleet to personal property in the open.
- k.** Collapse, including any of the following conditions of property or any part of the property:
- (1)** An abrupt falling down or caving in;
  - (2)** Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or

- (3)** Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to **(1)** or **(2)** above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, **k.**, does not apply:

- (a)** To an abrupt collapse to the extent that coverage is provided under the Collapse Additional Coverage; or
- (b)** To collapse caused by one or more of the following:
  - (i)** Any of the "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
  - (ii)** Weight of rain that collects on a roof; or
  - (iii)** Weight of people or personal property.

- l.** Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified cause 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.** The cost of correcting or making good the damage to personal property attributable to such property being processed, manufactured, tested, repaired, restored, retouched or otherwise being worked upon.
- n.** 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.** and **3.b.** results in a



Covered Cause of Loss, we will pay for the resulting 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 **B.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.

If an excluded cause of loss that is listed in **3.c.** above results in a Covered Cause of Loss, we will pay for the resulting loss or damage caused by that Covered Cause of Loss. But we will not pay for:

(1) Any cost of correcting or making good the fault, inadequacy or defect itself, including any cost incurred to tear down, tear out, repair or replace any part of any property to correct the fault, inadequacy or defect; or

(2) Any resulting loss or damage by a Covered Cause of Loss to the property that has the fault, inadequacy or defect until the fault, inadequacy or defect is corrected.

#### 4. Special Exclusions

The following provisions apply only to the specified Coverage Forms and/or coverages when they are part of this policy.

a. **Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, or Extra Expense Coverage Form**

We will not pay for:

(1) Any loss caused by or resulting from:  
(a) Damage or destruction of "finished stock"; or

(b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

(2) Any loss caused by or resulting from direct physical loss of or damage to the following property while outside of buildings:

(a) Harvested grain, hay, straw or other crops;

(b) Outdoor trees, shrubs, plants, lawns (including fairways, greens and tees) other than trees, shrubs, plants or lawns which are part of a vegetated roof, growing crops, land or water; and

(c) Radio or television antennas, (including microwave or satellite dishes) and their lead-in wiring, masts or towers.

(3) Any increase of loss caused by or resulting from:

(a) Delay in rebuilding, repairing or replacing the property or resuming "operations" due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or

(b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage, or any variation of these.

(4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

(5) Any other consequential loss.

**b. Leasehold Interest Coverage Form**

The following applies to this Coverage Form:

- (1) Exclusion **B.1.a.**, Ordinance or Law, does not apply; and
- (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.

**d. Electronic Data Processing Equipment; Electronic Data Processing Data and Media; Valuable Papers and Records and Accounts Receivable Coverages**

(1) Exclusions:

- (a) **B. 2. a.**, which excludes loss caused by or resulting from artificially generated electrical current that disturbs electrical devices, equipment, appliances or wires; and
- (b) **B.2.c.**, which excludes loss caused by or resulting from smoke, vapor, or gas from agricultural smudging or industrial operations;

do not apply to loss or damage to "Electronic Data Processing Equipment", "Electronic Data Processing Data and Media" and "Valuable Papers and Records"; or to loss of Business Income and Extra Expense that is a consequence of such loss or damage.

(2) With respect to "Electronic Data Processing Equipment" and "Electronic Data Processing Data and Media":

- (a) **Exclusion B.2.d.(6)**, which excludes loss caused by or resulting from mechanical breakdown, including rupture or bursting of pipes, does not apply. The remainder of the **B.2.d.** exclusion continues to apply, but if a cause of loss listed in **B.2.d.(1)** through **(5)** and **B.2.d.(7)** results in mechanical breakdown of "Electronic Data Processing Equipment" or in any of the "specified cause of loss", we will pay for the resulting loss or damage.

**(b)** The following exclusion is added:

We will not pay for loss or damage to "Electronic Data Processing Equipment" and "Electronic Data Processing Data and Media"; or loss of Business Income or Extra Expense, that is a consequence of loss or damage to "Electronic Data Processing Equipment" and "Electronic Data Processing Data and Media"; caused by or resulting from any of the following:

- (i)** Programming errors, omissions or incorrect instructions to a machine. But if programming errors, omissions or incorrect instructions to a machine results in a "specified cause of loss" or mechanical breakdown of "Electronic Data Processing Equipment", we will pay for the resulting loss or damage;
- (ii)** Unauthorized viewing, copying or use of electronic data (or any proprietary or confidential information or intellectual property in any form) by any person, even if such activity is characterized as theft;
- (iii)** Errors or deficiency in design, installation, maintenance, repair or modification of your computer system or any computer system or network to which your system is connected or on which your system depends (including electronic data). But if errors or deficiency in design, installation, maintenance, repair or modification of your computer system or any computer system or network to which your system is connected or on which your system depends (including electronic data) results in a "specified cause of loss" or mechanical breakdown of

"Electronic Data Processing Equipment", we will pay for the resulting loss or damage; or

- (iv)** Unexplained or indeterminable failure, malfunction or slowdown of a computer system, including electronic data and the inability to access or properly manipulate the electronic data.

**(c)** The fourth paragraph of the Utility Services Exclusion, **B.1.e.**, is replaced by the following:

But if the failure or surge of power or other utility service results in a Covered Cause of Loss (other than mechanical breakdown of "Electronic Data Processing Equipment" or loss or damage from artificially generated electrical current which disturbs electrical devices, equipment, appliances or wires), we will pay for the resulting loss or damage caused by that Covered Cause of Loss.

**(3)** With respect to Accounts Receivable coverage, we will not pay for:

- (a)** Loss caused by or resulting from bookkeeping, accounting or billing errors or omissions;
- (b)** Loss that requires an audit of records or any inventory computation to prove its factual existence; or
- (c)** Loss caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of money, securities or other property. But this exclusion applies only to the extent of the wrongful giving, taking or withholding.

**(4)** With respect to "Valuable Papers and Records" coverage, we will not pay for any loss or damage caused by or resulting from:

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- (a) Unauthorized viewing, copying or use of electronic data (or any proprietary or confidential information or intellectual property in any form) by any person, even if such activity is characterized as theft; or
- (b) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the resulting loss or damage caused by that fire or explosion.

### 5. Additional Exclusion

The following provisions apply only to the specified property and to loss that is a consequence of such loss or damage to the specified property.

#### Loss Or Damage To Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

### C. LIMITATIONS

The following limitations apply to all policy forms and endorsements, unless otherwise stated.

- 1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
  - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any

fired vessel or within the flues or passages through which the gases of combustion pass.

- b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
- c. The "interior of any building or structure", or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
  - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
  - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

- (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
- (2) Business Income coverage or Extra Expense coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
  - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
  - (2) Changes in or extremes of temperature;
  - (3) Disease;

- (4) Frost or hail; or
  - (5) Rain, snow, ice or sleet.
2. We will not pay for loss of or damage to the following types of property unless caused by a "specified cause 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 glassware, statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
    - (1) Glass that is part of a building or structure; 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 1,000 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. \$5,000 for furs, fur garments and garments trimmed with fur.
  - b. \$5,000 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. \$25,000 for patterns, dies, molds and forms.
  - d. \$1,000 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.
- 5. If the building where loss or damage occurs has been "vacant" for more than 60 consecutive days before that loss or damage occurs:
  - a. We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
    - (1) Vandalism;
    - (2) Sprinkler leakage, unless you have protected the system against freezing;
    - (3) Building glass breakage;
    - (4) Discharge or leakage of water;
    - (5) Theft; or
    - (6) Attempted theft.
  - b. With respect to Covered Causes of Loss other than those listed in 5.a.(1) through 5.a.(6) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

**D. ADDITIONAL COVERAGE – COLLAPSE**

The term Covered Cause of Loss includes the Additional Coverage – Collapse and applies only to an abrupt collapse as described and limited in D.1., through D.7. below.

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1. As used in this Additional Coverage, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building cannot be occupied for its intended purpose.
2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
  - a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
  - b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
  - c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
  - d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
    - (1) A cause of loss listed in 2.a. or 2.b.;
    - (2) One or more of the "specified causes of loss";
    - (3) Breakage of building glass;
    - (4) Weight of people or personal property; or
    - (5) Weight of rain that collects on a roof.
3. This **Additional Coverage – Collapse** does **not** apply to:
  - a. A building or any part of a building that is in danger of falling down or caving in;
  - b. A part of a building that is standing, even if it has separated from another part of the building; or
  - c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
4. With respect to the following property:
  - a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
  - b. Awnings, gutters and downspouts;
  - c. Yard fixtures;
  - d. Outdoor swimming pools;
  - e. Fences;
  - f. Piers, wharves and docks;
  - g. Beach or diving platforms or appurtenances;
  - h. Retaining walls; and
  - i. Walks, roadways and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in 2.a. through 2.d., we will pay for loss or damage to that property only if such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form and the property is Covered Property under this Coverage Form.
5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
  - a. The collapse of personal property was caused by a cause of loss listed in 2.a. through 2.d.;
  - b. The personal property which collapses is inside a building; and
  - c. The property which collapses is not of a kind listed in 4., regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.
6. This Additional Coverage – Collapse does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
7. This Additional Coverage – Collapse will not increase the Limits of Insurance provided in this Coverage Part.

**E. ADDITIONAL COVERAGE EXTENSIONS****1. 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 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.

**2. Glass**

In the event of loss or damage to covered glass under this Coverage Part:

- 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; and
- 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 does not increase the Limit of Insurance.

**F. DEFINITIONS**

1. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and any unhealthful or hazardous building material (including asbestos and lead products or materials containing lead). Waste includes materials to be recycled, reconditioned or reclaimed.
2. "Specified Cause 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 (as defined below); volcanic action; falling objects (as limited below); weight of snow, ice or sleet; water damage (as defined below), all only as otherwise insured against in this Coverage Part.
  - 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. Any portion of a building or structure that is within the exterior-facing surface material of a building or structure shall constitute the interior of that building or structure.

- c. "Water damage" means:
  - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) that is located on the described premises and contains water or steam; and
  - (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the described premises and is part of a municipal potable water supply system or municipal sanitary sewer system if the breakage or cracking is caused by wear and tear.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

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To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

When the Causes of Loss – Earthquake endorsement, Causes of Loss – Earthquake Sprinkler Leakage endorsement, or Causes of Loss – Broad Form Flood endorsement is included in this policy, "specified cause of loss" also includes such cause of loss, but only to the extent such cause of loss is insured against under this Coverage Part.

**3.** "Vacant" means:

**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:

**(1)** Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or

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

**c.** Buildings under construction or renovation are not considered vacant.

**4.** "Interior of any building or structure" means all portions of a building or structure that are within the exterior facing surface material of the building or structure.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ELECTRONIC VANDALISM LIMITATION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

When included in this policy, this endorsement also modifies insurance provided under the COMMERCIAL INLAND MARINE COVERAGE PART.

### **SCHEDULE**

#### **Electronic Vandalism Limit of Insurance,**

aggregate in any 12-month period of this policy:

**\$10,000** unless a higher limit is shown: \$

This endorsement limits the insurance provided under this policy for direct physical loss or damage caused by or resulting from "electronic vandalism" and for loss that is a consequence of such direct physical loss or damage.

#### **A. LIMITATION – ELECTRONIC VANDALISM**

The following LIMITATION is added:

The most we will pay for all loss or damage caused directly or indirectly by or resulting from "electronic vandalism" in any one policy year, commencing with the inception date of this endorsement, is the Electronic Vandalism Limit of Insurance shown in the Schedule of this endorsement. This limit:

1. Applies regardless of the number of locations, items or types of property or coverages or Coverage Forms involved; and
2. Is part of, and does not increase the Limits of Insurance provided under this policy.

But if "electronic vandalism" results in a "specified cause of loss", other than vandalism, this limitation will not apply to the resulting loss or damage caused by that "specified cause of loss".

#### **B. ELECTRONIC VANDALISM MINIMUM DEDUCTIBLE**

The following deductible provision is added and applies to all coverages, including Extra Expense:

The DEDUCTIBLE provisions of this policy continue to apply. But in no event will the total of all applicable deductible amounts applied in any one occurrence of "electronic vandalism" be less than \$1,000.

#### **C. ELECTRONIC VANDALISM DEFINED**

"**Electronic Vandalism**", as used in this endorsement means:

1. Willful or malicious destruction of computer programs, content, instructions or other electronic or digital data stored within computer systems.
2. Unauthorized computer code or programming that:
  - a. Deletes, distorts, corrupts or manipulates computer programs, content, instructions or other electronic or digital data, or otherwise results in damage to computers or computer systems or networks to which it is introduced;
  - b. Replicates itself, impairing the performance of computers or computer systems or networks; or
  - c. Gains remote control access to data and programming within computers or computer systems or networks to which it is introduced, for uses other than those intended for authorized users of the computers or computer systems or networks.
  - d. Introduces a virus, harmful code or similar instruction 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.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CAUSES OF LOSS – EQUIPMENT BREAKDOWN**

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### **A. ADDITIONAL COVERED CAUSE OF LOSS – EQUIPMENT BREAKDOWN**

Covered Causes of Loss and "specified cause(s) of loss" are extended to include Equipment Breakdown, meaning a Breakdown to Covered Equipment as defined and limited in this endorsement.

##### **1. Breakdown**

**a.** Breakdown means:

- (1)** Failure of pressure or vacuum equipment;
- (2)** Mechanical failure, including rupture or bursting caused by centrifugal force; or
- (3)** Electrical failure, including arcing; that causes physical damage to Covered Equipment and necessitates its repair or replacement.

**b.** Breakdown does not mean or include:

- (1)** Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
- (2)** Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (3)** Damage to any vacuum tube, gas tube, or brush;
- (4)** Damage to any structure or foundation supporting the Covered Equipment or any of its parts;
- (5)** The functioning of any safety or protective device; or
- (6)** The cracking of any part on an internal combustion gas turbine exposed to the products of combustion.

**c.** If an initial Equipment Breakdown causes other Equipment Breakdowns, all will be considered one Equipment Breakdown. All Equipment Breakdowns that manifest themselves at the same time and are the direct result of the same cause will also

be considered one Equipment Breakdown.

##### **2. Covered Equipment**

**a.** Covered Equipment means equipment of a type listed in provision 2. b. below that is:

**(1)** At any of the following locations:

- (a)** At or within 1,000 feet of the described premises; or
- (b)** At any of the following locations, but only to the extent that coverage for direct physical loss or damage to Covered Property at such locations or for Business Income and/or Extra Expense resulting from direct physical loss or damage to property at such locations is otherwise specifically insured and limited under this Coverage Part:
  - (i)** Newly acquired or constructed property locations, or within 1,000 feet of such locations;
  - (ii)** Undescribed premises, meaning premises you do not own, lease or regularly operate at which Covered Property is temporarily located; or
  - (iii)** "Dependent property" locations;

and

- (2) (a)** Owned or leased by you or operated under your control; or
- (b)** Owned or leased by, or operated under the control of others who own, lease or operate the undescribed premises (as defined in (1) (b) (ii) above) or "dependent property" locations where the insurance provided under this Coverage Part applies;

## COMMERCIAL PROPERTY

- and
- (3) Not otherwise excluded under provision 2.c. below.
- b. Covered Equipment includes the following types of equipment:
- (1) Equipment designed and built to operate under internal pressure or vacuum other than weight of contents;
  - (2) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy; and
  - (3) Fiber optic cable.
- c. Covered Equipment does not mean or include any:
- (1) Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
  - (2) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
  - (3) Insulating or refractory material;
  - (4) Non-metallic pressure or vacuum equipment, unless it is constructed and used in accordance with the American Society of Mechanical Engineers (A.S.M.E.) code or a Code that has been accepted by the National Board of Boiler and Pressure Vessel Inspectors;
  - (5) Catalyst;
  - (6) Pressure vessels and piping that are buried below ground and require the excavation of materials to inspect, remove, repair or replace;
  - (7) Structure, foundation, cabinet or compartment supporting or containing the Covered Equipment or part of the Covered Equipment including penstock, draft tube or well casing;
  - (8) Vehicle, aircraft, self-propelled equipment or floating vessel, including any equipment mounted on or used solely with any vehicle, aircraft, self-propelled equipment or floating vessel;
  - (9) Dragline, power shovel, excavation or construction equipment including any equipment mounted on or used solely with any dragline, power shovel, excavation or construction equipment;
- (10) Elevator or escalator, but not excluding any electrical machine or apparatus mounted on or used with this equipment;
  - (11) Felt, wire, screen, mold, form, pattern, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
  - (12) Astronomical telescope, cyclotron, nuclear reactor, particle accelerator, satellites and/or spacecraft (including satellite or spacecraft contents and/or their launch sites);
  - (13) Computer equipment or electronic data processing equipment unless used to control or operate other equipment that is Covered Equipment;
  - (14) Equipment or any part of such equipment manufactured by you for sale; or
  - (15) Equipment while in the due course of transit.
- B. EQUIPMENT BREAKDOWN COVERAGE EXTENSIONS**
- 1. Spoilage**
- a. Under the:
    - Building and Personal Property Coverage Form;
    - Condominium Association Coverage Form;
    - Condominium Commercial Unit-Owners Coverage Form;
- the insurance that applies to Your Business Personal Property and Personal Property of Others is extended to apply to direct physical loss or damage to such Covered Property that is:
- (1) Maintained under controlled conditions for its preservation; and
  - (2) Susceptible to loss or damage if the controlled conditions change;
- due to spoilage resulting from lack or excess of power, light, heat, steam or re-

refrigeration that is caused solely by a Breakdown to Covered Equipment.

Insurance under this Coverage Extension includes the reasonable expense you incur to reduce or avert the spoilage loss or damage, but only to the extent the amount of loss otherwise payable under this Coverage Extension is reduced.

- b. The most we will pay for loss or damage under this Coverage Extension arising out of any one Equipment Breakdown is the Spoilage Limit of Insurance shown in the Schedule of this endorsement. This limit is part of and not in addition to the Limit of Insurance that applies to the lost or damaged Covered Property.
- c. We will not pay for any loss or damage under this Coverage Extension that results from your failure to use due diligence and dispatch and all reasonable means to protect the property from spoilage damage following a Breakdown to Covered Equipment.

**2. Utility Services Property**

- a. Subject to provision 2. b. below, Covered Equipment is extended to include equipment, wherever located within the Coverage Territory, that is:

- (1) Owned, operated or controlled by a local public or private utility or distributor that directly generates, transmits, distributes or provides utility services to the described premises; and
- (2) Used to supply water, communication or power services to the described premises.

- b. This Coverage Extension applies:

- (1) Only with respect to; and
- (2) Subject to the Limit(s) of Insurance that apply to;

the insurance, if any, otherwise provided under this Coverage Part for loss or damage caused by an interruption of power or other utility service supplied to the described premises caused by or resulting from direct physical loss or damage by a Covered Cause of Loss to the utility services equipment described in 2. a. above.

**3. Expediting Expense**

In the event of covered direct physical loss or damage to Covered Property under the:

- a. Building and Personal Property Coverage Form;
- b. Condominium Association Coverage Form; or
- c. Condominium Commercial Unit-Owners Coverage Form;

caused by or resulting from a Breakdown to Covered Equipment, we will pay for the reasonable additional expenses you necessarily incur to make temporary repairs to, or expedite the permanent repair or replacement of, the lost or damaged Covered Property.

Expediting expenses include overtime wages and the extra cost of express or other rapid means of transportation.

The most we will pay under this Coverage Extension for all Expediting Expenses arising out of any one Equipment Breakdown is the Expediting Expenses Limit of Insurance shown in the Schedule of this endorsement. This limit is part of and not in addition to the Limit of Insurance that applies to lost or damaged Covered Property.

**C. EQUIPMENT BREAKDOWN EXCLUSIONS**

- 1. All of the Exclusions that apply to this Coverage Part apply to loss or damage under this endorsement, except as follows:

- a. When the Causes of Loss – Basic Form applies, Exclusions B. 2. a., B. 2. d. and B. 2. e. do not apply.
- b. When the Causes of Loss – Broad Form applies, Exclusions B. 2. a., B. 2. b. and B. 2. c. do not apply.
- c. When the Causes of Loss – Special Form applies, Exclusions B. 2. a., B. 2. d. (6) and B. 2. e. do not apply.

- 2. The following additional exclusions apply to the insurance provided by this endorsement:

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. Lack or excess of power, light, heat, steam or refrigeration. But this exclusion does not apply to:

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- (1) Business Income coverage or Extra Expense coverage; or
- (2) The Spoilage Coverage Extension or Utility Services Property Coverage Extension;
- b. Hydrostatic, pneumatic or gas pressure testing of any boiler, fired vessel or electrical steam generator; or
- c. Insulation breakdown testing of any type of electrical or electronic equipment.

**D. EQUIPMENT BREAKDOWN LIMITATIONS**

All of the Limitations that apply to this Coverage Part apply to loss or damage under this endorsement, except as follows:

- 1. When the Causes of Loss – Special Form applies, Limitations C. 1. a. and C. 1. b. do not apply.
- 2. The following additional Limitations apply to the insurance provided by this endorsement. These Limitations are included in, and do not increase the applicable Limit(s) of Insurance.

**a. Ammonia Contamination Limitation**

The most we will pay for loss or damage to property caused by ammonia contamination that directly results from a Breakdown to Covered Equipment is the Ammonia Contamination Limit of Insurance shown in the Schedule of this endorsement.

This limitation does not apply to Business Income coverage or to Extra Expense coverage.

**b. Hazardous Substance Limitation**

If as a direct result of a Breakdown to Covered Equipment, property is damaged, contaminated or polluted by a substance, other than ammonia, that is declared to be hazardous to health by a governmental agency, the Hazardous Substance Limit of Insurance shown in the Schedule of this endorsement is the most we will pay for:

- (1) Any additional expenses you incur to clean up, repair, replace or dispose of any such property that is Covered Property under this Coverage Part; and
- (2) Any increase in loss of Business Income or Extra Expense due to the additional time required to clean up,

repair, replace or dispose of the property, provided Business Income or Extra Expense loss resulting from damage to such property is otherwise insured against under this Coverage Part. Subject to the Hazardous Substance Limit of Insurance, the term "period of restoration", as used in the Business Income and/or Extra Expense insurance provided under this Coverage Part is extended to include this additional period of time.

As used in this Limitation, additional expenses and increase in loss mean expenses and loss incurred beyond the expenses and loss for which we would have been liable had no substance declared to be hazardous to health by a governmental agency been involved.

**E. EQUIPMENT BREAKDOWN LIMITS OF INSURANCE**

- 1. The insurance provided under this endorsement for loss or damage caused by or resulting from Equipment Breakdown is included in, and does not increase the Covered Property, Business Income, Extra Expense and other coverage Limits of Insurance that otherwise apply under this Coverage Part.
- 2. Payments under the Equipment Breakdown Coverage Extensions will not increase the applicable Limit(s) of Insurance.

**F. EQUIPMENT BREAKDOWN DEDUCTIBLE**

- 1. Unless otherwise indicated in the Schedule of this endorsement, the insurance provided under this endorsement for loss or damage caused by or resulting from Equipment Breakdown is subject to the deductibles that otherwise apply under this Coverage Part .
- 2. When one or more separate deductibles are indicated in the Schedule of this endorsement, each such deductible shall be applied separately to the applicable coverage for which the deductible is indicated, as follows:

**a. Dollar Deductible**

If a dollar deductible is shown in the Schedule, we will not pay for loss or damage until the amount of loss or damage to which the deductible applies exceeds the applicable dollar deductible. We will then pay the amount of loss or damage in excess of the dollar deducti-

ble, up to the applicable Limit of Insurance.

**b. Time Period Deductible**

If a time period deductible is shown in the Schedule, we will not pay for any loss to which the deductible applies that occurs during the specified time period immediately following a Breakdown to Covered Equipment.

**c. Average Daily Value Deductible**

If an average daily value deductible is shown in the Schedule, this deductible will be calculated as follows:

- (1) For all of the described premises where you incur Business Income or Extra Expense loss due to a Breakdown to Covered Equipment, determine the total amount of Business Income that would have been earned or incurred by you during the "period of restoration" had no Breakdown to Covered Equipment occurred.
- (2) Divide the amount determined in paragraph (1) by the number of days the business would have been open during the "period of restoration". The result is the average daily value.
- (3) Multiply the average daily value in paragraph (2) by the Multiple of Average Daily Value shown in the Schedule. We will first subtract this deductible amount from any loss we would otherwise pay. We will then

pay the amount of loss or damage in excess of the deductible, up to the applicable Limit of Insurance.

**d. Percentage of Loss Deductible**

If a deductible is expressed as a percentage of loss in the Schedule, we will not be liable for the indicated percentage of the gross amount of loss or damage insured under the applicable coverage.

**G. EQUIPMENT BREAKDOWN ADDITIONAL CONDITION**

The following Additional Condition applies to the insurance provided under this endorsement:

**Suspension**

If any Covered Equipment is found to be in, or exposed to a dangerous condition, any of our representatives may immediately suspend the insurance provided by this endorsement for loss or damage caused by or resulting from a Breakdown to that Covered Equipment. This can be done by delivering or mailing a notice of suspension to:

1. Your last known address; or
2. The address where the Covered Equipment is located.

Once suspended in this way, such insurance can only be reinstated by a written endorsement issued by us. If we suspend your insurance, you will get a pro rata refund of premium for that Covered Equipment. But the suspension will be effective even if we have not yet made or offered a refund.

**EQUIPMENT BREAKDOWN SCHEDULE**

**Limits of Insurance:**

* Spoilage:	\$25,000 unless a higher amount is shown:	\$
* Expediting Expenses:	\$25,000 unless a higher amount is shown:	\$
* Ammonia Contamination:	\$25,000 unless a higher amount is shown:	\$
* Hazardous Substance:	\$25,000 unless a higher amount is shown:	\$

**Deductible Exceptions:** Commercial Property Coverage Part Deductibles apply to loss or damage under this endorsement, except as follows:

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE**

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is 80% of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA).

In no event, however, will the Federal Government

be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses under this Coverage Part is included in the Coverage Part premium. The charge for such Insured Losses that has been included for this Coverage Part is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

- 7% of your total Commercial Property Coverage Part premium if your primary location is in a Designated City (as listed below).
- 3% of your total Commercial Property Coverage Part premium if your primary location is not in a Designated City (as listed below).



COMMERCIAL PROPERTY

<b>Designated Cities are:</b>			
Albuquerque, NM	El Paso, TX	Miami, FL	San Antonio, TX
Atlanta, GA	Fort Worth, TX	Milwaukee, WI	San Diego, CA
Austin, TX	Fresno, CA	Minneapolis, MN	San Francisco, CA
Baltimore, MD	Honolulu, HI	Nashville-Davidson, TN	San Jose, CA
Boston, MA	Houston, TX	New Orleans, LA	Seattle, WA
Charlotte, NC	Indianapolis, IN	New York, NY	St. Louis, MO
Chicago, IL	Jacksonville, FL	Oakland, CA	Tucson, AZ
Cleveland, OH	Kansas City, MO	Oklahoma City, OK	Tulsa, OK
Colorado Springs, CO	Las Vegas, NV	Omaha, NE	Virginia Beach, VA
Columbus, OH	Long Beach, CA	Philadelphia, PA	Washington, DC
Dallas, TX	Los Angeles, CA	Phoenix, AZ	Wichita, KS
Denver, CO	Memphis, TN	Portland, OR	
Detroit, MI	Mesa, AZ	Sacramento, CA	

## **GENERAL LIABILITY**



**GENERAL LIABILITY**



**COMMERCIAL GENERAL LIABILITY  
COVERAGE PART DECLARATIONS**

**POLICY NO.:** I-660-4668X408-TCT-23  
**ISSUE DATE:** 02-22-23

**INSURING COMPANY:**

THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

**DECLARATIONS PERIOD:** From 04-18-23 to 04-18-24 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial General Liability Coverage Part consists of these Declarations and the Coverage Form shown below.

**1. COVERAGE AND LIMITS OF INSURANCE:**

<b>COMMERCIAL GENERAL LIABILITY COVERAGE FORM</b>	<b>LIMITS OF INSURANCE</b>
General Aggregate Limit (Other than Products-Completed Operations)	\$ 2,000,000
Products-Completed Operations Aggregate Limit	\$ 2,000,000
Personal & Advertising Injury Limit	\$ 1,000,000
Each Occurrence Limit	\$ 1,000,000
Damage To Premises Rented To You Limit (any one premises)	\$ 300,000
Medical Expense Limit (any one person)	\$ 5,000

**2. AUDIT PERIOD:** ANNUAL

**3. FORM OF BUSINESS:** ASSOCIATION

**4. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.**

**COMMERCIAL GENERAL LIABILITY COVERAGE  
IS SUBJECT TO A GENERAL AGGREGATE LIMIT**

**DECLARATIONS PREMIUM SCHEDULE**

**POLICY NUMBER: I-660-4668X408-TCT-23**

This Schedule applies to the Declarations for the period of **04-18-23** to **04-18-24**

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

OPN NO.	LOC/BLDG NO.	CLASS DESCRIPT/ CODE NO.	SUBLINE	PREMIUM BASE/ EXPOSURE	RATES	ADVANCE PREMIUM	
<b>MINIMUM PREMIUMS</b>							
		PREM/OPS		\$140			
		LOB		\$250			
	1/	1 HOMEOWNERS OR PROPERTY OWNERS ASSOCIATION <ASSOCIATION RISK ONLY> PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT.					
002		73801	PREM/OPS	T FLAT CHARGE		500	
			NOT REQUIRED/FLAT CHARGE	FLAT CHARGE			
		<b>DIRECTORS AND OFFICERS LIABILITY</b>					
001		73923	PREM/OPS	T	165	543	
				EACH UNIT			
		<b>COVERAGE PART TOTAL</b>				<b>1,043</b>	

\*This class is subject to the prem/ops transition program.

If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG TO 12.

## KEY TO DECLARATIONS PREMIUM SCHEDULE

### ABBREVIATIONS:

CLASS DESCRIPT – means CLASS DESCRIPTION

LOC/BLDG NO. – means LOCATION/BUILDING NUMBER

OPN NO. – means OPERATION NUMBER

PREM/OPS – means PREMISES/OPERATIONS

PROD/C-OPS – means PRODUCTS/COMPLETED OPERATIONS

### PREMIUM BASE:

Key Letter	Premium Base	How Rates Apply
a	Area	per 1,000 square feet
c	Total Cost	per \$1,000 of total cost
m	Admissions	per 1,000 admissions
o	Total Operating Expense	per \$1,000 of total operating expenditures
p	Payroll	per \$1,000 of payroll
s	Gross Sales	per \$1,000 of gross sales
t	(see note* below)	(see note* below)
u	Units	per unit

\* Premium base t applies for a number of rarely used premium bases. The specific base and how rates apply are shown with the Class Description on the DECLARATIONS-PREMIUM SCHEDULE.

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CG T1 00 02 19**

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# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

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

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

## SECTION I – COVERAGES

### COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

#### 1. Insuring Agreement

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

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend 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.

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

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

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

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

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



## COMMERCIAL GENERAL LIABILITY

- 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" or "property damage" 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 that 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 will be deemed to be damages because of "bodily injury" or "property damage", provided that:
  - (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 only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

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

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

#### e. Employer's Liability

"Bodily injury" to:

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

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

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

#### f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
  - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
    - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that

is used to heat, cool or dehumidify the building, or produced by or originating from 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) If such "pollutants" 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;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
  - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed

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

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (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 or were at any time performing operations 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 any governmental authority or any other person or organization 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".

**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) 50 feet long or less; and
  - (b) Not being used to carry any person 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;
- (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 as "mobile equipment" under the definition of "mobile equipment" if such land vehicle 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"; or

(6) An aircraft that is:

- (a) Chartered with a pilot to any insured;
- (b) Not owned by any insured; and
- (c) Not being used to carry any person or property for a charge.

**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" arising 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 "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of Section III – Limits Of Insurance.

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

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

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

**k. Damage To Your Product**

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

**l. Damage To Your Work**

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

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

**m. Damage To Impaired Property Or Property Not Physically Injured**

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

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

This exclusion does not apply to the loss of use of other property arising out of sudden and

accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

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

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

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

**o. Personal And Advertising Injury**

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

**p. Electronic Data**

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

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

**q. Unsolicited Communication**

"Bodily injury" or "property damage" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

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

"Bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

**s. Asbestos**

- (1) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "bodily injury" or "property damage" is caused or contributed to by the hazardous properties of asbestos.

- (2) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "bodily injury" or "property damage" described in Paragraph (1) above.
- (3) 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 fibers or products containing asbestos; or
  - (b) Claim or suit by or on behalf of any governmental authority or any other person or organization 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 fibers or products containing asbestos.

**t. Employment-Related Practices**

"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 practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline, failure to promote or advance, harassment, humiliation, discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest, detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; 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 Paragraph (a), (b), or (c) above is directed.

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 "bodily injury".

Exclusions c. through n. do not apply to "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of 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.

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

**2. Exclusions**

This insurance does not apply to:

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

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

This exclusion does not apply to "personal injury" caused by malicious prosecution.

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

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

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

- (1) "Personal and advertising injury" arising out of oral or written publication, including publication by electronic means, of material whose first publication took place before the beginning of the policy period; or
- (2) "Advertising injury" arising out of infringement of copyright, "title" or "slogan" in your "advertisement" whose first infringement in your "advertisement" was committed 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:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Because of "personal injury" assumed by you in a contract or agreement that is an "insured contract", provided that the "personal injury" is caused by an offense committed subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "personal injury", provided that:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed by you 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.

**f. Breach Of Contract**

"Advertising injury" arising out of a breach of contract.

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

"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**

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

**i. Intellectual Property**

"Personal and advertising injury" arising out of any actual or alleged infringement or violation of any of the following rights or laws, or any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation:

- (1) Copyright;
- (2) Patent;
- (3) Trade dress;
- (4) Trade name;
- (5) Trademark;
- (6) Trade secret; or
- (7) Other intellectual property rights or laws.

This exclusion does not apply to:

- (1) "Advertising injury" arising out of any actual or alleged infringement or violation of another's copyright, "title" or "slogan" in your "advertisement"; or
- (2) Any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation of another's copyright, "title" or "slogan" in your "advertisement".

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

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

- (1) Advertising, "broadcasting" or publishing;

- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs a.(1), (2) and (3) of the definition of "personal injury".

For the purposes of this exclusion:

- (1) Creating and producing correspondence written in the conduct of your business, bulletins, financial or annual reports, or newsletters about your goods, products or services will not be considered the business of publishing; and
- (2) The placing of frames, borders or links, or advertising, for you or others anywhere on the Internet will not, by itself, be considered the business of advertising, "broadcasting" or publishing.

**k. Electronic Chatrooms Or Bulletin Boards**

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

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

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

**m. Pollution**

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

**n. Pollution-Related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of any governmental authority or any other person or organization 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" arising 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. Unsolicited Communication**

"Personal and advertising injury" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

**q. 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.

**r. Asbestos**

- (1) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "personal and advertising injury" is caused or contributed to by the hazardous properties of asbestos.
- (2) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "personal and advertising injury" described in Paragraph (1) above.
- (3) 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 fibers or products containing asbestos; or

- (b) Claim or suit by or on behalf of any governmental authority or any other person or organization 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 fibers or products containing asbestos.

**s. Employment-Related Practices**

"Personal 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 practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline, failure to promote or advance, harassment, humiliation, discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest, detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in Paragraph (a), (b), or (c) above is directed.

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 "personal injury".

**COVERAGE C – MEDICAL PAYMENTS**

**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or

- (3) Because of your operations; provided that:

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

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

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

**2. Exclusions**

We will not pay expenses for "bodily injury":

- a. **Any Insured**  
To any insured, except "volunteer workers".
- b. **Hired Person**  
To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. **Injury On Normally Occupied Premises**  
To a person injured on that part of premises you own or rent that the person normally occupies.
- d. **Workers' Compensation And Similar Laws**  
To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. **Athletics Activities**  
To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.
- f. **Products-Completed Operations Hazard**  
Included within the "products-completed operations hazard".
- g. **Coverage A Exclusions**  
Excluded under Coverage A.



**SUPPLEMENTARY PAYMENTS**

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 \$2,500 for the 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 \$500 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" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
  - (1) Agrees in writing to:
    - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
    - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
    - (c) Notify any other insurer whose coverage is available to the indemnitee; and
    - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
  - (2) Provides us with written authorization to:
    - (a) Obtain records and other information related to the "suit"; and
    - (b) Conduct and control the defense of the indemnitee in such "suit".

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

- a. We have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses; or
- b. 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 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.

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide first aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

- (2) "Property damage" to property:
  - (a) Owned, occupied or used by;
  - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;
    - you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
  - b. Any person (other than your "employee" or "volunteer worker"), or any organization, while acting as your real estate manager.
  - c. Any person or organization having proper temporary custody of your property if you die, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until your legal representative has been appointed.



venture or limited liability company that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership, joint venture or limited liability company that otherwise qualifies as an insured under Section II – Who Is An Insured.

**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 injury" 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".

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide first aid or "Good Samaritan services" to any one person will be deemed to be 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 "premises damage" to any one premises. The Damage To Premises Rented To You Limit will be:

- a. The amount shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part; or
  - b. \$300,000 if no amount is shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part.
7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

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

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**

**1. Bankruptcy**

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

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

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

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- (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.
- e. The following provisions apply to Paragraph a. above, but only for purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II – Who Is An Insured:
- (1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, or limited liability company), any of your trustees who is an individual (if you are a trust) or any "employee" authorized by you to give notice of an "occurrence" or offense.
  - (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:
    - (a) Any individual who is:
      - (i) A partner or member of any partnership or joint venture;
      - (ii) A manager of any limited liability company;
    - (iii) An executive officer or director of any other organization; or
    - (iv) A trustee of any trust;that is your partner, joint venture member, manager or trustee; or
  - (b) Any employee authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "occurrence" or offense.
- (3) Notice to us of such "occurrence" or offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraph e.(1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.
- However, if this policy includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.
- ### 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 valid and collectible other 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 described in Paragraphs **a.** and **b.** below.

As used anywhere in this Coverage Part, other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (i) Another insurance company;
- (ii) Us or any of our affiliated insurance companies, except when the Non cumulation of Each Occurrence Limit provision of Paragraph **5.** of Section **III** – Limits Of Insurance or the Non cumulation of Personal and Advertising Injury Limit provision of Paragraph **4.** of Section **III** – Limits of Insurance applies because the Amendment – Non Cumulation Of Each Occurrence Limit Of Liability And Non Cumulation Of Personal And Advertising Injury Limit endorsement is included in this policy;
- (iii) Any risk retention group; or
- (iv) Any self-insurance method or program, in which case the insured will be deemed to be the provider of other insurance.

Other insurance does not include umbrella insurance, or excess insurance, that was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

As used anywhere in this Coverage Part, other insurer means a provider of other insurance. As used in Paragraph **c.** below, insurer means a provider of insurance.

**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, except when Paragraph **d.** below applies.

**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 insurance for "premises damage";
- (iii) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to any exclusion in this Coverage Part that applies to aircraft, "autos" or watercraft;
- (iv) That is insurance available to a premises owner, manager or lessor that qualifies as an insured under Paragraph **4.** of Section **II** – Who Is An Insured, except when Paragraph **d.** below applies; or
- (v) That is insurance available to an equipment lessor that qualifies as an insured under Paragraph **5.** of Section **II** – Who Is An Insured, except when Paragraph **d.** below applies.

- (b) Any of the other insurance, whether primary, excess, contingent or on any other basis, that is available to the insured when the insured is an additional insured, or is any other insured that does not qualify as a named insured, under such other insurance.

- (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.

**d. Primary And Non-Contributory Insurance If Required By Written Contract**

If you specifically agree in a written contract or agreement that the insurance afforded to an insured under this Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such insured which covers such insured as a named insured, and we will not share with that other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal and advertising injury" for which coverage is sought is caused by an offense that is committed;

subsequent to the signing of that contract or agreement by you.

**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.

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

**7. Separation Of Insureds**

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

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

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

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

**9. When We Do Not Renew**

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

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

**SECTION V – DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Advertising injury":
  - a. Means injury caused by one or more of the following offenses:
    - (1) Oral or written publication, including publication by electronic means, of material in your "advertisement" that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged;
    - (2) Oral or written publication, including publication by electronic means, of material in your "advertisement" that:
      - (a) Appropriates a person's name, voice, photograph or likeness; or
      - (b) Unreasonably places a person in a false light; or
    - (3) Infringement of copyright, "title" or "slogan" in your "advertisement", provided that the claim is made or the "suit" is brought by a person or organization that claims ownership of such copyright, "title" or "slogan".
  - b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.
3. "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".
4. "Bodily injury" means:
  - a. Physical harm, including sickness or disease, sustained by a person; or
  - b. Mental anguish, injury or illness, or emotional distress, resulting at any time from such physical harm, sickness or disease.
5. "Broadcasting" means transmitting any audio or visual material for any purpose:
  - a. By radio or television; or
  - b. In, by or with any other electronic means of communication, such as the Internet, if that material is part of:
    - (1) Radio or television programming being transmitted;
    - (2) Other entertainment, educational, instructional, music or news programming being transmitted; or
    - (3) Advertising transmitted with any of such programming.
6. "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.
7. "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.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.



## COMMERCIAL GENERAL LIABILITY

- 10.** "Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.
- 11.** "Hostile fire" means a fire which becomes uncontrollable or breaks out from where it was intended to be.
- 12.** "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - 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.
- 13.** "Insured contract" means:
- 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 "premises damage" is not an "insured contract";
  - A sidetrack agreement;
  - Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - An elevator maintenance agreement;
  - 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", "property damage" or "personal injury" 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:
- 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, roadbeds, tunnel, underpass or crossing;
- (2)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
- Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - 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 Paragraph **(2)** above and supervisory, inspection, architectural or engineering activities.
- 14.** "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".
- 15.** "Loading or unloading" means the handling of property:
- After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
  - While it is in or on an aircraft, watercraft or "auto"; or
  - 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".
- 16.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  - Vehicles maintained for use solely on or next to premises you own or rent;
  - Vehicles that travel on crawler treads;

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

- (1) Power cranes, shovels, loaders, diggers or drills; or
- (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

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

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;

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

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

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

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

**17.** "Occurrence" means:

**a.** An accident, including continuous or repeated exposure to substantially the same general harmful conditions; or

**b.** An act or omission committed in providing or failing to provide first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

**18.** "Personal and advertising injury" means "personal injury" or "advertising injury".

**19.** "Personal injury":

**a.** Means injury, other than "advertising injury", caused by one or more of the following offenses:

- (1) False arrest, detention or imprisonment;
- (2) Malicious prosecution;
- (3) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is committed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
- (4) Oral or written publication, including publication by electronic means, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged; or
- (5) Oral or written publication, including publication by electronic means, of material that:
  - (a) Appropriates a person's name, voice, photograph or likeness; or
  - (b) Unreasonably places a person in a false light.

**b.** Includes "bodily injury" caused by one or more of the offenses described in Paragraph **a.** above.

**20.** "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.

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### 21. "Premises damage" means:

- a. With respect to the first paragraph of the exceptions in Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, "property damage" to any premises while rented to you for a period of seven or fewer consecutive days, including the contents of such premises; or
- b. With respect to the exception to Exclusions **c.** through **n.** in the last paragraph of Paragraph **2.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, "property damage" to any premises while rented to you for a period of more than seven consecutive days, or while temporarily occupied by you with permission of the owner, caused by:
  - (1) Fire;
  - (2) Explosion;
  - (3) Lightning;
  - (4) Smoke resulting from fire, explosion or lightning; or
  - (5) Water.

But "premises damage" under this Paragraph **b.** does not include "property damage" to any premises caused by:

- (1) Rupture, bursting, or operation of pressure relief devices;
- (2) Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water; or
- (3) Explosion of steam boilers, steam pipes, steam engines or steam turbines.

### 22. "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.

### 23. "Property damage" means:

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

### 24. "Slogan":

- a. Means a phrase that others use for the purpose of attracting attention in their advertising.
- b. Does not include a phrase used as, or in, the name of:
  - (1) Any person or organization, other than you; or
  - (2) Any business, or any of the premises, goods, products, services or work, of any person or organization, other than you.

- 25.** "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.
- 26.** "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.
- 27.** "Title" means a name of a literary or artistic work.
- 28.** "Unsolicited communication" means any communication, in any form, that the recipient of such communication did not specifically request to receive.
- 29.** "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.
- 30.** "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.
- 31.** "Your work":
- a.** Means:
    - (1)** Work or operations performed by you or on your behalf; and
    - (2)** Materials, parts or equipment furnished in connection with such work or operations.
  - b.** Includes:
    - (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
    - (2)** The providing of or failure to provide warnings or instructions.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – REAL ESTATE DEVELOPMENT ACTIVITIES – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **PROVISIONS**

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

#### **Real Estate Development Activities**

"Bodily injury" or "property damage" included in the "products-completed operations hazard" and arising out of any "real estate development activities" by or on behalf of any insured.

2. The following is added to Paragraph **b.(3)** of the definition of "products-completed operations hazard" in the **DEFINITIONS** Section:

However, this Paragraph **(3)** does not apply to

any "real estate development activities" by or on behalf of any insured.

3. The following is added to the **DEFINITIONS** Section:

"Real estate development activities":

- a. Means the design, site preparation, construction, marketing or sales of residential, commercial or industrial buildings.

- b. Does not include repair, maintenance, renovation, alteration or addition to an existing building owned by the Named Insured.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDMENT OF INTELLECTUAL PROPERTY EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following replaces Exclusion **i.**, **Intellectual Property**, in Paragraph **2.** of **SECTION I – COVERAGES – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**:

**i. Intellectual Property**

"Personal and advertising injury" arising out of any actual or alleged infringement or violation of any of the following rights or laws, or any other "personal and advertising injury" alleged in any claim or suit that also alleges any such infringement or violation:

- (1) Copyright;
- (2) Patent;
- (3) Trade dress;
- (4) Trade name;
- (5) Trademark;

(6) Trade secret; or

(7) Other intellectual property rights or laws.

This exclusion applies regardless of whether the allegation of infringement or violation of any of these rights or laws is made by any person or organization making the claim or bringing the suit, by any insured or by any other party to the claim or suit.

This exclusion does not apply to:

- (1) "Advertising injury" arising out of any actual or alleged infringement or violation of another's copyright, "title" or "slogan" in your "advertisement"; or
- (2) Any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation of another's copyright, "title" or "slogan" in your "advertisement".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED – HOMEOWNERS OR PROPERTY OWNERS ASSOCIATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

WHO IS AN INSURED (Section II) is amended to include each individual homeowner or property owner, but only with respect to liability as a member of the homeowners or property owners association and not with respect to any liability arising out of the ownership, maintenance, use or repair of the property to which the homeowner or property owner has title.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **DIRECTORS AND OFFICERS LIABILITY ENDORSEMENT COMMUNITY ASSOCIATIONS**

THIS ENDORSEMENT PROVIDES CLAIMS MADE COVERAGE. DEFENSE COSTS ARE INCLUDED WITHIN THE LIMITS OF INSURANCE. PLEASE READ THE ENTIRE FORM CAREFULLY.

**DECLARATIONS:**

1. Named Insured: **SUMMER HILL SUBDIVISION HOA**

2. Address: **PO BOX 3896**

**GRAND JUNCTION CO 81502**

3. Coverage Period: **04-18-23 to 04-18-24**

4. Limit of Insurance: \$ **1,000,000** Each Claim  
\$ **2,000,000** Aggregate

5. Premium: \$ **543**

6. Special Provisions, if any:  
**\$1,000,000**

Throughout this endorsement the words "you" and "your" refer to the Named Insured shown in Item 1 of the Declarations above, and any other person or organization qualifying as a Named Insured under this endorsement. 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.

**PROVISIONS**

**I. Insuring Agreement—Directors and Officers  
Condominium and Community Associations  
Liability**

**A.** We will pay those sums that the insured becomes legally obligated to pay as compensatory damages because of any "wrongful act" to which this insurance applies. We will have the right and duty to defend any "suit" seeking those damages. We may at our discretion investigate any "wrongful act" and settle any claim or "suit" that may result. But:

(1) The amount we will pay is limited as described in LIMITS OF INSURANCE (Section III); and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance by any payment, including but

not limited to any payment toward judgment, settlement or "defense expense."

**B.** This insurance applies to "wrongful acts" committed at any time prior to the end of the coverage period, but only if:

(1) The "wrongful act" took place in the "coverage territory"; and

(2) A claim for compensatory damages because of the "wrongful act" is first made against any insured, in accordance with paragraph C. below, during the coverage period or any Extended Reporting Period we provide under CONDITIONS—Extended Reporting Period (Section IV).

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



## COMMERCIAL GENERAL LIABILITY

- (1) When notice of such claim is received by any insured or by us, whichever comes first; or
- (2) When we make settlement in accordance with paragraph A. above.

All claims arising out of the same or related "wrongful acts" will be deemed to have been made at the time the first of these claims is made against any insured.

### D. Exclusions

The insurance provided by this endorsement does not apply to:

- (1) "Bodily injury," "property damage," "personal injury," or "advertising injury."
- (2) Punitive or exemplary damages.
- (3) Damages resulting from:
  - a. "Wrongful acts" which result in any insured gaining personal profit, remuneration or advantage to which such insured is not legally entitled.
  - b. Any dishonest, fraudulent, criminal or malicious act, error or omission committed by or with the knowledge or consent of any insured.
  - c. The failure of any person to effect or maintain acceptable amounts, forms, conditions or provisions of any insurance or bonds.
  - d. Any violation of the Employee Retirement Income Security Act of 1974, the Pension Reform Act of 1974, or similar provisions of any Federal, state or local statutory or common law.
  - e. Operations (including but not limited to construction, design, survey and engineering services) performed by or on behalf of the builder, sponsor or developer of the property designated in the Declarations.
  - f. The failure of any insured to enforce the rights of the Named Insured against the builder, sponsor or developer of the property designated in the Declarations.
  - g. Discrimination.
  - h. The "wrongful act" of any developer/sponsor who is an officer or

member of the condominium, or other community association, board of directors.

- i. Any claim or "suit" made by any insured against another insured.
  - j. Employment-related practices, policies, acts or omissions.
- (4) Damages resulting from:
- a. The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" or asbestos.
  - b. Any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants" or asbestos.
  - c. Any claim or "suit" by or on behalf of a governmental authority 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" or asbestos.
- "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) Damages resulting from:
- a. Any claim made or "suit" brought prior to or pending as of the inception date of the coverage period, as shown in the Declarations. However, if this insurance is a renewal of the same or similar coverage provided by us, this exclusion applies to claims made or "suits" brought prior to or pending as of the date such coverage was first provided by us.
  - b. Any subsequent claims made or "suits" brought which arise from or are based upon substantially the same matters as alleged in the pleadings of such prior or pending claims or "suits."

- c. Any act of any insured which gave rise to such prior or pending claim or "suit."
- d. Any claim or "suit" which may be reasonably anticipated as of the inception date of the coverage period, as shown in the Declarations.

## II. WHO IS AN INSURED

- A. If you are named in Item 1 of the Declarations above, you are an insured.
- B. Your directors, trustees or officers are also insureds, but only while acting within the scope of their duties for you. This includes:
  - 1. Those who currently are directors, trustees or officers;
  - 2. Those who were directors, trustees or officers when the "wrongful act" took place;
  - 3. Those who become directors, trustees or officers after the effective date of this insurance, but only for subsequent "wrongful acts."
- C. Your employees and members are insureds, but only while acting at your direction and within the scope of their duties for you.

## III. LIMITS OF INSURANCE

- A. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - 1. Insureds;
  - 2. Claims made or "suits" brought;
  - 3. Persons or organizations making claims or bringing "suits."
- B. The Limit of Insurance shown in the Declarations above as "Aggregate" is the most we will pay for all damages and "defense expense" for all claims made during the Coverage Period shown in the Declarations.
- C. Subject to B. above, the Limit of Insurance shown as "Each Claim" is the most we will pay for damages and "defense expense" arising out of any one claim. For the purposes of determining the Limit of Insurance, all claims arising out of the same or related "wrongful acts" will be considered as one claim.

## IV. CONDITIONS

### A. Extended Reporting Period.

- 1. If this insurance is canceled or nonrenewed for any reason other than nonpayment of premium, we will provide an Extended Reporting Period of one year. This Extended Reporting Period does not extend the coverage period or change the scope of coverage provided. It applies only to claims for "wrongful acts" committed before the end of the coverage period.
- 2. The 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.
- 3. The Extended Reporting Period does not reinstate or increase the Limits of Insurance.

### B. Bankruptcy.

Bankruptcy or insolvency on the part of the insured will not relieve us of our obligations under this insurance.

### C. Insured's Duties In The Event Of A Wrongful Act, Claim Or Suit.

- 1. In the event of a "wrongful act", you must see to it that we are notified as soon as is practicable. To the extent possible, notice should include:
  - a. How, when and where the "wrongful act" took place;
  - b. The nature of the "wrongful act"; and
  - c. The names and addresses of injured parties and witnesses.

Notice of such a "wrongful act" does not constitute notice of a claim.
- 2. If a claim is received by any insured, you must immediately record the specifics of the claim and the date received, and notify us immediately. Written notice should be provided as soon as is practicable.
- 3. You and any other involved insured must:
  - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or a "suit";

- b. Authorize us to obtain records and other information;
- c. Cooperate with us in the investigation of any "wrongful act," or the investigation, settlement or defense of the claim or "suit"; and
- d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to any insured because of damages to which this insurance applies.

- 4. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

**D. Legal Action Against Us.**

No person or organization has a right under this insurance:

- 1. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- 2. To sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable 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.

**E. Other Insurance.**

This insurance is excess over any other valid and collectible insurance available to any insured, whether primary, excess, contingent, or on any other basis, unless such other insurance was purchased specifically to be excess over the limits of insurance this insurance provides.

**F. Changes.**

This endorsement contains all of the agreements between you and us concerning the insurance afforded under this endorsement. The first Named Insured shown in the Declarations is authorized to make changes in the

terms of this insurance with our consent. This endorsement's terms can be amended or waived only by endorsement issued specifically to amend this insurance.

**G. 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 insurance, 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.

**H. Conformity To Statute.**

The terms of this insurance which are in conflict with the statutes of the state wherein this insurance is delivered are hereby amended to conform to such statutes.

**I. Representations.**

By accepting this insurance you agree:

- 1. The statements in the application are accurate and complete;
- 2. Those statements are based upon representations you made to us; and
- 3. We have issued this insurance in reliance upon your representations.

**V. DEFINITIONS**

- A. "Advertising injury" means injury arising out of one or more of the following offenses:
  - 1. 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;
  - 2. Oral or written publication of material that violates a person's right of privacy;
  - 3. Misappropriation of advertising ideas or style of doing business; or
  - 4. Infringement of copyright, title or slogan.
- B. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- C. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
- D. "Defense expense" means fees charged by (an) attorney(s) designated or approved in writing by us and all other fees, costs, and expenses resulting from the investigation, ad-

justment, defense and appeal of a claim, "suit" or proceeding arising in connection therewith, if incurred by us or by an insured with our written consent.

**E.** "Personal injury means injury, other than "bodily injury," arising out of one or more of the following offenses:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
4. 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; or
5. Oral or written publication of material that violates a person's right of privacy.

**F.** "Property damage" means:

1. Physical injury to tangible property, including all resulting loss of use of that property;
2. Loss of use of tangible property that is not physically injured; or
3. Diminution of property value.

**G.** "Suit" means a civil proceeding in which damages because of a "wrongful act" to which this insurance applies are alleged. "Suit" includes:

1. An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

**H.** "Wrongful act" means any actual or alleged error, mistake, misstatement or misleading statement, act, omission or neglect or breach of duty by any insured.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDMENT – NON CUMULATION OF EACH  
OCCURRENCE LIMIT OF LIABILITY and  
NON CUMULATION OF PERSONAL and ADVERTISING  
INJURY LIMIT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- 1. Paragraph 5 of SECTION III – LIMITS OF INSURANCE, is amended to include the following:**

Non cumulation of Each Occurrence Limit – If one "occurrence" causes "bodily injury" and/or "property damage" during the policy period and during the policy period of one or more prior and/or future policies that include a commercial general liability coverage part for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Each Occurrence Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "occurrence".
- 2. Paragraph 4 of SECTION III – LIMITS OF INSURANCE, is amended to include the following:**

Non cumulation of Personal and Advertising Limit – If "personal injury" and/or "advertising injury" is sustained by any one person or organization during the policy period and during the policy period of one or more prior and/or future policies that include a commercial general liability coverage part for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Personal Injury and Advertising Injury Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "personal injury" and/or "advertising injury".

**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:**

**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 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 injury" or "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 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.

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

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

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDMENT OF CONTRACTUAL LIABILITY EXCLUSION  
– EXCEPTION FOR DAMAGES ASSUMED IN AN INSURED  
CONTRACT APPLIES ONLY TO NAMED INSURED**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**PROVISIONS**

1. The following replaces Paragraph **(2)** of Exclusion **b.**, **Contractual Liability**, in Paragraph **2.** of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:
  - (2)** Assumed by you in a contract or agreement that is an "insured contract", provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "bodily injury" or "property damage", provided that:
    - (a)** Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and
    - (b)** Such attorney 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.
2. The following replaces the beginning of Paragraph **2.**, and Paragraphs **2.a.**, **b.**, **c.**, **d.** and **e.**, of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES**:
  2. If we defend you against a "suit" and your indemnitee is also named as a party to the "suit", we will have the right and duty to defend that indemnitee if all of the following conditions are met:
    - a. The "suit" against the indemnitee seeks damages for which you have 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 you;
    - c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by you in the same "insured contract";
    - d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that we determine that no conflict exists between your interests and the interests of the indemnitee;
    - e. You and the indemnitee 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 you and the indemnitee; and
3. The following replaces the last sentence of Paragraph **2.** of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES**:
 

Our obligation to defend your indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

  - a. We have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses; or
  - b. The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – VIOLATION OF CONSUMER FINANCIAL PROTECTION LAWS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **PROVISIONS**

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

#### **Violation Of Consumer Financial Protection Laws**

"Bodily injury" or "property damage" arising out of any actual or alleged violation of a "consumer financial protection law", or any other "bodily injury" or "property damage" alleged in any claim or "suit" that also alleges any such violation.

2. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

#### **Violation Of Consumer Financial Protection Laws**

"Personal injury" or "advertising injury" arising out of any actual or alleged violation of a "consumer financial protection law", or any other "personal injury" or "advertising injury" alleged in any claim or "suit" that also alleges any such violation.

3. The following is added to the **DEFINITIONS** Section:

"Consumer financial identity information" means any of the following information for a person that is used or collected for the purpose of serving as a factor in establishing such person's eligibility for personal credit, insurance or employment, or for the purpose of conducting a business transaction:

- a. Part or all of the account number, the expiration date or the balance of any credit, debit, bank or other financial account.
- b. Information bearing on a person's credit worthiness, credit standing or credit capacity.
- c. Social security number.
- d. Drivers license number.
- e. Birth date.

"Consumer financial protection law" means:

- a. The Fair Credit Reporting Act (FCRA) and any of its amendments, including the Fair and Accurate Credit Transactions Act (FACTA);
- b. California's Song-Beverly Credit Card Act and any of its amendments; or
- c. Any other law or regulation that restricts or prohibits the collection, dissemination, transmission, distribution or use of "consumer financial identity information".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – DISCRIMINATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **PROVISIONS**

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

#### **Discrimination**

"Bodily injury" arising out of discrimination based upon a person's sex, sexual orientation, marital status, pregnancy, race, color, creed, religion, national origin, citizenship, veteran status, age, genetic information or physical or mental disability, or any other characteristic, attribute, trait, condition or status that qualifies a person for protection against discrimination under federal, state or local law.

2. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**:

#### **Discrimination**

"Personal injury" arising out of discrimination based upon a person's sex, sexual orientation, marital status, pregnancy, race, color, creed, religion, national origin, citizenship, veteran status, age, genetic information or physical or mental disability, or any other characteristic, attribute, trait, condition or status that qualifies a person for protection against discrimination under federal, state or local law.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – AIRCRAFT PRODUCTS AND GROUNDING**

This endorsement modifies insurance provided under the following:

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

### **PROVISIONS**

1. The following exclusion is added to Paragraph 2., **Exclusions**, of either **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **SECTION I – COVERAGES – PRODUCTS/COMPLETED OPERATIONS BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, whichever section is included in the Coverage Part:

#### **Aircraft Products And Grounding**

"Bodily injury" or "property damage" included within the "products-completed operations hazard" and arising out of any "aircraft product" or the "grounding" of any aircraft.

2. The following is added to the **DEFINITIONS** Section:

"Aircraft product" means:

- a. Aircraft, including missile or spacecraft, and any ground support or control equipment used with any aircraft, missile or spacecraft;
- b. Any of "your products" manufactured for, used in connection with, or incorporated into aircraft, aircraft parts, aircraft equipment or aircraft accessories, including ground handling tools and equipment;

- c. Any of "your products" used for the purpose of guidance, navigation or direction of aircraft, whether an aircraft is in flight or on the ground; or
- d. Training aids, navigation charts, navigation aids, manuals, blueprints, engineering or other data or advice, services and labor relating to such aircraft or products.

"Grounding" means the withdrawal of one or more aircraft from flight operations or the imposition of speed, passenger or load restrictions on such aircraft, by reason of the actual, alleged or suspected existence of any defect, fault or condition in such aircraft or any part thereof:

- a. Sold, handled or distributed by the insured; or
- b. Manufactured, assembled or processed by any other person or organization:
  - (1) According to specifications, plans, suggestions, orders or drawings of the insured; or
  - (2) With tools, machinery or other equipment furnished to such persons or organizations by the insured;

whether such aircraft so withdrawn or restricted are owned or operated by the same or different persons or organizations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITATION WHEN TWO OR MORE POLICIES APPLY**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
EMPLOYEE BENEFITS LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### **Provisions**

1. Injury, damage or loss might be covered by this policy and also by other policies issued to you by us or any Travelers affiliate. When these other policies contain a provision similar to this one, the amount we will pay is limited. The maximum that we will pay under all such policies combined is the highest limit that applies in any one of these policies.
2. This does not apply to any personal liability policy or to any Umbrella, Excess or Protective Liability Policy.

**INTERLINE  
ENDORSEMENTS**



**INTERLINE  
ENDORSEMENTS**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ACTUAL CASH VALUE**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
DELUXE PROPERTY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
TRAVELERS PROPERTY COVERAGE PART

The following definition is added to any Definitions Section and applies to any provision that uses the term actual cash value:

Actual cash value means the value of the covered property at the time of loss or damage.

When calculating actual cash value using the estimated cost to repair or replace such property, with a reasonable deduction for depreciation that occurred before such loss or damage, we may apply depreciation to all components of the estimated cost, including the following:

- a. Materials;
- b. Labor;
- c. Overhead and profit; and
- d. Any applicable tax.

The deduction for depreciation may include such considerations as:

- a. Age;
- b. Condition, such as wear and tear or deterioration;
- c. Reduction in useful life; and
- d. Obsolescence.

This definition does not apply to covered property in the following states:

**AR CA CT LA ME MT NY PR WA WV VT**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE**

This endorsement applies to the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CYBERFIRST ESSENTIALS GENERAL PROVISIONS FORM  
CYBERFIRST GENERAL PROVISIONS FORM  
EMPLOYEE BENEFITS LIABILITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EMPLOYMENT PRACTICES LIABILITY <sup>+</sup> WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT  
COVERAGE PART  
ENVIRONMENTAL HAZARD POLICY  
EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE  
EXCESS (FOLLOWING FORM) LIABILITY INSURANCE  
LAW ENFORCEMENT LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MANUFACTURERS ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND  
INFORMATION SECURITY LIABILITY COVERAGE FORM  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF  
TRANSPORTATION  
TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART  
Any other Commercial Liability coverage included in this policy that is subject to the federal Terrorism  
Risk Insurance Act of 2002 as amended

### **PROVISIONS**

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is 80% of the amount of such

Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is included in the premium for such coverage. The charge for such Insured Losses that has been included for each such coverage is the percentage of the premium for such coverage indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

**1%.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AMENDMENT OF COMMON POLICY CONDITIONS – PROHIBITED COVERAGE – UNLICENSED INSURANCE AND TRADE OR ECONOMIC SANCTIONS

This endorsement modifies insurance provided under the following:

ALL COVERAGES INCLUDED IN THIS POLICY

The following is added to the Common Policy Conditions:

### **Prohibited Coverage – Unlicensed Insurance**

1. With respect to loss sustained by any insured, or loss to any property, located in a country or jurisdiction in which we are not licensed to provide this insurance, this insurance does not apply to the extent that insuring such loss would violate the laws or regulations of such country or jurisdiction.
2. We do not assume responsibility for:
  - a. The payment of any fine, fee, penalty or other charge that may be imposed on any person or organization in any country or jurisdiction because we are not licensed to provide insurance in such country or jurisdiction; or

- b. The furnishing of certificates or other evidence of insurance in any country or jurisdiction in which we are not licensed to provide insurance.

### **Prohibited Coverage – Trade Or Economic Sanctions**

We will provide coverage for any loss, or otherwise will provide any benefit, only to the extent that providing such coverage or benefit does not expose us or any of our affiliated or parent companies to:

1. Any trade or economic sanction under any law or regulation of the United States of America; or
2. Any other applicable trade or economic sanction, prohibition or restriction.



**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 GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CYBERFIRST ESSENTIALS GENERAL PROVISIONS FORM  
CYBERFIRST GENERAL PROVISIONS FORM  
DELUXE PROPERTY COVERAGE PART  
EMPLOYEE BENEFITS LIABILITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EMPLOYMENT PRACTICES LIABILITY <sup>+</sup> WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT  
COVERAGE PART  
ENVIRONMENTAL HAZARD POLICY  
EQUIPMENT BREAKDOWN COVERAGE PART  
EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE  
EXCESS (FOLLOWING FORM) LIABILITY INSURANCE  
LAW ENFORCEMENT LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MANUFACTURERS ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND  
INFORMATION SECURITY LIABILITY COVERAGE FORM  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY - NEW YORK DEPARTMENT OF  
TRANSPORTATION  
TRAVELERS PROPERTY COVERAGE PART  
TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART  
Any other Coverage Part or Coverage Form included in this policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended

The following is added to this policy. This provision can limit coverage for any loss arising out of a "certified act of terrorism" if such loss is otherwise covered by this policy. This provision does not apply if and to the extent that coverage for the loss is excluded or limited by an exclusion or other coverage limitation for losses arising out of "certified acts of terrorism" in another endorsement to this policy.

If aggregate insured losses attributable to "certified acts of terrorism" exceed \$100 billion in a calendar year and we have met our insurer deductible under "TRIA", we will 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 "TRIA", to be an act of terrorism pursuant to "TRIA". The criteria contained in "TRIA" 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 "TRIA"; 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.

"TRIA" means the federal Terrorism Risk Insurance Act of 2002 as amended.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL BENEFITS**

This endorsement modifies insurance provided under the following:

ALL COVERAGES INCLUDED IN THIS POLICY

The following Condition is added to each Common Policy Conditions included in this policy:

### **Additional Benefits**

1. We may offer or provide, or allow others to provide, you or another insured under this policy with goods and services, access to discounted goods and services, other program benefits or other items of value that could assist your business with managing your risk, with servicing your policy or with staying informed about loss control and mitigation of risk.
2. These Additional Benefits may be provided in any form. You or another insured under this policy may be eligible to receive additional benefits. You
3. While we may arrange for these Additional Benefits, the other provider is liable to you or the other insured for the provision of the goods and services. We do not warrant the merchantability, fitness or quality of any goods or services provided or assume any additional obligation related to any Additional Benefits provided.
4. We have the right to modify or discontinue any Additional Benefits provided by us, or others authorized by us, without notice to you or any other insured.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PROTECTION OF PROPERTY**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
DELUXE PROPERTY COVERAGE PART

The insurance provided under this Coverage Part for direct physical loss of or damage to Covered Property at the described premises is extended to include the following Additional Coverage:

### **Protection of Property**

We will pay the necessary and reasonable expenses actually incurred by you to temporarily safeguard Covered Property at the described premises against the threat of imminent covered direct physical loss or damage by a "specified cause of loss", subject to the following:

1. This Additional Coverage only applies to expenses incurred within 72 hours before the time the imminent "specified cause of loss" is reasonably likely to begin to cause direct physical loss or damage to the Covered Property.
2. This Additional Coverage does not apply to any expenses:
  - (a) To which any Preservation of Property coverage in this Coverage Part may apply; or
  - (b) For maintenance that reasonably should have been performed in the absence of any threat of imminent covered direct physical loss or damage by a "specified cause of loss".
3. The most we will pay under this Additional Coverage for all expenses arising out of all threats of imminent direct physical loss or damage by a "specified cause of loss" occurring during each separate 12-month period of this policy beginning with the effective date of this policy is:

(a) \$5,000 at each of the described premises;  
and

(b) \$10,000 for all described premises.

This is additional insurance.

If the "specified cause of loss" from which the property is being safeguarded is subject to an aggregate limit of insurance (meaning the limit of insurance is the most we will pay for all loss or damage arising out of all occurrences of such "specified cause of loss" in any one annual period of this policy), the Limit of Insurance that applies to this Additional Coverage is not included in, and does not reduce, the aggregate Limit of Insurance that applies to such "specified cause of loss".

4. This Additional Coverage is subject to the deductible that applies to loss or damage to the Covered Property by the "specified cause of loss" from which the property is being safeguarded.

In the event the "specified cause of loss" from which the property is being safeguarded actually causes covered direct physical loss or damage to the Covered Property, the total of the deductible amounts applied under this Additional Coverage and under the coverage provided for such loss or damage to the Covered Property will not exceed the deductible that applies to the covered loss or damage to the Covered Property by the "specified cause of loss".

**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  
COMMERCIAL INLAND MARINE COVERAGE PART  
FARM 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, rental value 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.
- 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 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.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT**

**(Broad Form)**

This endorsement modifies insurance provided under the following:

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

1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
  - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
    - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
    - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
    - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:

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

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

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

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

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

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";
- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time

the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

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

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

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

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

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COLORADO CHANGES – CIVIL UNION**

This endorsement modifies insurance provided under the following:

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

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

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

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

"Family member" means a person related to:

1. The individual Named Insured by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of such Named Insured's household, including a ward or foster child;
2. The individual named in the Schedule by blood, adoption, marriage or civil union rec-

ognized under Colorado law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individuals endorsement is attached.

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

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

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COLORADO CHANGES – CONCEALMENT, MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART – FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL  
COVERAGES, CONDITIONS, DEFINITIONS  
FARM COVERAGE PART – LIVESTOCK COVERAGE FORM  
FARM COVERAGE PART – MOBILE AGRICULTURAL MACHINERY AND  
EQUIPMENT COVERAGE FORM

The **CONCEALMENT, MISREPRESENTATION OR FRAUD** Condition is replaced by the following:

**CONCEALMENT, MISREPRESENTATION OR FRAUD**

We will not pay for any loss or damage in any case of:

1. Concealment or misrepresentation of a material fact; or
  2. Fraud;
- committed by you or any other insured ("insured") at any time and relating to coverage under this policy.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COLORADO CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

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

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

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

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

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

- a.** If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy by mailing through first-class mail to the first Named Insured written notice of cancellation:
  - (1)** Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
  - (2)** At least 45 days before the effective date of cancellation if we cancel for any other reason.

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

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

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

**NONRENEWAL**

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

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

**D.** The following condition is added:

**INCREASE IN PREMIUM OR DECREASE IN COVERAGE**

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

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

1. Nonpayment of premium;

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES DUE TO DATES OR TIMES

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART  
COMMERCIAL CRIME COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by any of 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 micro-processors;
      - (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 advice, 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 Boiler and Machinery Coverage Part, the Commercial Crime Coverage Part or the Commercial Inland Marine Coverage Part; or
  - 2.** Under the Commercial Property Coverage Part:
    - a.** In a "Specified Cause of Loss", in elevator collision resulting from mechanical breakdown, or from theft (if insured) 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, theft, or a 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.

## **POLICYHOLDER NOTICES**



**POLICYHOLDER NOTICES**

## **IMPORTANT NOTICE – INDEPENDENT AGENT AND BROKER COMPENSATION**

**NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.**

For information about how Travelers compensates independent agents and brokers, please visit [www.travelers.com](http://www.travelers.com), call our toll-free telephone number 1-866-904-8348, or request a written copy from Marketing at One Tower Square, 2GSA, Hartford, CT 06183.

**To Our Valued Customer,**

**Each year, homeowners and business owners across the nation sustain significant weather-related property damage due to floods. These can include losses caused by waves, tidal waters, the overflow of a body of water, the rapid accumulation or runoff of surface water, and mudslide. In nearly all cases, these flood losses cannot be prevented or even anticipated. And, in many instances, the losses are devastating.**

**Most standard property insurance policies, including most of our policies, do not provide coverage for flood losses. While flood coverage is often available – primarily through the National Flood Insurance Program – it is rarely purchased. Unfortunately, each year we find that some policyholders are surprised and disappointed to learn that damages they have suffered as a direct result of flood are not covered under the policies they have purchased.**

**Please review your insurance coverage with your agent or Company representative. As you consider the need for flood insurance, keep in mind that floods can, and do, occur in locations all over the country. They are not limited to coastal areas or locations with nearby rivers or streams. Several inches of rain falling over a short period of time can cause flood damage, even in normally dry areas that are not prone to flooding.**

**For further information about Flood Insurance, contact your agent or company representative, or contact the National Flood Insurance Program directly.**

**NOTICE OF IMPORTANT COVERAGE CHANGE  
NOTICE OF REDUCTION IN COVERAGE**

**FUNGI OR BACTERIA EXCLUSION**

<b>(CG D2 43)</b>	<b>(EU 01 89)</b>
<b>(CG F2 41)</b>	<b>(EU 01 91)</b>
<b>(CG F2 43)</b>	<b>(EU 01 92)</b>
<b>(CG F2 44)</b>	<b>(EU 02 29)</b>
<b>(CG 31 31)</b>	<b>(EU 03 35)</b>
<b>(CG 31 49)</b>	<b>(EU 03 36)</b>
	<b>(EU 03 37)</b>
	<b>(EU 03 38)</b>

**YOUR NEW POLICY INCLUDES COVERAGE CHANGES FROM YOUR EXPIRING POLICY. THE IMPORTANT COVERAGE CHANGES ARE IDENTIFIED IN THIS NOTICE. PLEASE READ THIS NOTICE CAREFULLY.**

**YOUR NEW POLICY ALSO MAY INCLUDE CERTAIN WORDING AND FORMATTING CHANGES FOR THE PURPOSE OF CLARIFICATION OR IMPROVED READABILITY. THIS NOTICE DOES NOT NECESSARILY IDENTIFY ANY OR EVERY SUCH CLARIFICATION OR EDITORIAL CHANGE.**

**NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR EXPIRING POLICY OR YOUR NEW POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.**

We are attaching a fungi or bacteria exclusion to selected Commercial General Liability and Excess Follow-Form And Umbrella Liability Insurance policies. This notice is intended to make you aware that this exclusion is being added to your policy.

If you have any questions about your insurance program, please contact your agent or local Company representative.

**This change reduces coverage.**