

Non-Policy Forms

The following forms were sent to you with your policy, but they are not part of your policy. They contain information which you may find useful about your policy, insurance in general, your premium payments, or other topics of interest. These forms do not give you insurance coverage. Refer to the forms that are part of your policy to determine if a loss is covered, and what we will pay, as well as your rights and duties.

GRS PHN 004 11 18	POLICYHOLDER NOTICE
IL P 001 01 04	U.S. Treasury Dept Office of Foreign Assets Notice (OFAC)
PHN 001 IL 01 15	POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE
PHN 003 IL 01 15	POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE
PHN 047 04 16	DMV VEHICLE REPORTING INFORMATION POLICYHOLDER NOTICE
PHN 051 CP 09 18	TABLE OF CONTENTS - COMMERCIAL PROPERTY COVERAGE PART
VCA U 041 TN 12 16	TN UNINSURED MOTORISTS COVERAGE SELECTION/REJECTION
VGN 058 09 14	INSPECTION SERVICES

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Policy Holder Benefit: 'Prevent & Protect' Portal For Employment Liability Prevention Training & Information

The Prevent & Protect Portal is dedicated to holders of an Employment Practices Liability policy from OneBeacon Insurance Group.

OneBeacon provides access to a website that will help support your human resources function. Employment actions don't always happen at the most convenient times so this website is available to you at any time for that critical information.

OneBeacon has partnered with Jackson Lewis to provide you with timely documents to keep you informed and a helpline to discuss specific issues with a legal representative. This Portal provides you with a comprehensive package of risk management products and services carefully designed to help you manage your workforce and reduce your exposure to employment-related liability. Because it is designed by Jackson Lewis attorneys, you can be sure to find the latest information pertaining to workplace law topics.

AVAILABLE TOPICS:

Legal References:

- Legal Updates
- E-verify Laws
- Fair Pay
- Leave Laws
- Minimum Wage Laws
- Termination Checklist

Policies:

- Handbook
- Policies

Training:

- Harassment Training Templates
- Training Resources

Legal Support:

- Submit a question electronically
- Access to the Jackson Lewis legal helpline

HOW TO LOG IN:

1. Go to: <https://onebeacon.jacksonlewis.com/#welcome>
2. Users that do not already have a login, will click on the **New User Registration** button.
3. On the client information screen, users will be prompted to enter an **Invitation Code**. Enter **OBEPL** and click **Next**.
4. Complete the **Contact Information** screen. All of the fields with a red asterisk are required. The last field asks for your **Policy Number**.
5. Click **Complete Request**. Users will be automatically logged into the system and will be presented with the following notice to complete their account set up for future logins. Click **OK**.
6. Users will then be presented with the **Terms of Use**. Scroll to the bottom of the page and accept the Terms of Use and click **Submit**.

QUESTIONS? CONTACT US:

OBGRRiskControl@onebeacongov.com
303.531.3843

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

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

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

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

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

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

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



Atlantic Specialty Insurance Company

150 Royall Street
Canton, MA 02021

Insured Name and Address:
CITY OF MANCHESTER
200 W FORT ST
MANCHESTER, TN 37355-1521

Policy Number: 791-00-18-95-0000

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

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

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM TO BE CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

The prospective premium required for your terrorism coverage is: \$2,423.

If you wish to reject this offer of coverage, you should check the box below, sign this notice and send it to your agent. An **exclusion** of terrorism losses, as defined by the Act, will then be made part of your policy.

<input type="checkbox"/>	I hereby reject the offer of terrorism coverage. I understand that I will have no coverage for losses arising from acts of terrorism, as defined in the act.
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If your policy includes Property Coverage in one or more of these states: CA, CT, GA, HI, IA, IL, MA, ME, MO, NC, NJ, NY, OR, RI, VA, WA, WI, or WV; the following statement applies:

The terrorism exclusion makes an exception for (and thereby continues your coverage for) property fire losses resulting from an act of terrorism. Therefore, if you reject the offer of terrorism coverage, that rejection does not apply to fire losses resulting from an act of terrorism - the coverage in your policy for such fire losses will continue. If such a loss occurs, and is certified under the Act, the loss will be reimbursed by the United States Government under the formula detailed above.

The portion of your policy premium attributable to terrorism (fire only) coverage in all of the states listed above, in which your policy provides property coverage, is \$0. This amount is included in your policy premium and cannot be rejected.

If your policy includes inland Marine Coverage in one or more of these states: CA, ME, MO, OR or WI, the following statement applies:

The terrorism exclusion makes an exception for (and thereby continues your coverage for) direct property damage fire losses resulting from an act of terrorism. Therefore, if you reject the offer of terrorism coverage, that rejection does not apply to direct property damage fire losses resulting from an act of terrorism - the coverage in your policy for such fire losses will continue. If such a loss occurs, and is certified under the Act, the loss will be reimbursed by the United States under the formula detailed above.

In all of the states listed above in which your policy provides inland Marine Coverage, the portion of your inland Marine policy premium attributable to coverage for direct property damage from fire resulting from terrorism is \$0. This amount is included in your policy premium and cannot be rejected.

_____	Atlantic Specialty Insurance Company
Policyholder/Applicant's Signature	Insurance Company
_____	_____
Print Name	Date

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

Insured Name and Address:

CITY OF MANCHESTER
200 W FORT ST
MANCHESTER, TN 37355-1521

Policy Number: 791-00-18-95-0000

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your premium attributable to coverage for acts of terrorism is: \$2,423, and does not include any charges for the portion of losses covered by the United States Government under the Act.

You need to take no action with respect to this notice. You will receive a bill for your policy premium which will include the above amount required for your terrorism coverage.

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

DMV VEHICLE REPORTING INFORMATION POLICYHOLDER NOTICE

COMMERCIAL AUTO

We are required to report the existence, or cancellation, of insurance on vehicles to the DMV in your home state or in a state in which you have a vehicle garaged. This is why, at policy inception, we require a list of all vehicles and their VIN numbers to be insured under your policy even if your policy is rated on a composite basis. (Your rate is based on the type and number of vehicles to be insured.)

It is important for you to notify us if you remove or add vehicles to your fleet while your policy is in force. This will enable us to comply with DMV reporting requirements which will allow law enforcement access to your insurance information should your vehicle be involved in any traffic-related incidents. We will not make changes to your policy by endorsement or modify your premium from any such notification. Any appropriate changes of that type will be addressed by policy audit.

Please notify us of any vehicle additions or removals by email to dmvnotifications@onebeacon.com and provide the vehicle year, make, model and VIN number.

No coverage is provided by this notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations Page for complete information on the coverages your new policy provides. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY WILL PREVAIL.

As always, please contact your agent or broker with any questions about your insurance coverage, your renewal or this notice.

INSPECTION SERVICES

Provided by THE HARTFORD STEAM BOILER INSPECTION AND INSURANCE COMPANY

DO YOU NEED A CERTIFICATE INSPECTION?

Please contact our hotline @ (800) 333-INSP (4677)

Jurisdictional regulations which govern the inspections and certification of certain equipment can be complicated and confusing. Depending on the jurisdiction one or more of the following equipment may require a certificate:

- Power boilers, and high-pressure, high-temperature water boilers.
- Low-pressure steam or vapor heating boilers, hot-water heating, and hot-water supply boilers.
- Refrigeration Systems
- Pressure Vessels

For your convenience, our partner - Hartford Steam Boiler - has an Inspection Hotline to answer your questions and receive inspection requests. As part of your Equipment Breakdown coverage with OneBeacon, you can request jurisdictionally mandated inspections using the contact details below.

Ways to contact Hartford Steam Boiler:

Inspection Hotline: (800) 333-4677
7:00 A.M. – 7:00 P.M. EST

Email: NSCINSP_HOTLINE@hsb.com

Fax #: (484) 582-1811

When calling to schedule an inspection, we require the following information:

- Location Name
- Location Address
- Contact Name
- Contact Phone Number
- OneBeacon Policy Number
- State or Jurisdictional # associated with the equipment (if available)



TENNESSEE UNINSURED MOTORISTS COVERAGE SELECTION/REJECTION

Applicant/Named Insured: CITY OF MANCHESTER 200 W FORT ST MANCHESTER, TN 37355-1521	Policy Number: 791-00-18-95-0000
Policy Effective Date: 07/01/2019	Producer: TENNESSEE RISK MANAGEMENT PART DBA PUBLIC RISK INSURORS 1881 GEN. GEORGE PATTON DR., S FRANKLIN, TN <div style="text-align: right;">37067</div>

Tennessee law permits you to make certain decisions regarding Uninsured Motorists Coverage. This document describes this coverage and the options available.

You should read this document carefully and contact your agent if you have any questions regarding Uninsured Motorists Coverage and your options with respect to this coverage.

This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

BODILY INJURY AND PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE

Bodily Injury Uninsured Motorists Coverage provides insurance protection to an insured for compensatory damages which the insured is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injury caused by an automobile accident. Also included are damages due to bodily injury that result from an automobile accident with a hit-and-run vehicle whose owner or operator cannot be identified.

Property Damage Uninsured Motorists Coverage provides insurance protection to an insured for compensatory damages which the insured is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of property damage caused by an automobile accident. Also included are damages due to property damage that result from an automobile accident with a hit-and-run vehicle whose owner or operator cannot be identified.

Unless rejected or a lower limit is selected, Bodily Injury Uninsured Motorists Coverage will be included in your policy at a limit equal to the limit of your Combined Single Limit of Liability. If you purchase Bodily Injury Uninsured Motorists Coverage, then you may also purchase Property Damage Uninsured Motorists Coverage or you may reject such coverage.

Please indicate one choice from **A.**, **B.**, or **C.** by initialing next to the appropriate item(s) and signing below.

A. Selection Of Bodily Injury And Property Damage Uninsured Motorists Coverage

Please indicate your choice by initialing next to the appropriate item(s) in **1.** OR **2.** and signing below.

Please note that we only offer Uninsured Motorists Coverage limits up to the Liability Coverage limit of your policy, even though higher limits may appear below.

(Initials) _____	<p>1. I select Bodily Injury And Property Damage Uninsured Motorists Coverage at limits equal to my Liability Coverage.</p>		
	OR		
(Initials) _____	<p>2. I reject Bodily Injury And Property Damage Uninsured Motorists Coverage at a limit equal to my Liability Coverage and select the following lower limit:</p>		
(Initials) _____ _____ _____	<p>Combined Single Limit</p> <p>\$ 65,000</p> <p>\$ 100,000</p> <p>\$ 250,000</p>	(Initials) _____ _____ _____	<p>Combined Single Limit</p> <p>\$ 350,000</p> <p>\$ 500,000</p> <p>\$ 1,000,000</p>
<p>_____ Signature Of Applicant/Named Insured</p>		<p>_____ Date</p>	

B. Rejection Of Property Damage Uninsured Motorists Coverage And Selection Of Bodily Injury Uninsured Motorists Coverage Only

Please indicate your choice by initialing next to the appropriate item(s) in 1. OR 2. and signing below.

Please note that we only offer Uninsured Motorists Coverage limits up to the Liability Coverage limit of your policy, even though higher limits may appear below.

(Initials) _____	1. I reject Property Damage Uninsured Motorists Coverage and select ONLY Bodily Injury Uninsured Motorists Coverage at a limit equal to the limit of my Combined Single Limit for Liability Coverage.												
	OR												
(Initials) _____	2. I reject Property Damage Uninsured Motorists Coverage and select ONLY Bodily Injury Uninsured Motorists Coverage at the following lower limit:												
(Initials) _____ _____ _____	<table style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Combined Single Limit</td> <td style="width: 100px;"></td> <td style="text-align: center;">Combined Single Limit</td> </tr> <tr> <td style="text-align: center;">\$ 65,000</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">\$ 350,000</td> </tr> <tr> <td style="text-align: center;">\$ 100,000</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">\$ 500,000</td> </tr> <tr> <td style="text-align: center;">\$ 250,000</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">\$ 1,000,000</td> </tr> </table>	Combined Single Limit		Combined Single Limit	\$ 65,000	_____	\$ 350,000	\$ 100,000	_____	\$ 500,000	\$ 250,000	_____	\$ 1,000,000
Combined Single Limit		Combined Single Limit											
\$ 65,000	_____	\$ 350,000											
\$ 100,000	_____	\$ 500,000											
\$ 250,000	_____	\$ 1,000,000											
_____ Signature Of Applicant/Named Insured	_____ Date												

C. Rejection Of Bodily Injury And Property Damage Uninsured Motorists Coverage

(Initials) _____	I reject Bodily Injury And Property Damage Uninsured Motorists Coverage.
_____ Signature Of Applicant/Named Insured	_____ Date



Atlantic Specialty Insurance Company
150 Royall Street
Canton, MA 02021

(781) 332-7000
* A Stock Company



for OB Government Risks
Premier

Common Policy Declarations

Named Insured and Mailing Address

CITY OF MANCHESTER
200 W FORT ST
MANCHESTER, TN 37355-1521

Policy Number 791-00-18-95-0000

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

Policy Period: from July 01, 2019 to July 01, 2020
at 12:01 A.M. Standard Time at your mailing address shown above.

The Named Insured is a(n): Governmental Entity

Business Description: TN CITY

Producer

TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS
1881 GEN. GEORGE PATTON DR., SUITE 105
FRANKLIN, TN 37067

Total Premium

At inception: \$207,936

Forms applicable to all Coverage Parts:
See ASC 00 11 01 98, Schedule 1

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In witness whereof, we have issued this policy, signed by the President and Secretary, but it shall not be valid unless countersigned by our duly authorized representative.


Secretary


President

Countersigned

Authorized Representative

Date

SCHEDULE 1

Effective 07/01/2019 , this schedule forms a part of Policy No. 791-00-18-95-0000
(At the time stated in the policy)

issued to
CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS
by Atlantic Specialty Insurance Company

Common Policy Declarations, 4 VIL 100 10 98, Continued:

Forms Applicable to All Coverage Parts:

4 VIL 100 10 98	COMMON POLICY DECLARATIONS
ASC 00 02 01 98	PREMIUM STATEMENT
ASC 00 12A 09 18	SCHEDULE OF LOCATIONS
VIL 001 02 05	COMMON POLICY CONDITIONS- (N/A TO VA AUTO)
VIL 500 07 06	PREMIUM DETAIL SUMMARY
VIL 608 TN 02 05	TN CHANGES - CANCELLATION & NONRENEWAL
ASC 00 11 01 98	Schedule 1 - LIST OF COMMON DEC FORMS

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**COMMON POLICY DECLARATIONS
PREMIUM STATEMENT**

Named Insured:

CITY OF MANCHESTER
200 W FORT ST
MANCHESTER, TN 37355-1521

Producer:

TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS
1881 GEN. GEORGE PATTON DR., SUITE 105
FRANKLIN, TN 37067

Premium Statement for the period from July 01, 2019 **to** July 01, 2020

This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

COVERAGE SECTION	PREMIUM		
	At inception	1st Anniversary	2nd Anniversary
Property Coverages	\$55,185		
Liability Coverages	\$15,819		
Inland Marine Coverages	\$5,083		
Crime Coverages	\$288		
Automobile Coverages	\$54,914		
Professional Liability Coverages	\$44,645		
Excess Liability Coverages	\$29,579		
Terrorism Coverage	\$2,423		
Total Advanced Premium	\$207,936		

Premium Detail Summary

Coverage	Non-Reporting Premium	Reporting Deposit Premium	Minimum Retained Premium	Reporting Minimum Retained Premium
Miscellaneous Articles	\$439			
Contractor's Equipment	\$4,644			

SCHEDULE OF LOCATIONS

Effective 07/01/2019, this schedule forms a part of Policy No. 791-00-18-95-0000

(At the time stated in the policy)

issued to

CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS

by Atlantic Specialty Insurance Company

The following locations are identified by their corresponding numbers on the various coverage part declarations of this policy.

Premises No.	Location Address Location Description Building Number and Description
1	HWY 53 AT DEADMAN CITY PARK MANCHESTER, TN 37349 Bldg 1, WRIGHT CENTER Bldg 2, RESTROOMS/CONCESSION Bldg 3, T-BALL PRESS BOX AND FIELD Bldg 4, AMERICAN LEAGUE PRESS BOX & FIELD Bldg 5, NATIONAL LEAGUE PRESS BOX & FIELD Bldg 6, FAST PITCH PRESS BOX AND FIELD Bldg 7, BABE RUTH PRESS BOX AND FIELD Bldg 8, PAVILION #1 Bldg 9, PAVILION #2 Bldg 10, PAVILION #3 Bldg 11, PAVILION #4 Bldg 12, STORAGE SHED Bldg 13, DEADMAN PARK Bldg 14, STORAGE BUILDING Bldg 15, SHOP
2	1509 HILLSBORO BLVD MANCHESTER, TN 37355-2109 Bldg 1, MUNICIPAL FIRE HOUSE #1 Bldg 2, STORAGE SHED Bldg 3, STORAGE SHED
3	200 WEST FRONT STREET MANCHESTER, TN 37349 Bldg 1, CITY HALL Bldg 2, GAZEBO

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Premises No.	Location Address Location Description Building Number and Description
4	FREEDOM DRIVE MANCHESTER, TN 37349 Bldg 1, CITY GARAGE Bldg 2, DOG POUND Bldg 3, EQUIPMENT SHED #1 Bldg 4, EQUIPMENT SHED #2 Bldg 5, EQUIPMENT SHED #3 Bldg 6, SAND SHED
5	WEST HIGH STREET MANCHESTER, TN 37349 Bldg 1, TREATMENT PLANT Bldg 2, NEW LAB Bldg 3, MAIN PLANT PUMPING STATION Bldg 4, HEADWORKS Bldg 5, NEW CLARIFIER Bldg 6, UV BUILDING Bldg 7, NEW RAS PUMPING STATION Bldg 8, THICKENER Bldg 9, SOUTH DIGESTER Bldg 10, NORTH DIGESTER Bldg 11, SLUDGE BUILDING Bldg 12, POWER BUILDING Bldg 13, OLD LAB Bldg 14, OLD RAS Bldg 15, EQUIPMENT STORAGE Bldg 16, WAREHOUSE Bldg 17, EQUIPMENT STORAGE Bldg 18, REPAIR SHOP Bldg 19, OLD ELECTRIC BUILDING Bldg 20, STORAGE WAREHOUSE AND OFFICE Bldg 21, POLE BUILDING
6	DAVID KING PARK MANCHESTER, TN 37349 Bldg 1, CONCESSION STAND Bldg 2, CONCESSION STAND Bldg 3, PRESS BOXES Bldg 4, SHELTER #1 Bldg 5, SHELTER #2 Bldg 6, SHELTER #3 Bldg 7, SHELTER #4 Bldg 8, PAVILION

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Premises No.	Location Address Location Description Building Number and Description
	Bldg 9, PAVILION Bldg 10, FIELD #6 Bldg 11, FIELD #7 Bldg 12, FIELD #8 Bldg 13, FIELD #9 Bldg 14, STORAGE SHED Bldg 15, STORAGE SHED Bldg 16, STORAGE
7	129 WOODBURY HWY MANCHESTER, TN 37355-1587 Bldg 1, FIRE HALL #2 Bldg 2, FIRE HALL #2 STORAGE BUILDING
8	1210 OAKDALE ST MANCHESTER, TN 37355-2287 Bldg 1, OFFICE SPACE/EQUIPMENT STORAGE Bldg 2, PUBLIC WORKS BUILDING Bldg 3, DOG POUND Bldg 4, PUBLIC WORKS SALT SHED Bldg 5, FORMERLY ADKINS APPAREL
9	557 N WOODLAND ST MANCHESTER, TN 37355-7516 Bldg 1, RECREATION COMPLEX Bldg 2, ROTARY AMPHITHEATER Bldg 3, STORAGE SHED
10	306 N SPRING STREET MANCHESTER, TN 37349 Bldg 1, PUMPS AND MOTORS
11	53 DUNCAN STREET MANCHESTER, TN 37349 Bldg 1, 7-11 PUMP STATION
12	328 N WAITE ST MANCHESTER, TN 37355-3117 Bldg 1, MAINTENANCE BUILDING/STORAGE
13	INDUSTRIAL PARK/PLACE MANCHESTER, TN 37349 Bldg 1, CITY INDUSTRIAL PARK

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Premises No.	Location Address Location Description Building Number and Description
14	CAMPBELL AND HWY 53 MANCHESTER, TN 37349 Bldg 1, RECREATION CENTER, POOL, & PROPERTY
15	WOODLAND AND HWY 53 MANCHESTER, TN 37349 Bldg 1, RECREATION CENTER
16	BELMAR AND HWY 53 MANCHESTER, TN 37349 Bldg 1, RECREATION CENTER
17	145 MCGUIRE AND HWY 53 MANCHESTER, TN 37349 Bldg 1, RECREATION CENTER Bldg 2, SOCCER COMPLEX Bldg 3, STREET EQUIPMENT STORAGE Bldg 4, STREET SECURITY FENCING Bldg 5, MECHANIC SHOP Bldg 6, CITY GARDEN ADDITION Bldg 7, PRESS BOX/CONCESSION STAND
18	FRED DEADMAN PARK MANCHESTER, TN 37349 Bldg 1, UTILITY BUILDING Bldg 2, CONCESSION STAND Bldg 3, SHELTER Bldg 4, INDOOR PLAYGROUND Bldg 5, INDOOR AND OUTDOOR POOL Bldg 6, PARK MAINTENANCE OFFICE Bldg 7, SKATEPARK Bldg 8, GREENWAY PHASE IV Bldg 9, LIGHTING AT WRIGHT AND REC CENTER Bldg 10, GREENWAY PHASE V Bldg 11, AMPHITHEATRE Bldg 14, LIGHTING FOR PARKS
19	736 W HIGH ST MANCHESTER, TN 37355-1648 Bldg 1, OFFICE Bldg 2, SERVICE GARAGE Bldg 3, MECHANIC SHOP AND STORAGE Bldg 4, CLARIFIER SHED FOR PLANT EQUIPMENT Bldg 5, CLARIFIER SHED FOR EQUIPMENT

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COMMON POLICY CONDITIONS

All coverages of this policy are subject to the following conditions.

A. Cancellation

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

B. 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 45 days before the expiration date.

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

C. Changes

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

D. Concealment, Misrepresentation or Fraud

This policy is void in any case of fraud by you as it relates to this policy 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 policy;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this policy.

E. 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.

F. Inspections and Surveys

We have the right but are not obligated to:

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

Any inspections, surveys, reports or recommendations relate only to 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:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

G. Liberalization

If we adopt any revision that would broaden the coverage under this policy without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

H. Premiums

1. All Named Insureds shown in the Declarations are jointly and severally liable and responsible for the payment of all premiums.
2. The first Named Insured shown in the Declarations will be the payee of any return premiums we pay.

I. Premium Audit

1. This policy is subject to audit if a premium designated as an advance premium is shown in the Declarations. We will compute the final premium due when we determine your actual exposures.
2. Premium shown in this policy as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
3. 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.

J. 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.

K. Unintentional Errors or Omissions

Your failure to disclose all hazards existing as of the inception date of the policy shall not prejudice you with respect to the coverage afforded by this policy, provided such failure or omission is not intentional. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

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.

TENNESSEE 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
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph **5.** of the **Cancellation** Common Policy Condition is replaced by the following:

5. If this policy is cancelled, we will send the first Named Insured any premium refund due.

The refund will be pro rata if:

- a.** We cancel; or
- b.** The policy is cancelled at the request of a premium finance company that has financed this policy under a premium finance agreement.

The refund may be less than pro rata if the first Named Insured cancels the policy.

The cancellation will be effective even if we have not made or offered a refund.

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

CANCELLATION OF POLICIES IN EFFECT FOR 60 DAYS OR MORE

If this policy has been in effect for 60 days or more, or if this policy is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- 1.** Nonpayment of premium, including any additional premium, calculated in accordance with our current rating manual, justified by a physical change in the insured property or a change in its occupancy or use;

2. Your conviction of a crime increasing any hazard insured against;

3. Discovery of fraud or material misrepresentation on the part of either of the following:

- a.** You or your representative in obtaining this insurance; or
- b.** You in pursuing a claim under this policy;

4. Failure to comply with written loss control recommendations;

5. Material change in the risk which increases the risk of loss after we issued or renewed insurance coverage;

6. Determination by the insurance commissioner that the continuation of the policy would jeopardize our solvency or would place us in violation of the insurance laws of Tennessee or any other state;

7. Your violation or breach of any policy terms or conditions; or

8. Other reasons that are approved by the insurance commissioner.

Notice of cancellation will state the reason for cancellation.

- C. The following is added and supersedes any provisions to the contrary:

NONRENEWAL

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured and agent, at least 60 days before the expiration date unless:
 - a. We have offered to issue a renewal policy; or
 - b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.

2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's addresses shown in the policy. If notice is mailed, proof of mailing will be sufficient proof of notice.

- D. The following is added to the **Premiums** Common Policy Condition:

Whenever an insurance policy which is financed with a premium finance company is cancelled, the insurer shall return, within 30 days after the effective date of the cancellation, whatever gross unearned premiums are due under the insurance policy directly to the premium finance company for the account of the first Named Insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any insured or to others:
 - (1)** Computer hardware, including 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 Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
 - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENNESSEE CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies the insurance provided by the following:

COMMON POLICY CONDITIONS

1. Section **A. Cancellation** paragraph **5.**, is deleted in its entirety and replaced by the following:
 5. If this policy is cancelled, we will send the first Named Insured any premium refund due.
The refund will be pro rata if:
 - a. We cancel; or
 - b. The policy is cancelled at the request of a premium finance company that has financed this policy under a premium finance agreement.The refund may be less than pro rata if the first Named Insured cancels the policy.
The cancellation will be effective even if we have not made or offered a refund.
2. The following is added to Section **A. Cancellation**:

If this policy has been in effect for 60 days or more, or if this policy is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

 1. Nonpayment of premium, including any additional premium, calculated in accordance with our current rating manual, justified by a physical change in the insured property or a change in its occupancy or use;
 2. Your conviction of a crime increasing any hazard insured against;
 3. Discovery of fraud or material misrepresentation on the part of either of the following:
 - a. You or your representative in obtaining this insurance; or
 - b. You in pursuing a claim under this policy;
 4. Failure to comply with written loss control recommendations;
 5. Material change in the risk which increases the risk of loss after we issued or renewed insurance coverage;
 6. Determination by the insurance commissioner that the continuation of the policy would jeopardize our solvency or would place us in violation of the insurance laws of Tennessee or any other state;
 7. Your violation or breach of any policy terms or conditions; or
 8. Other reasons that are approved by the insurance commissioner.Notice of cancellation will state the reason for cancellation.
3. Section **B. When We Do Not Renew** is deleted in its entirety and replaced by the following:
 1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured and agent, at least 60 days before the expiration date unless:
 - a. We have offered to issue a renewal policy; or
 - b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.
 2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's addresses shown in the policy. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. The following is added to Section **H. Premiums**:

Whenever an insurance policy which is financed with a premium finance company is cancelled, the insurer shall return, within 30 days after the effective date of the cancellation, whatever gross unearned premiums are due under the insurance policy directly to the premium finance company for the account of the first Named Insured.

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

FORMS APPLICABLE TO THE COMMERCIAL PROPERTY COVERAGE PART:

Form Number:	Form Name:
CP 00 90 07 88	COMMERCIAL PROPERTY CONDITIONS
CP 04 05 09 17	ORDINANCE OR LAW COVERAGE
CP 10 38 10 12	DISCHARGE FROM SEWER, DRAIN OR SUMP (NOT FLOOD-RELATED)
IL 02 50 09 08	TN CHANGES - CANCELLATION AND NONRENEWAL
IL 09 52 01 15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
OB CP 001 09 18	COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS
OB CP 00 10 09 18	BUILDING AND PERSONAL PROPERTY COVERAGE FORM
OB CP 00 30 09 18	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
OB CP 04 02 09 18	GREEN UPGRADES ADDITIONAL COVERAGE
OB CP 04 17 09 18	UTILITY SERVICES - DIRECT DAMAGE COVERAGE
OB CP 100 09 18	COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS POLICY LEVEL LIMITS OF INSURANCE
OB CP 101 09 18	COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS DESCRIBED PREMISES LIMITS OF INSURANCE
OB CP 102 09 18	SUPPLEMENTAL COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
OB CP 10 30 09 18	CAUSES OF LOSS - SPECIAL FORM
OB CP 10 65 09 18	FLOOD COVERAGE ENDORSEMENT
OB CP 15 45 09 18	UTILITY SERVICES - TIME ELEMENT COVERAGE
OB CP 223 09 18	PAVED SURFACES ADDITIONAL COVERAGE
OB CP 231 09 18	CYBER ADDITIONAL COVERAGES
OB CP 235 09 18	EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE ENDORSEMENT
OB CP EB 001 09 18	EQUIPMENT BREAKDOWN COVERAGE
OBGR CP 001 09 18	ADDITIONAL COVERAGES FOR GOVERNMENT RISKS
OBGR CP 200 09 18	MISCELLANEOUS PROPERTY COVERAGE FOR GOVERNMENT RISKS

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
POLICY LEVEL LIMITS OF INSURANCE**

THE LIMITS OF INSURANCE SHOWN ARE THE TOTAL COVERAGE LIMITS FOR THAT PARTICULAR COVERAGE AND APPLY IN ANY ONE OCCURRENCE UNLESS OTHERWISE STATED.

EXCEPT AS OTHERWISE STATED IN THIS COMMERCIAL PROPERTY COVERAGE PART, EACH OF THE FOLLOWING COVERAGES APPLIES ACROSS THE PREMISES SHOWN ON YOUR COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS DESCRIBED PREMISES LIMITS OF INSURANCE UNLESS "NOT COVERED" IS SHOWN.

IF "NOT COVERED" IS SHOWN, SUCH COVERAGES AND ANY OTHER REFERENCE THERETO IN THIS POLICY ARE DELETED.

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

ADDITIONAL COVERAGE	LIMIT OF INSURANCE
Debris Removal	\$250,000
Preservation of Property – Expense Coverage	\$50,000
Emergency Response Service Charge	\$25,000
Pollutant Clean-Up and Removal	\$50,000
	Annual Aggregate
Claims Expenses Coverage	\$25,000
Electronic Data	\$50,000

COVERAGE EXTENSION	LIMIT OF INSURANCE OR PERIOD OF COVERAGE
Newly Acquired or Constructed Property:	
Building	\$2,000,000
Business Personal Property	\$1,000,000
Coverage Period	180 days
Personal Effects of Others	\$25,000
Valuable Papers and Records	\$100,000
Accounts Receivable	\$100,000
Outdoor Property	\$25,000
Non-Owned Detached Trailers	\$15,000

ADDITIONAL COVERAGES FOR GOVERNMENT RISKS

BUSINESS PERSONAL PROPERTY ADDITIONAL COVERAGE	LIMIT OF INSURANCE
Fine Arts	\$50,000

PROPERTY OFF-PREMISES ADDITIONAL COVERAGE	LIMIT OF INSURANCE
Exhibition, Fair or Trade Show Coverage	\$50,000
Property at Other Locations	\$100,000

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
POLICY LEVEL LIMITS OF INSURANCE**

PROPERTY IN TRANSIT ADDITIONAL COVERAGE	LIMIT OF INSURANCE
Property In Transit	\$50,000

LOSS EXPENSE AND PROTECTION COVERAGE	LIMIT OF INSURANCE
Catastrophe Allowance Coverage	\$50,000
	Annual Aggregate
Expediting Expense Coverage	\$50,000
Extra Expense	\$100,000
Fire Extinguisher & Automatic Extinguishing System Recharge Coverage	\$25,000
Lock Replacement Coverage	\$10,000
Reward Coverage	\$50,000
Soft Costs Coverage	\$25,000

BUCKET LIMIT OF INSURANCE	\$500,000
Tenant Improvements and Betterments Emergency Response Service Charge Additional Coverage Personal Effects of Others Coverage Extension Valuable Papers and Records Coverage Extension Accounts Receivable Coverage Extension Outdoor Property Coverage Extension Fine Arts Additional Coverage Fire Extinguisher and Automatic Extinguishing System Recharge Additional Coverage Lock Replacement Additional Coverage	

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

ADDITIONAL COVERAGE	LIMIT OF INSURANCE
Contractual Penalties	\$50,000
Interruption of Computer Operations	\$50,000
Time Element Claims Expenses Coverage	\$25,000

COVERAGE EXTENSION	LIMIT OF INSURANCE OR PERIOD OF COVERAGE
Dependent Properties	\$250,000
Lessee's Leasehold Interest Coverage	\$25,000
Lessor's Lease Cancellation Coverage	\$25,000
Lessor's Tenant Relocation Expense Coverage	\$25,000
Newly Acquired Locations - Business Income and Extra Expense	\$250,000
Coverage Period	180 days

OPTIONAL COVERAGE	LIMIT OF INSURANCE
Business Income and Extra Expense Property At Other Locations	Not Covered

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
POLICY LEVEL LIMITS OF INSURANCE**

CAUSES OF LOSS – SPECIAL FORM

ADDITIONAL COVERAGE	LIMIT OF INSURANCE OR PERIOD OF RESTORATION
Fungus, Wet Rot and Dry Rot	\$15,000 Annual Aggregate
Fungus, Wet Rot and Dry Rot Period of Restoration	30 days
Fungus, Wet Rot and Dry Rot Extended Period of Restoration	30 days

ENDORSEMENTS

CYBER ADDITIONAL COVERAGES

ADDITIONAL COVERAGE	LIMIT OF INSURANCE*
Cyber Vandalism – Employee Enactment or Introduction	\$50,000 Annual Aggregate
Cyber Vandalism Business Income and Extra Expense – Employee Enactment or Introduction	\$50,000 Annual Aggregate
Cyber Vandalism – Non-Employee Enactment or Introduction	\$10,000 Annual Aggregate
Cyber Vandalism Business Income and Extra Expense Non-Employee Enactment or Introduction	\$10,000 Annual Aggregate
Denial of Service Attack Business Income Coverage	\$10,000 Annual Aggregate

*Each policy level, annual aggregate limit applies regardless of the number of occurrences, interruptions, premises, locations or computer systems involved.

EQUIPMENT BREAKDOWN COVERAGE

Equipment Breakdown Limit of Insurance: Included

ADDITIONAL COVERAGE	LIMIT OF INSURANCE
Equipment Breakdown Expediting Expenses Coverage	\$100,000
Equipment Breakdown Hazardous Substances Coverage	\$100,000
Equipment Breakdown Public Relations Coverage	\$5,000
Equipment Breakdown Spoilage	\$100,000

GREEN UPGRADES ADDITIONAL COVERAGE

Green Upgrades Limit of Insurance	\$50,000
Green Upgrades Percentage	10%

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
POLICY LEVEL LIMITS OF INSURANCE**

MISCELLANEOUS PROPERTY COVERAGE FOR GOVERNMENT RISKS

Street Lights Per Occurrence Limit of Insurance	N/A
Street Lights Per Item Limit of Insurance	N/A
Street Lights Deductible	N/A
Traffic Signals and Controls Per Occurrence Limit of Insurance	\$1,593,105
Traffic Signals and Controls Per Item Limit of Insurance	\$6,000
Traffic Signals and Controls Deductible	\$1,000

PAVED SURFACES ADDITIONAL COVERAGE

Paved Surfaces Coverage Limit of Insurance	\$250,000
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UTILITY SERVICES – DIRECT DAMAGE COVERAGE

Utility Services – Direct Damage Coverage Limit of Insurance	\$25,000
Overhead Transmission Lines	Not Included

UTILITY SERVICES – TIME ELEMENT COVERAGE

Utility Services – Business Income and Extra Expense Coverage Limit of Insurance	\$25,000
Overhead Transmission Lines	Not Included

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS DESCRIBED PREMISES LIMITS OF INSURANCE

THE LIMITS OF INSURANCE SHOWN ARE THE TOTAL COVERAGE LIMITS FOR THAT PARTICULAR COVERAGE AND APPLY IN ANY ONE OCCURRENCE UNLESS OTHERWISE STATED.

INSURANCE THAT APPLIES ON A BLANKET BASIS ONLY APPLIES TO A COVERAGE OR TYPE OF PROPERTY FOR WHICH A LIMIT OF INSURANCE IS SHOWN, AND THEN ONLY ACROSS THE LOCATIONS INCLUDED IN THE APPLICABLE BLANKET LIMITS OF INSURANCE PREMISES SCHEDULE.

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

LOCATION LEVEL LIMIT(S) OF INSURANCE:

Premises No.	Bldg. No.	COVERAGE/ COVERED PROPERTY	LIMIT OF INSURANCE
1	1	Building	\$331,122
1	1	Business Personal Property	\$10,000
1	2	Building	\$116,494
1	2	Business Personal Property	\$7,500
1	3	Building	\$138,129
1	3	Business Personal Property	\$2,500
1	4	Building	\$118,143
1	4	Business Personal Property	\$2,500
1	5	Building	\$118,257
1	5	Business Personal Property	\$500
1	6	Building	\$91,946
1	6	Business Personal Property	\$500
1	7	Building	\$147,199
1	7	Business Personal Property	\$500
1	8	Building	\$21,480
1	9	Building	\$5,090
1	10	Building	\$13,547
1	11	Building	\$4,208
1	12	Building	\$903
1	13	Building	\$216,481
1	14	Building	\$12,221
1	15	Building	\$38,987
2	1	Building	\$971,644
2	1	Business Personal Property	\$75,000
2	2	Building	\$18,637
2	3	Building	\$1,128
3	1	Building	\$4,168,862
3	1	Business Personal Property	\$500,000
3	2	Building	\$4,403
4	1	Building	\$683,074
4	1	Business Personal Property	\$50,000

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS DESCRIBED PREMISES LIMITS OF INSURANCE

LOCATION LEVEL LIMIT(S) OF INSURANCE:

Premises No.	Bldg. No.	COVERAGE/ COVERED PROPERTY	LIMIT OF INSURANCE
4	2	Building	\$61,357
4	3	Building	\$45,288
4	4	Building	\$41,514
4	5	Building	\$17,539
4	6	Building	\$80,486
5	1	Building	\$8,613,399
5	1	Business Personal Property	\$60,000
5	2	Building	\$329,073
5	3	Building	\$977,676
5	4	Building	\$1,715,423
5	5	Building	\$1,083,869
5	6	Building	\$1,201,510
5	7	Building	\$626,110
5	8	Building	\$542,534
5	9	Building	\$735,739
5	10	Building	\$735,739
5	11	Building	\$1,538,779
5	12	Building	\$761,156
5	13	Building	\$96,080
5	14	Building	\$657,941
5	15	Building	\$106,091
5	16	Building	\$356,640
5	17	Building	\$36,178
5	18	Building	\$52,947
5	19	Building	\$12,441
5	20	Building	\$50,815
5	20	Business Personal Property	\$30,000
5	21	Building	\$28,000
6	1	Building	\$157,079
6	1	Business Personal Property	\$10,000
6	2	Building	\$47,474
6	3	Building	\$5,154
6	4	Building	\$2,061
6	5	Building	\$5,301
6	6	Building	\$2,650
6	7	Building	\$6,994
6	8	Building	\$14,413
6	9	Building	\$17,838
6	10	Building	\$105,079

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS DESCRIBED PREMISES LIMITS OF INSURANCE

LOCATION LEVEL LIMIT(S) OF INSURANCE:

Premises No.	Bldg. No.	COVERAGE/ COVERED PROPERTY	LIMIT OF INSURANCE
6	11	Building	\$109,133
6	12	Building	\$111,659
6	13	Building	\$98,876
6	14	Building	\$1,355
6	15	Building	\$2,258
6	16	Business Personal Property	\$5,000
7	1	Building	\$528,592
7	1	Business Personal Property	\$3
7	2	Building	\$193,618
8	1	Building	\$962,548
8	1	Business Personal Property	\$25,000
8	2	Building	\$397,817
8	2	Business Personal Property	\$10,000
8	3	Building	\$42,300
8	3	Business Personal Property	\$10,000
8	4	Building	\$117,317
8	5	Building	\$3,030,920
9	1	Building	\$15,249,021
9	1	Business Personal Property	\$500,000
9	2	Building	\$93,405
9	3	Building	\$5,080
10	1	Building	\$112,454
10	1	Business Personal Property	\$102,912
11	1	Building	\$1,082,366
12	1	Building	\$83,100
13	1	Building	\$1,513,735
13	1	Business Personal Property	\$30,000
14	1	Building	\$564,882
14	1	Business Personal Property	\$208,000
15	1	Building	\$41,300
16	1	Building	\$18,000
17	1	Building	\$150,127
17	2	Building	\$864,116
17	3	Building	\$48,316
17	4	Building	\$29,913
17	5	Building	\$199,500
17	6	Building	\$38,370
17	7	Building	\$5,974
18	1	Building	\$26,000

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
DESCRIBED PREMISES LIMITS OF INSURANCE**

LOCATION LEVEL LIMIT(S) OF INSURANCE:

Premises No.	Bldg. No.	COVERAGE/ COVERED PROPERTY	LIMIT OF INSURANCE
18	2	Building	\$102,060
18	2	Business Personal Property	\$1,000
18	3	Building	\$7,435
18	4	Building	\$44,960
18	5	Building	\$450,058
18	6	Building	\$83,100
18	6	Business Personal Property	\$15,000
18	7	Building	\$240,955
18	8	Building	\$153,969
18	9	Building	\$130,994
18	10	Building	\$134,974
18	11	Building	\$154,469
18	14	Building	\$129,100
19	1	Building	\$110,227
19	2	Building	\$9,285
19	3	Building	\$7,200
19	4	Building	\$13,400
19	5	Building	\$13,480

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

BLANKET LIMITS OF INSURANCE:

LIMIT OF INSURANCE: \$100,000

BLANKET COVERAGE:

Business Income and Extra Expense

Including Rental Value

Waiting Period 72 hours

Extended Period of Indemnity 90 days

Civil Authority

Coverage Period 4 Weeks

Coverage Radius 1 Mile

Waiting Period 72 hours

Alteration and New Buildings

Ingress and Egress

Coverage Period 4 Weeks

Coverage Radius 1 Mile

Waiting Period 72 hours

BLANKET LIMIT OF INSURANCE PREMISES SCHEDULE

Premises No.	Bldg. No.
---------------------	------------------

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
DESCRIBED PREMISES LIMITS OF INSURANCE**

BLANKET LIMITS OF INSURANCE:

1	1
1	2
1	3
1	4
1	5
1	6
1	7
1	8
1	9
1	10
1	11
1	12
1	13
1	14
1	15
2	1
2	2
2	3
3	1
3	2
4	1
4	2
4	3
4	4
4	5
4	6
5	1
5	2
5	3
5	4
5	5
5	6
5	7
5	8
5	9
5	10
5	11
5	12
5	13
5	14
5	15
5	16
5	17
5	18
5	19
5	20
5	21
6	1
6	2
6	3
6	4
6	5

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
DESCRIBED PREMISES LIMITS OF INSURANCE**

BLANKET LIMITS OF INSURANCE:

6	6
6	7
6	8
6	9
6	10
6	11
6	12
6	13
6	14
6	15
6	16
7	1
7	2
8	1
8	2
8	3
8	4
8	5
9	1
9	2
9	3
10	1
11	1
12	1
13	1
14	1
15	1
16	1
17	1
17	2
17	3
17	4
17	5
17	6
17	7
18	1
18	2
18	3
18	4
18	5
18	6
18	7
18	8
18	9
18	10
18	11
18	14
19	1
19	2
19	3
19	4
19	5

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
DESCRIBED PREMISES LIMITS OF INSURANCE**

ENDORSEMENTS

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE ENDORSEMENT

BLANKET LIMIT(S) OF INSURANCE:

BLANKET COVERAGE/COVERED PROPERTY:

Earthquake - All Covered Property and Coverages Located at Described Premises

DEDUCTIBLE: \$25,000
LIMIT OF INSURANCE: \$1,000,000 Per Occurrence
\$1,000,000 Annual Aggregate

BLANKET LIMIT OF INSURANCE PREMISES SCHEDULE

Premises No.	Bldg. No.
1	All
2	All
3	All
4	All
5	All
6	All
7	All
8	All
9	All
10	All
11	All
12	All
13	All
14	All
15	All
16	All
17	All
18	All
19	All

FLOOD COVERAGE ENDORSEMENT

BLANKET LIMIT(S) OF INSURANCE:

BLANKET COVERAGE/COVERED PROPERTY:

Flood - All Covered Property and Coverages Located at Described Premises

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
DESCRIBED PREMISES LIMITS OF INSURANCE**

BLANKET LIMIT(S) OF INSURANCE:

DEDUCTIBLE: \$25,000
LIMIT OF INSURANCE: \$1,000,000 Per Occurrence
 \$1,000,000 Annual Aggregate

BLANKET LIMIT OF INSURANCE PREMISES SCHEDULE

Premises No.	Bldg. No.
1	All
2	All
3	All
4	All
5	All
6	All
7	All
10	All
12	All
13	All
14	All
15	All
16	All
17	All
18	All
19	All

ORDINANCE OR LAW COVERAGE

LOCATION LEVEL LIMIT(S) OF INSURANCE:

Premises No.	Bldg. No.	COVERAGE/ COVERED PROPERTY	LIMIT OF INSURANCE
Each building that has Building Coverage under Commercial Property Coverage Part		Coverage A	Included
Each building that has Building Coverage under Commercial Property Coverage Part		Coverage B & C	\$500,000

SUPPLEMENTAL COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

EXCEPT AS OTHERWISE STATED IN THIS COMMERCIAL PROPERTY COVERAGE PART, THE LIMITS OF INSURANCE SHOWN BELOW ARE THE TOTAL COVERAGE LIMITS FOR THAT PARTICULAR COVERAGE AND APPLY IN ANY ONE OCCURRENCE UNLESS "NOT COVERED" IS SHOWN.

IF "NOT COVERED" IS SHOWN, SUCH COVERAGES AND ANY OTHER REFERENCE THERETO IN THIS POLICY ARE DELETED.

Fine Arts Unscheduled Per Item Limit \$10,000

COINSURANCE:

Except as otherwise stated below, Coinsurance does not apply to this Commercial Property Coverage Part.

The following Coinsurance Percentage applies to your Business Income Coverage: 90%

COVERED CAUSES OF LOSS APPLICABLE TO COMMERCIAL PROPERTY COVERAGE PART:

Special

DEDUCTIBLES:

PER OCCURRENCE DEDUCTIBLE:

\$1,000

DEDUCTIBLE APPLIES TO ALL COVERAGES AND COVERED PROPERTY EXCEPT AS OTHERWISE PROVIDED IN THIS COMMERCIAL PROPERTY COVERAGE PART.

In addition, the following exceptions apply:

THE PER OCCURRENCE DEDUCTIBLE SHOWN ABOVE DOES NOT APPLY TO COVERAGES PROVIDED UNDER THE FOLLOWING COVERAGE FORMS, IF SUCH FORMS ARE INCLUDED IN YOUR POLICY:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM

EXTRA EXPENSE COVERAGE FORM

VALUATION:

See the Valuation provisions contained in this Commercial Property Coverage Part.

Subject to the limitations described in your policy, Replacement Cost applies to most types of Covered Property.

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 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.

COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS

This COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS form applies to your COMMERCIAL PROPERTY COVERAGE PART and its associated forms and endorsements. Words and phrases that appear in quotation marks have the meaning set forth below.

- A.** "Accounts receivable" means:
1. All amounts due from your customers that you are unable to collect;
 2. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
 3. Collection expenses in excess of your normal collection expenses that are made necessary by loss or damage; and
 4. Other reasonable expenses that you incur to re-establish your records of "accounts receivable" that result from direct physical loss or damage caused by or resulting from any Covered Cause of Loss to your records of "accounts receivable".
- "Accounts receivable" does not include "electronic data".
- B.** "Automated-teller machine" means an automated mechanical device which, on behalf of you, disburses cash, accepts deposits, cashes checks, drafts or similar written instruments or makes credit card loans. "Automated-teller machine" does not include any machine that disburses or accepts deposits of virtual currency of any kind, by whatever name known, whether actual or fictitious, including digital currency, crypto currency or any other type of electronic currency. Additionally, "automated-teller machine" does not include "electronic data", "money" or virtual currency of any kind, by whatever name known, whether actual or fictitious, including digital currency, crypto currency or any other type of electronic currency.
- C.** "Communication supply services" means the property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:
1. Communication transmission lines, including fiber optic transmission lines;
 2. Coaxial cables; and
 3. Microwave radio relays except satellites.
- D.** "Denial of service attack" means any attack designed to overload a web site, a computer system or network to which the computer system is connected with useless traffic which denies or limits legitimate electronic mail or web site usage.
- E.** "Dependent property" means property operated by others whom you depend on to:
1. Deliver materials or services to you or to others for your account (Contributing Locations). But any property which delivers any of the following services is not a Contributing Location with respect to such services:
 - a. "Water supply services";
 - b. "Power supply services"; or
 - c. "Communication supply services", including services relating to Internet access or access to any electronic, cellular or satellite network;
 2. Accept your products or services (Recipient Locations);
 3. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
 4. Attract customers to your business (Leader Locations).
- A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or structure is not a "dependent property".
- F.** "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs here means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This does not apply to your "stock" of prepackaged software or to "electronic data" which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

- G.** “Electronic data processing equipment” means “hardware” and “media”.
- H.** “Film print” means the following:
1. Exposed motion picture film and its sound track or sound record;
 2. Digital recordings, magnetic or video tape and its sound track or other sound record;
 3. Interpositives and positive prints of films;
 4. Work prints, cutting copies, and fine grain prints; and
 5. Transparencies, cels, and art work used to create animation images, and software and related material used to generate computer images in connection therewith.
- I.** “Fine arts” means paintings, etchings, pictures, tapestries, and other bona fide works of art, of rarity, historical value, or artistic merit such as valuable rugs, statuary, marbles, bronzes, antiques, furniture, rare books, antique silver, manuscripts, porcelains, rare glass and bric-a-brac.
- J.** “Finished stock” means stock you have manufactured, or is manufactured for you, that is in a completed state and ready for sale. “Finished stock” does not include any stock that is held for sale at any retail outlet.
- K.** “Fungus” means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- L.** “Graphic arts materials” means negatives, positives, artwork, separations, plates, dies, molds, models, forms, stock, manuscripts and other similar property usual to the graphic arts, printing or publishing industry, including those which exist on electronic or magnetic media, other than prepackaged software programs. “Graphic arts materials” does not include “film print”.
- M.** “Hardware” means a network of machine components including computer systems, telephone systems and electrical panels capable of accepting data, processing it through instruction by software, and producing the desired results. “Hardware” does not include “electronic data”, “film print”, “media”, medical or veterinary equipment or “scientific and professional equipment”.
- N.** “Hazardous substance” means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.
- O.** “Media” means all forms of electronic, magnetic and optical tapes and discs, drums, cells, paper tapes and cards, or other storage devices. “Media” does not include “electronic data”, “hardware” or “film print”.
- P.** “Mobile communication property” means the following “hardware”:
1. Cellular telephones;
 2. Laptop computers;
 3. Electronic tablets;
 4. Pagers;
 5. Personal digital assistants;
 6. Mobile hand-held global positioning systems; and
 7. Other hand-held communication devices;
- used in your business and owned by you or your officers, your partners or members, your managers or your employees. “Mobile communication property” does not include “electronic data”, “film print” or “media”.
- Q.** “Money” means:
1. Currency, coins and bank notes in current use and having a face value; and
 2. Travelers checks, registered checks, lottery tickets and money orders held for sale to the public.
- “Money” does not include virtual currency of any kind, by whatever name known, whether actual or fictitious, including digital currency, crypto currency or any other type of electronic currency.
- R.** “Operations” means:
1. Your business activities occurring at the described premises; and
 2. The tenability of the described premises, if coverage for Business Income Including Rental Value or Rental Value applies.

With respect to the following Business Income or Extra Expense Coverage Extensions and Optional Coverages as described below, the phrase “the described premises” used in Paragraphs 1. and 2. above includes:

- a. A newly acquired location, with respect only to the insurance provided by your Newly Acquired Locations Coverage Extension; and
- b. A location covered under your Property at Other Locations Additional Coverage contained in this Coverage Part, with respect only to the insurance provided by your Optional Property at Other Locations Coverage.

S. “Period of restoration” means:

1. The period of time that:
 - a. Begins:
 - (1) 72 hours after the time of direct physical loss or damage for Business Income coverage, unless another Waiting Period is shown in the Declarations; or
 - (2) Immediately after the time of direct physical loss or damage for Extra Expense coverage; caused by or resulting from a Covered Cause of Loss at the described premises; and
 - b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.
2. No coverage is provided during the 72-hour waiting period described in 1.a.(1) above or, if applicable, the Waiting Period shown in the Declarations.
3. The “period of restoration” does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
 - a. Regulates the construction, use or repair, or requires the tearing down of any property; or
 - b. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”.
4. The expiration date of this policy will not cut short the “period of restoration”.
5. With respect to the following Business Income or Extra Expense Coverage Extensions and Optional Coverages as described below, the phrase “at the described premises” used in Paragraph 1. above is replaced by the following:
 - a. “At a newly acquired location”, with respect only to the insurance provided by your Newly Acquired Locations Coverage Extension;
 - b. “At a ‘dependent property’”, with respect only to the insurance provided by your Dependent Properties Coverage Extension;
 - c. “In transit”, with respect only to the insurance provided by your Optional Property in Transit Coverage, if any; and
 - d. “At a location covered under your Property at Other Locations Additional Coverage contained in this Coverage Part”, with respect only to the insurance provided by your Optional Property at Other Locations Coverage, if any.

T. “Perishable goods” means personal property:

1. Maintained under controlled conditions for its preservation; and
2. Susceptible to loss or damage if the controlled conditions change.

U. “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 substance” (including asbestos and lead products or materials containing lead). Waste includes materials to be recycled, reconditioned or reclaimed.

V. “Power supply services” means the following types of property supplying electricity, steam or gas to the described premises:

1. Utility generating plants;
2. Switching stations;
3. Substations;
4. Transformers; and
5. Transmission lines.

W. “Prototypes” means the first or original model of a new type of design.

- X.** “Rental value” means Business Income that consists of:
1. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; plus
 2. Continuing normal operating expenses incurred in connection with that premises including:
 - a. Payroll; and
 - b. The amount of charges which are the legal obligation of any tenant but would otherwise be your obligations.
- Y.** “Research and development documents” means documents, plans and records which are directly associated with your “research and development operations”.
- Z.** “Research and development operations” means your business activities occurring at the described premises that are directly related to the development of new products or the enhancement of existing products. With respect to the following Business Income or Extra Expense Coverage Extensions and Optional Coverages as described below, the phrase “the described premises” used in in this definition includes:
1. A newly acquired location, with respect only to the insurance provided by your Newly Acquired Locations Coverage Extension; and
 2. A location covered under your Property at Other Locations Additional Coverage contained in this Coverage Part, with respect only to the insurance provided by your Optional Property at Other Locations Coverage.
- AA.** “Research and development property” means:
1. “Prototypes” and enhancements to existing products that are under development; and
 2. Inscribed, printed or recorded “research and development documents”;
- if they are directly associated with your “research and development operations”.
- “Research and development property” does not include “accounts receivable”, animals, “electronic data” or “research and development property” which exists as “electronic data”, “electronic data processing equipment”, “fine arts”, “graphic arts materials”, “money”, “securities”, “stock” or “valuable papers and records”.
- BB.** “Salesperson samples” means business personal property in the care, custody or control of your salesperson and used only for sample purposes. “Salesperson samples” does not include Property Not Covered under Paragraph 2. **Property Not Covered** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM, unless it is business personal property that is Covered Property under an Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part other than your Non-Owned Detached Trailers Coverage Extension, Electronic Data Additional Coverage or Money and Securities Additional Coverage.
- CC.** “Scientific and professional equipment” means engineering, measurement, recording, analyzing or similar equipment or their components. “Scientific and professional equipment” does not include “hardware”, “media” or “electronic data”.
- DD.** “Scientific Animals” means animals used, or to be used, for research and development or the production of drugs, medical devices, nutritional supplements, dietary supplements or cosmetics.
- EE.** “Securities” means negotiable and non-negotiable instruments or contracts representing either “money” or property and includes:
1. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 2. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include “money” or virtual currency of any kind, by whatever name known, whether actual or fictitious, including digital currency, crypto currency or any other type of electronic currency.
- FF.** “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.

GG. “Soft costs” means:

1. Realty taxes and other assessments attributed to the increased property values that result directly from construction or repair costs associated with loss or damage by a Covered Cause of Loss;
2. Increased interest and fees necessitated by the operation of a mortgage acceleration clause; and
3. Advertising and promotional expenses.

HH. “Specified causes of loss” means fire; lightning; explosion, windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; “sinkhole collapse”; volcanic action; falling objects; weight of snow, ice or sleet; “water damage”; sonic boom and elevator collision. 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.

II. “Standing timber” means trees grown for commercial purposes, including trees grown for commercial sales.**JJ.** “Stock” means merchandise held in storage or for sale, raw materials and in-process or “finished stock”, including supplies used in their packing or shipping.**KK.** “Suspension” means:

1. The slowdown or cessation of your business activities; or
2. That a part or all of the described premises is rendered untenable if coverage for Business Income Including Rental Value or Rental Value applies.

LL. “Tools and equipment” means miscellaneous tools and equipment, including their:

1. Accessories, whether or not attached; and
2. Spare parts that are specifically designed and intended for use in the maintenance and operation of other “tools and equipment”;

that you own, or that you do not own but that are in your care, custody or control or in the care, custody or control of your employees.

MM. “Unmanned aircraft or watercraft” means aircraft or watercraft that is not:

1. Designed;
 2. Manufactured; or
 3. Modified after manufacture;
- to be controlled directly by a person from within or on the aircraft or watercraft.

NN. “Valuable papers and records” means inscribed, printed, recorded or written documents, manuscripts, negatives, transparencies, tapes or records, including abstracts, maps, books, deeds, drawings, blueprints, films, tapes or mortgages. “Valuable papers and records” does not include “accounts receivable”, “electronic data”, “valuable papers and records” which exist as “electronic data”, “electronic data processing equipment”, “film print”, “fine arts”, “graphic arts materials”, “money”, “research and development property”, “securities” or “stock”.**OO.** “Water damage” means:

1. Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and
2. Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises is located.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. To the extent that accidental discharge or leakage of water falls within the criteria set forth in Paragraph 1. or 2. above, 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.

- PP.** "Water supply services" means the following types of property supplying water to the described premises:
- 1.** Pumping stations;
 - 2.** Water mains; and
 - 3.** Sewage treatment stations.

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COMMERCIAL PROPERTY COVERAGE PART

The following shows the contents of the principal forms which may be included in your policy. See the Forms List contained in your Declarations for a complete list of forms and endorsements which are included in the COMMERCIAL PROPERTY COVERAGE PART of your policy.

This Table of Contents is provided for your convenience as an aid to finding provisions contained in your COMMERCIAL PROPERTY COVERAGE PART. IT IS NOT A PART OF YOUR POLICY AND DOES NOT PROVIDE COVERAGE. Please refer to your policy provisions for a full description of your coverage and any applicable limitations, conditions or exclusions.

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BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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

Throughout this COMMERCIAL PROPERTY COVERAGE PART, 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 your COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS form.

A. Coverage

We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part and except as otherwise provided 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; and
- The type of property covered under any applicable Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part, to the extent provided by that Additional Coverage, Coverage Extension or Optional Coverage, if a limit of insurance is shown in the Declarations for that Additional Coverage, Coverage Extension or Optional Coverage.

Under a specific limit of insurance applying to one of the types of property described in Paragraphs **a.** or **b.** below, Covered Property means only that specific type of property.

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

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures, fences, exterior lighting fixtures or poles (whether freestanding or attached to the building) and yard fixtures;
- (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment.

This includes foundations of such machinery and equipment, tanks and their component parts including all connections thereto which are below the lowest basement floor or, where there is no basement, below the surface of the ground;
- (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) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering; and
 - (e) Building supplies;

all while at the premises described in the Declarations;
- (5) If not covered by other insurance:
 - (a) Additions under construction, 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 additions, alterations or repairs to the buildings or structures;
- (6) Glass that is part of a building or structure; and
- (7) Your personal property in apartments or rooms furnished by you as landlord.

The most we will pay for loss or damage in any one occurrence to the Covered Property included in Paragraph **a.** above is the applicable Building Limit of Insurance shown in the Declarations.

Unless otherwise provided in this Coverage Part, types of property covered by any other limit of insurance, including a specific limit of insurance, shown in the Declarations are not covered under the Building Limit of Insurance.

- b. Your Business Personal Property** consists of the following property which is used in your business and located on or within 1,000 feet of the premises described in the Declarations:
- (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. Tenant improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own;
 - (b) You acquired at your expense, made at your expense or have a contractual responsibility to insure; and
 - (c) Cannot legally remove.
 - (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property of Others; and
 - (8) Glass that is not part of a building or structure.

The most we will pay for loss or damage in any one occurrence to the Covered Property included in Paragraph **b.** above is the applicable Business Personal Property Limit of Insurance shown in the Declarations.

Unless otherwise provided in this Coverage Part, types of property covered by any other limit of insurance, including a specific limit of insurance, shown in the Declarations are not covered under the Business Personal Property Limit of Insurance.

c. Personal Property Of Others

- (1) Personal Property of Others that is:
 - (a) In your care, custody or control; and
 - (b) Located on or within 1,000 feet of the premises described in the Declarations.
- (2) 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.
- (3) Unless a Personal Property of Others specific limit of insurance is shown in the Declarations, loss or damage to Personal Property of Others is subject to, and will not increase, the applicable Business Personal Property Limit of Insurance shown in the Declarations.
- (4) There is no coverage for Personal Property of Others if "Not Covered" is indicated in the Declarations.

2. Property Not Covered

Except as otherwise provided in this Coverage Part, Covered Property does not include:

- a. "Accounts receivable", bills, food stamps or other evidences of debt, "money", notes, "securities" or virtual currency of any kind, by whatever name known, whether actual or fictitious, including digital currency, crypto currency or any other type of electronic currency;
- b. Animals;
- c. Automobiles held for sale, lease, loan or rent;
- d. Bridges, roadways, runways, parking lots or other paved or concrete surfaces, including driveways, patios and walks;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Rocks, stones or gravel (other than rocks, stones or gravel which are "stock");
- h. Land (including land on which Covered Property is located), regardless of whether it is in its natural state, land improvements or the costs of restoring or stabilizing land;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves, docks, dikes or dams;
- k. Property more specifically covered under this or another form of this or any other policy, except as provided in the Other Insurance provision contained in your COMMERCIAL PROPERTY CONDITIONS;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains, except as provided under Paragraph **1.a.(3)** under Section **A. Coverage**;

- n. "Electronic data", "electronic data processing equipment", "film print", "fine arts", "graphic arts materials", "research and development property", "scientific and professional equipment", or "valuable papers and records";
- o. Artificial turf and associated underlayment;
- p. Vehicles or self-propelled machines (including automobiles, aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

Covered Property does not include "unmanned aircraft or watercraft", anywhere operated.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (b) Vehicles or self-propelled machines, other than autos, you hold for sale, lease, loan or rent;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers;
- q. Water, air, growing crops, "standing timber", trees, shrubs, plants or lawns (other than trees, shrubs, plants or lawns which are "stock" or are part of a vegetated roof);
- r. All indoor or outdoor signs, regardless of whether they are attached to or part of a building or structure;
- s. Underground mines, mine shafts, caverns, open pits or quarries or any property within such underground mines, mine shafts, caverns, open pits or quarries;
- t. Human body parts or fluids, including organs, tissue, blood and cells;
- u. Patterns, molds or dies;
- v. Furs, fur garments or garments trimmed with fur;
- w. Jewelry, costume jewelry, watches, watch movements, jewels, pearls, precious or semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals;
- x. Property that is:
 - (1) Acquired in any trust, guardianship or estate for which you are acting in a fiduciary representative capacity; or
 - (2) Acquired by repossession, foreclosure, deed in lieu of foreclosure or as mortgagee in possession;
 except as specifically endorsed to this Coverage Part; or
- y. Personal property sold by you under a conditional sale or trust agreement or any installment or deferred payment plan after delivery to buyers.

3. Covered Causes Of Loss

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

4. Additional Coverages

Each of the following Additional Coverages applies to this Coverage Part, unless *Not Covered* is indicated in the Declarations or except as otherwise provided in this Coverage Part.

If applicable, the Additional Condition, **F.1. Coinsurance**, does not apply to these Additional Coverages.

a. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) In addition to the Exclusions and Limitations contained in this Coverage Part, this Additional Coverage does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this Coverage Part, 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 Coverage Part;
 - (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension except as provided under Paragraph (5) below;
 - (d) Remove property of others of a type that would not be Covered Property under this Coverage Part;
 - (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.
- (3) Your Debris Removal Limit of Insurance is shown in the Declarations and provides an excess limit of insurance.
- (4) In any one occurrence, the most we will pay for debris removal is the lesser of:
 - (a) 25% of the amount of covered direct physical loss or damage; or
 - (b) The remaining applicable limit of insurance for the Covered Property that has sustained loss or damage shown in the Declarations after payment of the covered direct physical loss or damage.

If this amount is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the Debris Removal Limit of Insurance.
- (5) We will also pay up to \$1,000 for the costs you incur at each premises to remove debris of outdoor trees, shrubs or plants that are blown onto your premises by wind.

b. Preservation Of Property

- (1) If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss of or damage to such property:
 - (a) While it is:
 - (i) Being moved to temporary storage at another location;
 - (ii) Temporarily stored at another location; or
 - (iii) Being moved back to the described premises from temporary storage at another location; and
 - (b) Only if the loss or damage occurs within 90 days after the property is first moved. Coverage under Paragraph (1) is subject to, and will not increase, the limit of insurance applying to the Covered Property at the location from which the property is moved.
- (2) If it is necessary to move Covered Property from the described premises to preserve it from further loss or damage by a Covered Cause of Loss, we will pay the actual expense to move the property to safety and to move the property back to the described premises. We will also pay any necessary rental fees for the temporary storage at premises of others.
- (3) The most we will pay in any one occurrence for the coverage provided under Paragraph (2) is the Preservation of Property – Expense Coverage Limit of Insurance shown in the Declarations. This is additional insurance.
- (4) The Preservation of Property – Expense Coverage Limit of Insurance described in Paragraph (3) above is not a part of, and does not reduce, the limits of insurance that otherwise apply to the coverage provided under any Earthquake and Volcanic Eruption Coverage Endorsement, Earthquake – Sprinkler Leakage Coverage Endorsement or Flood Coverage Endorsement when such endorsements are included in this Coverage Part.
- (5) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

c. Emergency Response Service Charge

- (1) We will pay for the fire department or other municipal agency service charges when the fire department or other municipal agency responsible for preserving the public safety is called to save or protect Covered Property from a Covered Cause of Loss.
- (2) The most we will pay in any one occurrence under this Additional Coverage is the Emergency Response Service Charge Limit of Insurance shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments, fire units or municipal agencies and regardless of the number or type of services performed. This is additional insurance.
- (3) This Additional Coverage applies to your liability for fire department or other municipal agency service charges:
 - (a) Assumed by contract or agreement prior to loss; or
 - (b) Required by local ordinance.
- (4) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

d. Pollutant Clean-up And Removal

- (1) We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses

will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

- (2) In addition to the Exclusions and Limitations contained in this Coverage Part, 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.
- (3) The most we will pay under this Additional Coverage is the annual aggregate Pollutant Clean-up and Removal Limit of Insurance shown in the Declarations. This is additional insurance.

e. Claims Expenses Coverage

- (1) We will pay all reasonable claims expenses you incur arising out of a covered loss or damage under this Coverage Part. This includes reasonable architect, engineering and consulting fees that you incur in the course of repairing or reconstructing damaged property resulting from an occurrence covered by this Coverage Part. This also includes the cost of any inventory we require from you to determine the extent of direct physical loss or damage to which this insurance applies.
- (2) The claims expenses must be incurred to assist us in:
 - (a) The investigation of a claim or suit;
 - (b) The determination of the amount of loss; or
 - (c) The determination of the extent of direct physical loss or damage to building or business personal property to which this insurance applies.
- (3) In addition to the Exclusions and Limitations contained in this Coverage Part, we will not pay for:
 - (a) Expenses covered under any Time Element Claims Expenses Additional Coverage;
 - (b) Expenses to prove that loss or damage is covered;
 - (c) Expenses incurred under Paragraph 2. **Appraisal** of Section **E. Loss Conditions**;
 - (d) Expenses incurred for examinations under oath, even if required by us; or
 - (e) Expenses incurred for public adjusters or legal fees.
- (4) The most we will pay in any one occurrence under this Additional Coverage is the Claims Expenses Coverage Limit of Insurance shown in the Declarations. This is additional insurance.
- (5) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

f. Electronic Data

- (1) We will pay for your reasonable and necessary cost to research, replace or restore your "electronic data" which has been destroyed or corrupted by a Covered Cause of Loss.
- (2) To the extent that "electronic data" is not replaced or restored, the loss will be valued at the cost of replacement of the "media" on which the "electronic data" was stored, with blank media of substantially identical type.
- (3) The most we will pay in any one occurrence under this Additional Coverage is the Electronic Data Limit of Insurance shown in the Declarations. This is additional insurance.

g. Errors In Description Coverage

- (1) We will pay for loss or damage to your property that is not otherwise payable under this Coverage Part and, if such coverage exists under this Coverage Part, resultant business income or extra expense, if such loss or damage is not payable solely because of any error or unintentional omission in the description or location of property as insured under this Coverage Part where the error or unintentional omission existed at the inception date of this Coverage Part or in any subsequent amendments.
- (2) It is a condition of this Coverage Extension that such error or unintentional omission will be reported and corrected when discovered. The policy premium will be adjusted accordingly to reflect the date the premises should have been added had no error or omission occurred.
- (3) There is no coverage for any error or unintentional omission in the coverage the Insured requested.
- (4) This Additional Coverage is subject to, and will not increase, the limit of insurance shown in the Declarations applicable to the Covered Property that has sustained loss or damage, and, if such coverage exists under this Coverage Part, the limit of insurance applicable to the resultant business income or extra expense shown in the Declarations.

h. Pair And Set Coverage

- (1) If parts of pairs or sets of Covered Property are damaged by a Covered Cause of Loss, we will pay:

- (a) To repair or replace such damaged parts to restore the pair or set to its value before the loss; or
 - (b) The difference between the value of the pair or set before and after the loss.
- (2) This Additional Coverage is subject to, and will not increase, the limit of insurance shown in the Declarations applicable to the Covered Property that has sustained loss or damage.

5. Coverage Extensions

Except as otherwise provided in this Coverage Part:

- Each of the following Coverage Extensions applies to this Coverage Part unless *Not Covered* is indicated in the Declarations; and
 - Each of the following Coverage Extensions applies to property which is used in your business and located on or within 1,000 feet of the premises described in the Declarations.
- If applicable, the Additional Condition, Coinsurance, does not apply to these Coverage Extensions.

a. Newly Acquired Or Constructed Property

(1) Buildings

- (a) If this Coverage Part covers Building we will pay for direct physical loss or damage caused by or resulting from a Covered Cause of Loss to:
 - (i) Your new buildings while being built on or within 1,000 feet of the described premises; and
 - (ii) Buildings you acquire at locations, other than the described premises, intended for similar use as the building described in the Declarations or use as a warehouse.
- (b) In addition to the Exclusions and Limitations contained in this Coverage Part, this Coverage Extension does not apply to loss of or damage to Property Not Covered under Paragraph 2. **Property Not Covered** of Section A. **Coverage**.
- (c) The most we will pay for loss or damage under this Coverage Extension at each building in any one occurrence is the Newly Acquired or Constructed Property – Buildings Limit of Insurance shown in the Declarations. This is additional insurance.

(2) Your Business Personal Property

- (a) If this Coverage Part covers Your Business Personal Property, we will pay for direct physical loss or damage caused by or resulting from a Covered Cause of Loss to:
 - (i) Business personal property, including such property that you newly acquire, at, or within 1,000 feet of, any location you acquire other than at fairs, trade shows or exhibitions;
 - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at, or within 1,000 feet of, the locations described in the Declarations; or
 - (iii) Business personal property that you newly acquire, located at, or within 1,000 feet of, the premises described in the Declarations.
- (b) In addition to the Exclusions and Limitations contained in this Coverage Part, this Coverage Extension does not apply to:
 - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property;
 - (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities; or
 - (iii) Loss of or damage to Property Not Covered under Paragraph 2. **Property Not Covered** of Section A. **Coverage**, unless it is Covered Property under an Additional Coverage, Coverage Extension or Optional Coverage.
- (c) The most we will pay for loss or damage under this Coverage Extension at each building in any one occurrence is the Newly Acquired or Constructed Property – Business Personal Property Limit of Insurance shown in the Declarations. This is additional insurance.

(3) Period Of Coverage

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

- (a) This Coverage Part expires;
- (b) The number of days shown in the Declarations for the Newly Acquired or Constructed Property Coverage Period expire after you acquire the property or begin construction of that part of the building that would qualify as Covered Property; or

(c) You report values to us.

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

b. Personal Effects Of Others

- (1) We will pay for direct physical loss or damage caused by or resulting from a Covered Cause of Loss to personal effects if such personal effects are:
 - (a) Owned by you, your officers, your partners or members, your managers or your employees; and
 - (b) Located on or within 1,000 feet of the premises described in the Declarations.
- (2) In addition to the Exclusions and Limitations contained in this Coverage Part, this Coverage Extension does not apply to loss or damage caused by or resulting from theft.
- (3) The most we will pay for loss or damage in any one occurrence under this Coverage Extension is the Personal Effects of Others Limit of Insurance shown in the Declarations. This is additional insurance.

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

- (1) We will pay for the cost to replace or restore lost information on “valuable papers and records” for which duplicates do not exist. The loss of or damage to “valuable papers and records” must be caused by or result from a Covered Cause of Loss.
- (2) In any one occurrence, the most we will pay to replace or restore the lost information under this Coverage Extension is the Valuable Papers and Records Limit of Insurance shown in the Declarations. This is additional insurance.

d. Accounts Receivable

- (1) We will pay for direct physical loss of or damage to your records of “accounts receivable” caused by or resulting from a Covered Cause of Loss.
- (2) The most we will pay for loss or damage in any one occurrence under this Coverage Extension is the Accounts Receivable Limit of Insurance shown in the Declarations. This is additional insurance.

e. Outdoor Property

- (1) We will pay for direct physical loss of or damage to your trees, lawns, shrubs and plants (other than trees, lawns, shrubs or plants which are “stock” or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss:
 - (a) Fire;
 - (b) Lightning;
 - (c) Explosion;
 - (d) Riot or Civil Commotion;
 - (e) Aircraft; or
 - (f) Vehicles which you do not own, operate or lease.
- (2) In addition to the Exclusions and Limitations contained in this Coverage Part, this Coverage Extension does not apply to direct physical loss of or damage to “standing timber”.
- (3) The most we will pay for loss or damage under this Coverage Extension is the Outdoor Property Limit of Insurance shown in the Declarations. This limit applies to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence. This is additional insurance.
- (4) Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

f. Non-Owned Detached Trailers

- (1) We will pay for direct physical loss or damage caused by or resulting from a Covered Cause of Loss to trailers that you do not own, provided that:
 - (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.

- (2) In addition to the Exclusions and Limitations contained in this Coverage Part, we will not pay for any loss or damage that occurs:
 - (a) While the trailer is attached to any motor vehicle or motorized conveyance, regardless of whether the motor vehicle or motorized conveyance is in motion; or
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage in any one occurrence under this Coverage Extension is the Non-Owned Detached Trailers Limit of Insurance shown in the Declarations. This is additional insurance.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

B. Exclusions And Limitations

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

C. Limits Of Insurance

1. The most we will pay for loss or damage in any one occurrence, regardless of the types or number of items lost or damaged in that occurrence, is the applicable limit of insurance shown in the Declarations, unless the limit applies on an annual aggregate basis.
2. A limit of insurance will not be reduced by the payment of a claim, unless the limit applies on an annual aggregate basis.
3. An annual aggregate limit of insurance is the most we will pay for the total of all loss or damage arising out of all covered occurrences during each separate 12-month period of this Coverage Part, regardless of the types or number of items lost or damaged in such occurrences. Each separate 12-month period of this Coverage Part starts with the beginning of the present annual policy period. If loss payment on or relating to the first occurrence does not exhaust the applicable limit, then the balance is available for subsequent loss or damage sustained in but not after that 12-month period. A balance remaining at the end of the 12-month period does not increase the amount of insurance in the next 12-month period. With respect to any occurrence which begins in one 12-month period and continues or results in additional loss or damage in a subsequent 12-month period, all loss or damage is deemed to be sustained or incurred in the 12-month period in which the occurrence began.
4. A blanket limit of insurance is one limit of insurance that applies:
 - a. To one coverage across all specified premises where that coverage applies as described in the Declarations;
 - b. To multiple coverages across all specified premises where those coverages apply as described in the Declarations; or
 - c. At one specified premises across the coverages described in the Declarations.
5. A location level limit of insurance applies to a coverage only at specified premises, as described in the Declarations.
6. A policy level limit of insurance is one limit of insurance that applies to a coverage across all locations where that coverage applies, rather than at a specified premises.
7. If location level limits of insurance and a policy level limit of insurance both apply to a loss occurrence, the policy level limit applies on an excess basis.
8. If a blanket limit of insurance and a policy level limit of insurance both apply to a loss occurrence, the policy level limit applies on an excess basis.
9. A specific limit of insurance is a location level or blanket limit shown in the Declarations that applies at a premises described in the Declarations to a specific type of property that is eligible as Covered Property. Where a specific limit of insurance applies to a specific type of property, no other limit of insurance will apply to that type of property at that location, except as may be provided under any Bucket Limit of Insurance.

D. Deductible

1. We will not pay for loss or damage in any one occurrence until the amount of loss or damage, after application of Coinsurance if applicable, 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.
2. If no other deductible is shown in the Declarations, your deductible is \$500.
3. If more than one deductible applies in any one occurrence, only the largest applicable deductible will be used, except as otherwise provided in this Coverage Part.

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 and notify the other of the appraiser selected within 20 days of such demand. The two appraisers will select an umpire. If they cannot agree within 30 days upon such umpire, we and you may file a joint motion requesting that a judge of a court having jurisdiction appoint a competent and impartial umpire after a joint hearing before the court. Along with the joint motion requesting the appointment of the umpire, each party will submit to the court sworn affidavits which describe the efforts their appraiser has taken to reach agreement regarding the appointment of the umpire. If either party does not agree to a joint motion, we or you may unilaterally file a motion to compel appraisal in a court having jurisdiction. Such motion to compel must include a request for a joint hearing, and notice of hearing must be sent to the non-requesting party's appraiser by certified mail 7 days prior to the hearing.

Once appraisal proceeds, each appraiser 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 as to the value of the property and the amount of loss. 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 to it that the following are done in the event of loss or damage to Covered Property:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the limit of insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss, unless such loss or damage is covered under Paragraph (1) of your Preservation of Property Additional Coverage. 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 90 days after our request. We will supply you with the necessary forms.
 - (8) Cooperate with us in the investigation or settlement of the claim.
 - (9) Make no statement that will assume any obligation or admit any liability for any loss for which we may be liable without our consent.
- b. We may examine any insured, or its representative, under oath, while not in the presence of any other insured, or any other insured's representative, 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 Part, 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 Paragraph b. below;

- (3) Take all or any part of the property at an agreed value or, if an agreed value cannot be reached, appraised value; or
- (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to Paragraph **b.** below.

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

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
- c. We will give you notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all of the terms of this Coverage Part, and:
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.
- h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions, including Limits of Insurance, the Valuation Condition and, if applicable, the Coinsurance Condition and all other Loss Payment provisions. 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 Coverage Part.

5. **Recovered Property**

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

6. **Vacancy**

a. **Description Of Terms**

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

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

- i. Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its customary operations; or
- ii. Used by the building owner to conduct customary operations.

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

b. **Vacancy Provisions**

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

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

- (a) Vandalism;
- (b) Sprinkler leakage, unless you have protected the system against freezing;
- (c) Building glass breakage;

- (d) Water damage;
 - (e) Theft; or
 - (f) Attempted theft.
- (2) With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will pay the lesser of:
- (a) The amount we would otherwise pay for the loss or damage reduced by 15%; or
 - (b) The Actual Cash Value of the loss or damage.

7. Valuation

- a. We will not pay more than the least of the following amounts:
- (1) The limit of insurance under this Coverage Part that applies to the loss;
 - (2) The value of the lost or damaged property; or
 - (3) The amount that you actually spend that is necessary to repair or replace the lost or damaged property at:
 - (a) The same location; or
 - (b) Another location;
 for the same use and occupancy. This Paragraph (3) does not apply to losses subject to any Property in Transit Additional Coverage Limit of Insurance or any Property Off-Premises Additional Coverage Limit of Insurance.
- b. Subject to Paragraph 7.a., we will determine the value of Covered Property in the event of covered loss or damage using one of the following methods, except as otherwise provided in this Coverage Part:
- (1) **Replacement Cost**
- (a) Replacement Cost means the cost to repair, rebuild or replace the lost or damaged property with other property:
 - (i) Of comparable material and quality;
 - (ii) Used for the same purpose; and
 - (iii) Without a deduction for depreciation.
 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.
 - (b) Covered Property will be adjusted based on its Replacement Cost, unless otherwise shown in the Declarations or more specifically addressed in this Coverage Part, including below.
 - (c) We will not pay on a Replacement Cost basis for any loss or damage:
 - (i) Until the lost or damaged property is actually repaired or replaced; and
 - (ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.
 - (d) You may make a claim on an Actual Cash Value basis for loss or damage covered by this insurance 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 on a Replacement Cost basis if:
 - (i) The lost or damaged property is actually repaired or replaced; and
 - (ii) You notify us of your intent to do so within 180 days after the date of loss or damage or some other reasonable period on which we agree in writing.
 - (e) Replacement Cost valuation of your business personal property includes the cost of:
 - (i) Replacing labels, capsules, wrappers or containers from the damaged business personal property; or
 - (ii) Identifying and reconditioning damaged business personal property.
- (2) **Actual Cash Value**
- (a) Actual Cash Value means Replacement Cost, as identified in **b.(1)** above, minus applicable depreciation.
 - (b) We will adjust the following Covered Property on an Actual Cash Value basis:
 - (i) Any Covered Property identified as Actual Cash Value in the Declarations;
 - (ii) Used or second-hand merchandise held in storage or for sale; and
 - (iii) Manuscripts;
 unless otherwise identified in the Declarations or elsewhere in this Coverage Part.
 - (c) Any property that otherwise would be valued on a Replacement Cost basis will be valued on an Actual Cash Value basis if repairs or replacements are not made as soon as reasonably possible.

(3) Functional Replacement Cost

- (a) Functional Replacement Cost means the cost to repair or replace the lost or damaged property with available property that most closely duplicates the function of the lost or damaged property at the time of loss. The replacement property may perform additional functions if it is the available property that most closely duplicates the function of the lost or damaged property.
- (b) Covered Property will be adjusted based on its Functional Replacement Cost if the Covered Property is identified as Functional Replacement Cost in the Declarations or elsewhere in this Coverage Part.
- (c) We will not pay on a Functional Replacement Cost basis for any loss or damage:
 - (i) Until the lost or damaged property is actually repaired or replaced; and
 - (ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.
- (d) If the lost or damaged property is not actually repaired or replaced or if repairs or replacements are not made as soon as reasonably possible, any property that otherwise would be valued on a Functional Replacement Cost basis will be valued according to the following:
 - (i) Functional Replacement Cost, as identified in Paragraph **(3)(a)** above, minus
 - (ii) Applicable depreciation.

(4) Stated Value

- (a) Stated Value means that in a total loss we will pay the amount stated in the Declarations for the lost or damaged property.
- (b) Covered Property will be adjusted based on its Stated Value if the Covered Property is identified as Stated Value in the Declarations. The Declarations must indicate Stated Value individually for each item.
- (c) If we determine that there has been a partial loss to property covered on a Stated Value basis, we will pay no more than the proportion that the value of the damaged part bears to the Stated Value in the Declarations.

(5) Accounts Receivable

- (a) If you cannot accurately establish the amount of "accounts receivable" outstanding as of the time of loss or damage:
 - (i) We will determine the total of the average monthly amounts of "accounts receivable" for the 12 months immediately preceding the month in which the loss or damage occurs; and
 - (ii) We will adjust that total for any normal fluctuations in the amount of "accounts receivable" for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
- (b) The following will be deducted from the total amount of "accounts receivable", however that amount is established:
 - (i) The amount of the accounts for which there is no loss or damage;
 - (ii) The amount of the accounts that you are able to re-establish or collect;
 - (iii) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (iv) All unearned interest and service charges.

(6) Glass

We will pay for all interior and exterior building glass based on the cost of replacement with glass of comparable material and quality. We will pay the cost of replacement with safety glazing material if safety glazing is required by law.

(7) Personal Property Of Others

- (a) Personal property of others is valued on the same basis as your business personal property (subject to any exceptions in any Valuation or Loss Payment provision contained in this Coverage Part). However, we will not pay more than the amount for which you are legally liable.
- (b) Labor, materials and services that you furnish or arrange on personal property of others are valued based on the actual cost of the labor, materials and services.

(8) Stock

- (a) Except as otherwise provided below, "stock" will be valued on a Replacement Cost basis.
- (b) In the event of damage to "stock", you have two options when:
 - (i) You do not want to sell your damaged "stock" under your brand or label; or

- (ii) The owner of any damaged “stock” in your care, custody or control does not want to sell that damaged “stock” under the owner’s brand or label even though the damaged “stock” has salvage value.

You may:

- (A) Remove the brand or label and then re-label the damaged “stock” to comply with any applicable law; or
 (B) Label the damaged “stock” as SALVAGE, but, in doing so, cause no further damage to the “stock”.

Either way, the business personal property valuation will include the difference between:

- (I) The salvage value of the damaged “stock” with the brand or label attached; and
 (II) The salvage value of the damaged “stock” with the brand or label removed.
- (c) We will determine the value of all “finished stock” at the regular cash selling price as of the time and place of loss or damage, less all discounts and expenses to which such “finished stock” would have been subject had no loss occurred.
- (d) “Stock” in process is valued based on the cost of raw materials and costs expended as of the date of loss or damage.
- (e) If undamaged “stock” has become unmarketable as a complete product because of direct physical loss of or damage to other “stock” caused by or resulting from a Covered Cause of Loss, valuation of your “stock” will include the consequential loss in value of such undamaged “stock”.

(9) Tenant Improvements And Betterments

Unless another valuation method is shown in the Declarations, we will value tenant improvements and betterments as follows:

- (a) Replacement Cost value of the lost or damaged property if you make repairs or replace the lost or damaged property as soon as reasonably possible after the loss or damage.
- (b) A proportion of your original cost if you do not make repairs or replace the lost or damaged property as soon as reasonably possible after the loss or damage. We will determine the proportionate value as follows:
- (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 (ii) Divide the amount determined in (i) above by the number of days from the installation of the improvements to the expiration of the lease.

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

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

(10) Valuable Papers And Records

For any “valuable papers or records” actually replaced or restored, we will determine the value based on the costs at the time of the loss or damage of:

- (a) Blank materials for reproducing the “valuable papers or records”; and
 (b) The actual amount spent for labor and other expenses to research, transcribe or copy the “valuable papers or records”.

F. Additional Conditions

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

1. Coinsurance

Unless a Coinsurance percentage is shown in the Declarations, this Additional Condition does not apply. If a Coinsurance percentage is shown in the Declarations:

- 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.

- 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.

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and

- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us, and you will pay your remaining mortgage debt to us.

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

G. Definitions

See your COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS form.

ADDITIONAL COVERAGES FOR GOVERNMENT RISKS

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 COMMERCIAL PROPERTY COVERAGE PART, 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 your COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS form.

A. Additional Coverages

Except as otherwise provided in this COMMERCIAL PROPERTY COVERAGE PART:

- In addition to the coverages provided under your BUILDING AND PERSONAL PROPERTY COVERAGE FORM, each of the following Additional Coverages applies to this Coverage Part, unless *Not Covered* is indicated in the Declarations; and
- Each of the following Additional Coverages is subject to the Covered Causes of Loss, Exclusions and Limitations, Limits of Insurance, Deductible, Loss Conditions and Additional Conditions contained in your BUILDING AND PERSONAL PROPERTY COVERAGE FORM and any applicable endorsements.

The Additional Condition, **F.1. Coinsurance**, contained in your BUILDING AND PERSONAL PROPERTY COVERAGE FORM does not apply to these Additional Coverages.

1. Your Business Personal Property Additional Coverages

Except as otherwise provided in this Coverage Part, each of the following Additional Coverages applies to property which is used in your business and located on or within 1,000 feet of the premises described in the Declarations.

a. Electronic Data Processing Equipment Coverage

- (1) We will pay for direct physical loss of or damage to your “electronic data processing equipment” caused by or resulting from a Covered Cause of Loss.
- (2) Unless an Electronic Data Processing Equipment specific limit of insurance is shown in the Declarations, loss or damage covered under this Additional Coverage is subject to, and will not increase, the applicable Business Personal Property Limit of Insurance shown in the Declarations.

b. Fine Arts Coverage

- (1) We will pay for direct physical loss of or damage to your “fine arts” caused by or resulting from a Covered Cause of Loss.
- (2) In addition to the Exclusions and Limitations contained in this Coverage Part, this Additional Coverage does not apply to loss or damage caused by or resulting from repair, restoration or retouching.
- (3) The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Fine Arts Limit of Insurance shown in the Declarations. This is additional insurance.
- (4) Subject to your Fine Arts Limit of Insurance, the most we will pay in any one occurrence for loss or damage to any one unscheduled item under this Additional Coverage is the Fine Arts Unscheduled Per Item Limit of Insurance, if shown in the Declarations. This Fine Arts Unscheduled Per Item Limit of Insurance is part of, not in addition to, the Fine Arts Limit of Insurance shown in the Declarations and cannot be increased by use of the Bucket Limit of Insurance. A pair or set will be deemed to be one item.

2. Indoor And Outdoor Signs

- a. We will pay for direct physical loss of or damage to your indoor and outdoor signs located on or within 1,000 feet of the premises described in the Declarations caused by or resulting from a Covered Cause of Loss, regardless of whether they are attached to or part of a building or structure.
- b. Unless an Indoor and Outdoor Signs specific limit of insurance is shown in the Declarations, loss or damage covered under this Additional Coverage is subject to, and will not increase, the applicable Business Personal Property Limit of Insurance shown in the Declarations. If Business Personal Property Coverage is not provided by this Coverage Part, loss or damage covered under this Additional Coverage is subject to, and will not increase, the applicable Building Limit of Insurance

shown in the Declarations, unless an Indoor and Outdoor Signs specific limit of insurance is shown in the Declarations.

3. Property Off-Premises Additional Coverages

Except as otherwise provided in this Coverage Part, each of the following Property Off-Premises Additional Coverages does not apply to property located on or within 1,000 feet of any premises described in the Declarations or to property while in transit.

a. Property At Other Locations

- (1) We will pay for direct physical loss of or damage to Covered Property located at a premises not described in the Declarations caused by or resulting from a Covered Cause of Loss.
- (2) The Coverage Territory is worldwide, excluding any country or jurisdiction which is the subject of trade or economic sanctions imposed by the laws or regulations of the United States of America to the extent such sanctions prohibit or limit this insurance.
- (3) Covered Property here is the same as:
 - (a) Covered Property under Paragraph **1.b. Your Business Personal Property** and **1.c. Personal Property of Others** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM;
 - (b) Business personal property that is Covered Property under Paragraph **1.a. Building** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM; and
 - (c) Business personal property not included in Paragraphs (a) or (b) above but is Covered Property under an Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part other than your Non-Owned Detached Trailers Coverage Extension, Electronic Data Additional Coverage or Money and Securities Additional Coverage, if any;
 when located at a premises not described in the Declarations.
- (4) In addition to the Exclusions and Limitations contained in this Coverage Part, this Additional Coverage does not apply to:
 - (a) Loss of or damage to Property Not Covered under Paragraph **2. Property Not Covered** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM, unless it is business personal property that is Covered Property under an Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part other than your Non-Owned Detached Trailers Coverage Extension, Electronic Data Additional Coverage or Money and Securities Additional Coverage, if any; or
 - (b) Loss or damage covered under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part which applies at a premises not described in the Declarations, including any other Property Off-Premises Additional Coverage.
- (5) The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Property at Other Locations Limit of Insurance shown in the Declarations. This is additional insurance.

b. Exhibition, Fair Or Trade Show Coverage

- (1) We will pay for direct physical loss of or damage to Covered Property, including training equipment and reference materials, caused by or resulting from a Covered Cause of Loss, while such property is:
 - (a) On temporary public display, or being used, at fairs, exhibitions, expositions or trade shows; or
 - (b) In transit to and from these temporary sites.
- (2) Covered property here is the same as:
 - (a) Covered Property under Paragraph **1.b. Your Business Personal Property** and **1.c. Personal Property of Others** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM; and
 - (b) Business personal property which is not included in Paragraph (a) above, but is Covered Property under an Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part other than your Non-Owned Detached Trailers Coverage Extension, Electronic Data Additional Coverage or Money and Securities Additional Coverage, if any;
 when located more than 1,000 feet from a premises described in the Declarations.

- (3) The Coverage Territory is worldwide, excluding any country or jurisdiction which is the subject of trade or economic sanctions imposed by the laws or regulations of the United States of America to the extent such sanctions prohibit or limit this insurance.
- (4) In addition to the Exclusions and Limitations contained in this Coverage Part, this Additional Coverage does not apply to loss of or damage to Property Not Covered under Paragraph 2. **Property Not Covered** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM, unless it is business personal property that is Covered Property under an Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part other than your Non-Owned Detached Trailers Coverage Extension, Electronic Data Additional Coverage or Money and Securities Additional Coverage, if any.
- (5) The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Exhibition, Fair or Trade Show Coverage Limit of Insurance shown in the Declarations. This is additional insurance.
- (6) Loss or damage subject to this Additional Coverage is not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part, including any other Property Off-Premises Additional Coverage or any Property in Transit Coverage.

4. Property In Transit Additional Coverage

Property In Transit Coverage Including Free-On-Board Shipments

- a. We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss, while such property is in transit:
 - (1) More than 1,000 feet from any premises described in the Declarations; and
 - (2) Between points within the Coverage Territory.
- b. Subject to the Property in Transit Limit of Insurance shown in the Declarations, we will also pay for direct physical loss of or damage to Covered Property you have sold to others and shipped to them at their risk of loss or damage when you cannot collect on the bill of sale because:
 - (1) The goods have been damaged in shipment by a Covered Cause of Loss; and
 - (2) Your customer has refused or is unable to pay.

However, we will not cover any loss caused by or resulting from forgery, alteration, the giving or surrendering of checks or money in exchange or purchase, or accounting or arithmetic errors or omissions.
- c. Covered property here is the same as:
 - (1) Covered Property under Paragraph 1.b. **Your Business Personal Property** and 1.c. **Personal Property of Others** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM;
 - (2) Business personal property that is Covered Property under Paragraph 1.a. **Building** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM; and
 - (3) Business personal property which is not included in Paragraphs (1) or (2) above, but is Covered Property under an Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part other than your Non-Owned Detached Trailers Coverage Extension, Electronic Data Additional Coverage or Money and Securities Additional Coverage, if any; while in transit.
- d. In addition to the Exclusions and Limitations contained in this Coverage Part, this Property in Transit Additional Coverage does not apply to:
 - (1) Loss or damage caused by or resulting from any of the following:
 - (a) Breakage, leakage, evaporation, shrinkage, loss of weight, dampness, cold or heat;
 - (b) Contamination;
 - (c) Change in color, odor, texture or finish;
 - (d) Denting, chipping, bending or twisting; or
 - (e) Application of scent, rust, rot or other change in flavor.

However, we will pay under this Additional Coverage when such loss or damage is the direct result of the "specified causes of loss", malicious mischief, theft, flood, earthquake or accident to transporting conveyance;
 - (2) Loss of or damage to Covered Property within 1,000 feet of a premises described in the Declarations or to Covered Property located at a premises not described in the Declarations;
 - (3) Loss of or damage to Property Not Covered under Paragraph 2. **Property Not Covered** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM,

unless it is business personal property that is Covered Property under an Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part other than your Non-Owned Detached Trailers Coverage Extension, Electronic Data Additional Coverage or Money and Securities Additional Coverage, if any;

- (4) Loss of or damage to Covered Property while waterborne, except while such property is on a regularly scheduled ferry, lighter or car float operating on inland waterways;
 - (5) Loss of or damage to Covered Property shipped by common carrier or U.S. mail, unless package tracking is used;
 - (6) Loss of or damage to Covered Property of others for which you receive payment for transportation services while acting as a common carrier, broker, loader, consolidator or freight forwarder;
 - (7) Import shipments prior to discharge from an aircraft or import vessel or termination of the risk assumed by cargo underwriters;
 - (8) Export shipments after being loaded on aircraft or export vessel or having come under the protection of cargo insurance;
 - (9) The transporting, conveyance or intermodal containers; or
 - (10) Loss or damage covered under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part which applies in transit, including any Property Off-Premises Additional Coverage or any other Property in Transit Additional Coverage.
- e. This Property in Transit Additional Coverage does not apply to Covered Property being moved from the described premises under any Preservation of Property or Expediting Expense Additional Coverages.
- f. If included in the Causes of Loss form specified in the Declarations, the following Exclusions do not apply to this Property in Transit Additional Coverage:
- (1) Earth Movement;
 - (2) Utility Services;
 - (3) Water;
 - (4) Smoke, Vapor, Gas;
 - (5) Steam Apparatus;
 - (6) Freezing;
 - (7) Exposed Property;
 - (8) Collapse; or
 - (9) Voluntary Parting.
- g. The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Property in Transit Limit of Insurance shown in the Declarations. This is additional insurance.

5. Loss Expense And Protection Coverages

a. Catastrophe Allowance Coverage

- (1) The insurance provided by this Coverage Part may be extended if the applicable limits of insurance are insufficient to compensate you for covered direct physical loss or damage that you incur as a result of an occurrence publicly designated as a numbered catastrophe event by the Property Claims Services organization.
- (2) We will pay under this Catastrophe Allowance Coverage only if Property Claims Services publicly designates a catastrophe number to the insured event that causes direct physical loss or damage (e.g. hurricanes, blizzards, hailstorms).
- (3) This Catastrophe Allowance Coverage may not be used to cover:
 - (a) Any loss that would not otherwise be covered by this Coverage Part; or
 - (b) The deductible amount of any coverage provided by this or any other policy.
- (4) The most we will pay under this Additional Coverage is the annual aggregate Catastrophe Allowance Coverage Limit of Insurance shown in the Declarations. This is additional insurance.
- (5) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

b. Expediting Expense Coverage

- (1) We will pay the reasonable costs you incur to expedite repairs to Covered Property which has been damaged by a Covered Cause of Loss. This includes payment of overtime wages and the extra cost of express or other rapid means of transportation.

- (2) In addition to the Exclusions and Limitations contained in this Coverage Part, this Additional Coverage does not apply to:
 - (a) Loss or expense insured elsewhere under this Coverage Part;
 - (b) Costs or expenses caused by the interference of strikers in the rebuilding, repairing or replacing of the Covered Property at the location of loss or damage; or
 - (c) Costs or expenses caused by the suspension, lapse or cancellation of any license, lease or contract.
- (3) The most we will pay in any one occurrence under this Additional Coverage is the Expediting Expense Coverage Limit of Insurance shown in the Declarations. This is additional insurance.
- (4) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

c. Extra Expense

- (1) We will pay for the actual, necessary and reasonable Extra Expense you incur during the "period of restoration" caused by direct physical loss of or damage to property at premises which are described in the Declarations. With respect to loss of or damage to business personal property, the described premises includes the area within 1,000 feet of such premises.
- (2) The direct physical loss or damage must be caused by or result from a Covered Cause of Loss.
- (3) If you occupy only part of the site at which the described premises are located, your premises means:
 - (a) The portion of the building which you rent, lease or occupy; and
 - (b) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.
- (4) Extra Expense means the actual, necessary and reasonable expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.
- (5) We will pay Extra Expense (other than the expense to repair or replace property) to:
 - (a) Avoid or minimize the "suspension" of business and to continue "operations" at:
 - (i) The described premises; or
 - (ii) Replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
 - (b) Minimize the "suspension" of business if you cannot continue "operations".
- (6) We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.
- (7) The most we will pay for all Extra Expense in any one occurrence under this Additional Coverage is the policy level Extra Expense Limit of Insurance shown in the Declarations.
- (8) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

d. Fire Extinguisher And Automatic Extinguishing System Recharge Coverage

- (1) We will pay the expenses you incur for recharge of:
 - (a) Your hand-held fire extinguishers; or
 - (b) An automatic extinguishing system.
- (2) The most we will pay in any one occurrence under this Additional Coverage is the Fire Extinguisher and Automatic Extinguishing System Recharge Coverage Limit of Insurance shown in the Declarations. This is additional insurance.
- (3) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

e. Lock Replacement Coverage

- (1) We will pay the necessary and reasonable costs you incur:
 - (a) To repair or replace the door locks or tumblers for such door locks at a premises described in the Declarations or within 1,000 feet of a premises described in the Declarations; and
 - (b) To replace your door keys for such door locks;
 due to direct physical loss or damage caused by or resulting from a Covered Cause of Loss.
- (2) If included in the Causes of Loss form specified in the Declarations, the following do not apply to your Lock Replacement Coverage:
 - (a) Any Dishonesty Exclusion, except with respect to any dishonest or criminal act by you; or
 - (b) Any Limitation for 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.

- (3) The most we will pay in any one occurrence under this Additional Coverage is the Lock Replacement Coverage Limit of Insurance shown in the Declarations. This is additional insurance.
- (4) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

f. Reward Coverage

- (1) In the event of direct physical loss of or damage to Covered Property caused by fire, theft, robbery, explosion or vandalism that is covered under this Coverage Part, we will reimburse you for rewards you pay for information leading to:
 - (1) The possible conviction of the person or persons responsible for the fire, theft, robbery, explosion or vandalism in question; or
 - (2) The successful return of undamaged Covered Property to a law enforcement agency.
- (2) All reward payments must be documented.
- (3) Under this Additional Coverage, we will not reimburse you for any reward payment to anyone who directed, participated in, committed or caused to be committed the fire, theft, robbery, explosion or vandalism in question nor to anyone who provides or obtains information as part of their regular duties of employment either by the insured or a law enforcement or fire department agency.
- (4) The most we will pay under this Additional Coverage in any one occurrence is 25% of the covered loss or damage (prior to the application of any deductible and recovery of undamaged Covered Property) up to a maximum of the Reward Coverage Limit of Insurance shown in the Declarations. This is additional insurance.
- (5) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

g. Soft Costs Coverage

- (1) We will pay the actual "soft costs" that you incur because of direct physical loss or damage caused by or resulting from a Covered Cause of Loss to:
 - (a) Covered Property listed in Paragraph **A.1.a.(5)** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM; or
 - (b) While covered under your Newly Acquired or Constructed Property Coverage Extension contained in your BUILDING AND PERSONAL PROPERTY COVERAGE FORM, your new buildings being built on or within 1,000 feet of the described premises.
- (2) We will pay only those "soft costs":
 - (a) That are over and above your normal expenditures; and
 - (b) That are incurred during the period of time:
 - (i) That begins on the date the loss or damage occurs; and
 - (ii) Ends one year after the date on which the construction, repairs or replacement would be scheduled for completion.
- (3) We will only pay "soft costs":
 - (a) If Replacement Cost valuation applies; and
 - (b) You repair or replace the damaged property.
- (4) Normal expenditures are expenses that would have been incurred by your operation had no loss or damage occurred.
- (5) The most we will pay in any one occurrence under this Additional Coverage is the Soft Costs Coverage Limit of Insurance shown in the Declarations. This is additional insurance.
- (6) Unless otherwise shown in the Declarations, no deductible applies to this Additional Coverage.

B. Limits Of Insurance

In addition to the Limits of Insurance provisions contained in your BUILDING AND PERSONAL PROPERTY COVERAGE FORM, the following Limits of Insurance apply to this COMMERCIAL PROPERTY COVERAGE PART:

1. Bucket Limit Of Insurance

- a. Your Bucket Limit of Insurance is a separate, policy level, per occurrence limit of insurance that is shown in the Declarations and applies to covered loss or damage to the following types of Covered Property, Additional Coverages and Coverage Extensions described in this Coverage Part:
 - (1) Tenant improvements and betterments;
 - (2) Emergency Response Service Charge Additional Coverage;
 - (3) Personal Effects of Others Coverage Extension;

- (4) Valuable Papers and Records Coverage Extension;
 - (5) Accounts Receivable Coverage Extension;
 - (6) Outdoor Property Coverage Extension;
 - (7) Fine Arts Additional Coverage, subject to any Fine Arts Unscheduled Per Item Limit of Insurance;
 - (8) Fire Extinguisher and Automatic Extinguishing System Recharge Additional Coverage; and
 - (9) Lock Replacement Additional Coverage.
- b. The Bucket Limit of Insurance applies only to loss or damage that occurs at or within 1,000 feet of the premises described in the Declarations.
 - c. Subject to the above provisions, the first Named Insured may choose which portion of the Bucket Limit will apply to the Covered Property, Additional Coverages and Coverage Extensions included in Paragraph **a.** above at the time of the loss.
 - d. The Bucket Limit of Insurance applies in excess of any applicable limit of insurance shown in the Declarations, subject to any applicable deductible.

2. Fine Arts Unscheduled Per Item Limit Of Insurance

- a. Subject to the limit of insurance applicable to the Covered Property, the most we will pay in any one occurrence for loss or damage to any one unscheduled "fine arts" item is the Fine Arts Unscheduled Per Item Limit of Insurance, if shown in the Declarations.
- b. This Fine Arts Unscheduled Per Item Limit of Insurance is part of, not in addition to, the limit of insurance applicable to the Covered Property and cannot be increased by use of the Bucket Limit of Insurance.
- c. A pair or set will be deemed to be one item.

C. Valuation

In addition to the Valuation provisions contained in your BUILDING AND PERSONAL PROPERTY COVERAGE FORM, the following valuation provisions apply to this COMMERCIAL PROPERTY COVERAGE PART:

1. Electronic Data Processing Equipment

- a. "Electronic data processing equipment" will be valued on a Replacement Cost basis. However if replacement of "electronic data processing equipment" with "electronic data processing equipment" of comparable material and quality is impossible, the Replacement Cost will be the cost of equipment that is similar to the lost or damaged equipment and intended to perform the same function, but which may include technological advances.
- b. Lost or damaged "electronic data processing equipment" that is obsolete or no longer used by you will be valued on an Actual Cash Value basis.

2. Fine Arts

Loss or damage to "fine arts" will be valued at either:

- a. The cost of repairing the damaged "fine arts", plus any reduction in value of the repaired item; or
- b. The price which the "fine arts" might reasonably be expected to realize if offered for sale by a willing seller to a willing buyer in a fair market on the date of loss or damage.

"Fine arts" not owned by you and in your care, custody or control are valued as shown in Paragraph **a.** or **b.** above, but we will not pay more than the amount for which you are legally liable.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

Throughout this COMMERCIAL PROPERTY COVERAGE PART, 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 your COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS form.

A. Coverage

1. Business Income

- a. We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income and Extra Expense Limit of Insurance is shown in the Declarations. With respect to loss of or damage to business personal property, the described premises includes the area within 1,000 feet of such premises.
- b. The direct physical loss or damage must be caused by or result from a Covered Cause of Loss.
- c. If you occupy only part of the site at which the described premises are located, your premises means:
 - (1) The portion of the building which you rent, lease or occupy; and
 - (2) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.
- d. Business Income means the:
 - (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; plus
 - (2) Continuing normal operating expenses incurred, including payroll.
 For manufacturing risks, Net Income includes the net sales value of production.
- e. Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:
 - (1) Business Income Including Rental Value;
 - (2) Business Income Other Than Rental Value; or
 - (3) Only Rental Value.
 If option e.(1) above is selected, the term Business Income will include "rental value". If option e.(3) above is selected, the term Business Income will mean "rental value" only. If limits of insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

2. Extra Expense

- a. We will pay for the actual, necessary and reasonable Extra Expense you incur during the "period of restoration" caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income and Extra Expense Limit of Insurance is shown in the Declarations. With respect to loss of or damage to business personal property, the described premises includes the area within 1,000 feet of such premises.
- b. The direct physical loss or damage must be caused by or result from a Covered Cause of Loss.
- c. If you occupy only part of the site at which the described premises are located, your premises means:
 - (1) The portion of the building which you rent, lease or occupy; and
 - (2) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.
- d. Extra Expense means the actual, necessary and reasonable expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.
- e. We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the “suspension” of business and to continue “operations” at:
 - (a) The described premises; or
 - (b) Replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
 - (2) Minimize the “suspension” of business if you cannot continue “operations”.
- f. We will also pay Extra Expense to repair or replace property, or to research, replace or restore the lost information on damaged “valuable papers and records”, but only to the extent it reduces the amount of loss that otherwise would have been payable under this BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM.

3. Covered Causes Of Loss, Exclusions And Limitations

a. Covered Causes Of Loss

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

b. Exclusions And Limitations

In addition to the Exclusions and Limitations contained in this Coverage Part and except as otherwise provided in this Coverage Part, we will not pay for any loss resulting from a delay in the introduction of any new product or the enhancement of any existing product.

4. Additional Limitation – Interruption Of Computer Operations

- a. Except as otherwise provided in this Coverage Part, we will not pay for any Business Income loss sustained when a “suspension” of “operations” is caused by destruction or corruption of “electronic data”, or any loss or damage to “electronic data”.
- b. Except as otherwise provided in this Coverage Part, we will not pay for any Extra Expense incurred when action is taken to avoid or minimize a “suspension” of “operations” caused by destruction or corruption of “electronic data”, or any loss or damage to “electronic data”.

5. Additional Coverages

Each of the following Additional Coverages applies to this Coverage Part, unless *Not Covered* is indicated in the Declarations or except as otherwise provided in this Coverage Part.

a. Civil Authority

- (1) When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and actual, necessary and reasonable Extra Expense you incur due to the action of civil authority that prohibits access to the described premises, provided that both of the following apply:
 - (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property, unless another Civil Authority Radius is shown in the Declarations; and
 - (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of a Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.
- (2) Civil Authority Coverage for Business Income will:
 - (a) Begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises, unless another Civil Authority Waiting Period is shown in the Declarations; and
 - (b) Apply while access to the described premises is prohibited by a civil authority, but no longer than four consecutive weeks from the date on which such coverage began, unless another Civil Authority Coverage Period is shown in the Declarations.

No coverage is provided during the 72-hour waiting period or, if applicable, the Civil Authority Waiting Period shown in the Declarations.
- (3) Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:
 - (a) When access to the described premises is no longer prohibited by a civil authority, but no longer than four consecutive weeks from the date on which such coverage began, unless another Civil Authority Coverage Period is shown in the Declarations; or
 - (b) When your Civil Authority Coverage for Business Income ends;

whichever is later.

- (4) Business Income loss and Extra Expense covered under this Additional Coverage are subject to, and will not increase, the applicable Business Income and Extra Expense Limit of Insurance shown in the Declarations.

b. Alterations And New Buildings

- (1) We will pay for:
- (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
 - (b) The actual, necessary and reasonable Extra Expense you incur during the "period of restoration";
- caused by direct physical loss or damage caused by or resulting from a Covered Cause of Loss to:
- (i) Your new buildings while being built on or within 1,000 feet of the described premises;
 - (ii) Alterations or additions to existing buildings or structures at the described premises; and
 - (iii) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the described premises and:
 - (A) Used in the construction, alterations or additions; or
 - (B) Incidental to the occupancy of new buildings.
- (2) If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.
- (3) Business Income loss and Extra Expense covered under this Additional Coverage are subject to, and will not increase, the applicable Business Income and Extra Expense Limit of Insurance shown in the Declarations.
- (4) Business Income loss and Extra Expense subject to this Additional Coverage are not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part.

c. Extended Period Of Indemnity

(1) Business Income Other Than Rental Value

- (a) If the necessary "suspension" of your "operations" produces a Business Income loss payable under this Coverage Part, we will pay for the actual loss of Business Income you incur during the period that:
- (i) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
 - (ii) Ends on the earlier of:
 - (A) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (B) 90 consecutive days after the date determined in (1)(a)(i) above, unless another Extended Period of Indemnity Term is shown in the Declarations.
- (b) However, this Additional Coverage does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.
- (c) Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from a Covered Cause of Loss.

(2) Rental Value

- (a) If the necessary "suspension" of your "operations" produces a "rental value" loss payable under this Coverage Part, we will pay for the actual loss of "rental value" you incur during the period that:
- (i) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
 - (ii) Ends on the earlier of:
 - (A) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "rental value" that would have existed if no direct physical loss or damage had occurred; or
 - (B) 90 consecutive days after the date determined in (2)(a)(i) above, unless another Extended Period of Indemnity Term is shown in the Declarations.

- (b) However, this Additional Coverage does not apply to loss of “rental value” incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.
- (c) Loss of “rental value” must be caused by direct physical loss or damage at the described premises caused by or resulting from a Covered Cause of Loss.
- (3) Extra Expense**
 - (a) We will pay for the actual, necessary and reasonable Extra Expense you incur during the Extended Period of Indemnity applicable to your Business Income under this Additional Coverage.
 - (b) However, this Additional Coverage does not apply to Extra Expense incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.
 - (c) Extra Expense must be incurred because of direct physical loss or damage at the described premises caused by or resulting from a Covered Cause of Loss.
- (4)** This Additional Coverage does not apply to any of the following coverages, if applicable to this Coverage Part:
 - (a) Business Income and Extra Expense Fungus, Wet Rot and Dry Rot, except as provided under the Limited Coverage for Fungus, Wet Rot and Dry Rot;
 - (b) Utility Services – Time Element Coverage;
 - (c) Civil Authority Additional Coverage;
 - (d) Dependent Properties Coverage Extension;
 - (e) Lessor’s Lease Cancellation Coverage Extension; or
 - (f) Lessor’s Tenant Relocation Expense Coverage Extension.
- (5)** Business Income loss and Extra Expense covered under this Additional Coverage are subject to, and will not increase, the applicable Business Income and Extra Expense Limit of Insurance shown in the Declarations.

d. Interruption Of Computer Operations

- (1)** We will pay for:
 - (a) The actual loss of Business Income you sustain due to the necessary “suspension” of your “operations” during the “period of restoration”; and
 - (b) The actual, necessary and reasonable Extra Expense you incur during the “period of restoration”;
 when a “suspension” of “operations” results from an interruption in computer operations caused by the destruction or corruption of “electronic data” caused by or resulting from a Covered Cause of Loss.
- (2)** This Additional Coverage does not apply to loss sustained or expense incurred after the end of the “period of restoration”, even if the amount of insurance stated in Paragraph **(3)** below has not been exhausted.
- (3)** The most we will pay in any one occurrence under this Additional Coverage is the Interruption of Computer Operations Limit of Insurance shown in the Declarations. This is additional Insurance.

e. Ingress And Egress

- (1)** We will pay for the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur due to the prevention of ingress to or egress from the described premises, other than as provided in the Civil Authority Additional Coverage. The prevention of ingress to or egress from the described premises must be caused by direct physical loss of or damage to property that is away from, but within one mile of, the described premises caused by or resulting from a Covered Cause of Loss, unless another Ingress and Egress Radius is shown in the Declarations.
- (2)** Ingress and Egress Coverage does not apply to:
 - (a) Any loss resulting from lack of incoming or outgoing services consisting of electric, steam, water, gas, sewage, telephone, radio, or other electromagnetic transmission; and
 - (b) Any loss resulting from picketing or other action by strikers not constituting riot or civil commotion and not resulting in physical loss of or damage to property.
- (3)** Ingress and Egress Coverage for Business Income will:

- (a) Begin 72 hours after the time that ingress to or egress from the described premises is first prevented, unless another Ingress and Egress Waiting Period is shown in the Declarations; and
- (b) Apply while ingress to or egress from the described premises is prevented, but no longer than four consecutive weeks from the date on which such coverage began, unless another Ingress and Egress Coverage Period is shown in the Declarations.

No coverage is provided during the 72-hour waiting period or, if applicable, the Ingress and Egress Waiting Period shown in the Declarations.

- (4) Ingress and Egress Coverage for Extra Expense will begin immediately after the time that ingress to or egress from the described premises is first prevented and will end:
 - (a) When ingress to or egress from the described premises is no longer prevented, but no longer than four consecutive weeks from the date on which such coverage began, unless another Ingress and Egress Period is shown in the Declarations; or
 - (b) When your Ingress and Egress Coverage for Business Income ends; whichever is later.
- (5) Business Income loss and Extra Expense covered under this Additional Coverage are subject to, and will not increase, the applicable Business Income and Extra Expense Limit of Insurance shown in the Declarations.

f. Time Element Claims Expenses

- (1) We will pay all reasonable claims expenses you incur arising out of a loss covered under this Coverage Form or any endorsements modifying this Coverage Form.
- (2) The claims expenses must be incurred to assist us in:
 - (a) The investigation of a claim; or
 - (b) The determination of the amount of loss.
- (3) In addition to the Exclusions and Limitations contained in this Coverage Part, we will not pay for:
 - (a) Expenses to prove that the loss is covered;
 - (b) Expenses incurred under Paragraph 1. **Appraisal** of Section **C. Loss Conditions**;
 - (c) Expenses incurred for examinations under oath, even if required by us; or
 - (d) Expenses incurred for public adjusters or legal fees.
- (4) The most we will pay in any one occurrence under this Additional Coverage is the Time Element Claims Expenses Coverage Limit of Insurance shown in the Declarations. This is additional insurance.

g. Contractual Penalties

- (1) We will pay for contractual penalties you incur if you cannot meet your written contractual obligations because of a direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss. Such contract must be written and must have been executed prior to the date of the loss. This Coverage does not apply to loss of or damage to:
 - (a) A building or structure under construction; or
 - (b) Property you are installing for a customer.
- (2) The most we will pay in any one occurrence under this Additional Coverage is the Contractual Penalties Limit of Insurance shown in the Declarations. This is additional insurance.

6. Coverage Extensions

Each of the following Coverage Extensions applies to this Coverage Part, unless *Not Covered* is indicated in the Declarations or except as otherwise provided in this Coverage Part.

If applicable, the Additional Condition, Coinsurance, does not apply to these Extensions.

a. Newly Acquired Locations

- (1) We will pay for:
 - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
 - (b) The actual, necessary and reasonable Extra Expense you incur during the "period of restoration";
 caused by direct physical loss or damage caused by or resulting from a Covered Cause of Loss to:
 - (i) Buildings you acquire at locations other than the described premises, intended for:

- (A) Similar use as the building described in the Declarations; or
 - (B) Use as a warehouse; or
 - (ii) Business personal property at any location you acquire other than at fairs, trade shows or exhibitions.
- (2) Coverage for each newly acquired location will end when any of the following first occurs:
 - (a) This Coverage Part expires;
 - (b) The number of days shown in the Declarations for the Newly Acquired Locations Business Income and Extra Expense Coverage Period expire after you acquire the building; or
 - (c) You report values to us.
 - (3) The most we will pay under this Coverage Extension in any one occurrence is the Newly Acquired Locations Business Income and Extra Expense Limit of Insurance shown in the Declarations. This is additional insurance.
 - (4) We will charge you additional premium for values reported from the date you acquire the property.
 - (5) Business Income loss and Extra Expense subject to this Coverage Extension are not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part.

b. Dependent Properties

- (1) We will pay for:
 - (a) The actual loss of Business Income you sustain due to the necessary “suspension” of your “operations” during the “period of restoration”; and
 - (b) The actual, necessary and reasonable Extra Expense you incur during the “period of restoration”;
caused by direct physical loss or damage caused by or resulting from a Covered Cause of Loss to property at the premises of a “dependent property” located anywhere in the world, excluding any country or jurisdiction which is the subject of trade or economic sanctions imposed by the laws or regulations of the United States of America to the extent such sanctions prohibit or limit this insurance.
- (2) Extra Expense under this Coverage Extension means actual, necessary and reasonable expenses you incur during the “period of restoration” that you would not have incurred if there had been no direct physical loss of or damage to property at the premises of the “dependent property” caused by or resulting from a Covered Cause of Loss:
 - (a) To avoid or minimize a “suspension” of business and to continue “operations”; or
 - (b) To minimize the “suspension” of business if you cannot continue “operations”.
- (3) In addition to the provisions included in Paragraph **3.c. Resumption of Operations** of Section **C. Loss Conditions**, we will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume “operations”, in whole or in part, by using any other available:
 - (a) Source of materials; or
 - (b) Outlet for your products.
- (4) Dependent Properties Coverage does not apply when the only loss to “dependent property” is loss or damage to “electronic data”, including destruction or corruption of “electronic data”. If the “dependent property” sustains loss or damage to “electronic data” and other property, coverage under this extension will not continue once the other property is repaired, rebuilt or replaced.
- (5) The most we will pay under this Coverage Extension in any one occurrence is the Dependent Properties Limit of Insurance shown in the Declarations. This is additional insurance.
- (6) If a Dependent Properties Limit of Insurance is shown in the Declarations as applying to a scheduled “dependent property”, no other limit of insurance will apply to the Business Income loss you sustain and the Extra Expense you incur as a result of covered loss of or damage to property at the premises of that “dependent property”, including any policy level Dependent Properties Limit of Insurance.
- (7) Business Income loss and Extra Expense subject to this Coverage Extension are not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part.

c. Lessor's Lease Cancellation Coverage

- (1) This Coverage Extension applies to the described premises to which Business Income and Extra Expense Coverage applies as shown in the Declarations.
- (2) In the event that your tenants cancel their leases in a Building that is Covered Property under your BUILDING AND PERSONAL PROPERTY COVERAGE FORM due to untenability caused by direct physical loss or damage caused by or resulting from a Covered Cause of Loss, we will pay for the loss of rental income that you would have received from those leases during the period that:
 - (a) Begins once tenantability is restored; and
 - (b) Ends on the earlier of:
 - (i) The date you lease the premises to another tenant; or
 - (ii) 12 months immediately following the "period of restoration".
- (3) In addition to the Exclusions and Limitations contained in this Coverage Part, we will not pay for:
 - (a) Prepaid rent;
 - (b) Security and other deposits made by tenants;
 - (c) Insurance, taxes or other payments you made on behalf of the tenants; and
 - (d) Loss of rental income after the normal expiration date of any cancelled lease.
- (4) The most we will pay under this Coverage Extension in any one occurrence is the Lessor's Lease Cancellation Coverage Limit of Insurance shown in the Declarations. This limit of insurance is in addition to any other limit of insurance that may be provided under this Coverage Part for coverage of such losses, but we will not pay more in total from all coverages than the loss of rental income that you would have received from those leases during the period in which this Coverage Extension applies.

d. Lessor's Tenant Relocation Expense Coverage

- (1) This Coverage Extension applies to the described premises to which Business Income and Extra Expense Coverage applies as shown in the Declarations.
- (2) In the event that your tenants must temporarily vacate a Building that is Covered Property under your BUILDING AND PERSONAL PROPERTY COVERAGE FORM due to untenability caused by direct physical loss or damage caused by or resulting from a Covered Cause of Loss, we will pay for the expenses you incur to move those tenants out of and back into the Building during the period that:
 - (a) Begins once the Building becomes untenable because of direct physical loss or damage caused by or resulting from a Covered Cause of Loss; and
 - (b) Ends 60 days after tenantability is restored.
- (3) Expenses covered under this Coverage Extension must be incurred by you and are limited to the following expenses:
 - (a) Packing, transporting and unpacking the tenant's business personal property, including the cost of insuring the moves out of and back into the Building and any expenses incurred for the necessary disassembly, reassembly or setup of furniture and equipment; and
 - (b) The net cost to discontinue and re-establish the tenants' utility and telephone services, after any refunds due to the tenants.

Expenses incurred by your tenants are not covered under this Coverage Extension.
- (4) The most we will pay under this Coverage Extension in any one occurrence is the Lessor's Tenant Relocation Expense Coverage Limit of Insurance shown in the Declarations. This is additional insurance.

e. Lessee's Leasehold Interest Coverage

- (1) We will pay for loss of Covered Leasehold Interest you sustain as lessee due to the cancellation of your lease because of direct physical loss of or damage to property at premises described in the Declarations to which Lessee's Leasehold Interest Coverage applies as shown in the Declarations. The direct physical loss or damage must be caused by or resulting from a Covered Cause of Loss. Covered Leasehold Interest means:
 - (a) Tenants' Lease Interest, meaning the difference between the:
 - (i) Rent you pay at the described premises; and
 - (ii) Rental value of the described premises that you lease.
 - (b) Bonus Payments, meaning the unamortized portion of a cash bonus that will not be refunded to you. A cash bonus is money you paid to acquire your lease. It does not include:

- (i) Rent, whether or not prepaid; or
- (ii) Security.
- (c) Prepaid Rent, meaning the unamortized portion of any amount of advance rent you paid that will not be refunded to you. This does not include the customary rent due at:
 - (i) The beginning of each month; or
 - (ii) Any other rental period.
- (2) In addition to the Exclusions and Limitations contained in this Coverage Part, 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.
- (3) The most we will pay under this Coverage Extension in any one occurrence is the Lessee's Leasehold Interest Coverage Limit of Insurance shown in the Declarations. This is additional insurance.

f. Lessee's Leasehold Interest Coverage: Undamaged Tenant Improvements And Betterments

- (1) We will pay for the value of undamaged tenant improvements and betterments which are Covered Property under **A.1.b.(6)** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM when your lease is cancelled:
 - (a) By your lessor; and
 - (b) By a valid condition of your lease;
 when such cancellation results from direct physical loss of or damage to property at premises described in the Declarations to which Lessee's Leasehold Interest Coverage applies as shown in the Declarations caused by or resulting from a Covered Cause of Loss.
- (2) Undamaged tenant improvements and betterments are valued based on:
 - (a) The cost to replace undamaged tenant improvements and betterments at the time of loss or damage at another site if you start replacement within 24 months following the termination of your lease; or
 - (b) The unamortized portion of payments made by you for tenant improvements and betterments if you do not replace undamaged tenant improvements and betterments.
- (3) We will not pay under this Coverage Extension for that part of any undamaged tenant improvements and betterments which is paid by others.
- (4) Coverage under this Coverage Extension is subject to, and will not increase, the Lessee's Leasehold Interest Coverage Limit of Insurance shown in the Declarations.

B. Limits Of Insurance

The limits of insurance provisions contained in the **Limits Of Insurance** Section of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM apply.

C. Loss Conditions

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

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of such demand. The two appraisers will select an umpire. If they cannot agree within 30 days upon such umpire, we and you may file a joint motion requesting that a judge of a court having jurisdiction appoint a competent and impartial umpire after a joint hearing before the court. Along with the joint motion requesting the appointment of the umpire, each party will submit to the court sworn affidavits which describe the efforts their appraiser has taken to reach agreement regarding the appointment of the umpire. If either party does not agree to a joint motion, we or you may unilaterally file a motion to compel appraisal in a court having jurisdiction. Such motion to compel must include a request for a joint hearing, and notice of hearing must be sent to the non-requesting party's appraiser by certified mail 7 days prior to the hearing.

Once appraisal proceeds, each appraiser will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding as to the amount of loss. Each party will:

- a. Pay its chosen appraiser; and

- b. Bear the other expenses of the appraisal and umpire equally.
If there is an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Loss

- a. You must see to it that the following are done in the event of loss:
- (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the direct physical loss or damage occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the limit of insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss, unless such loss or damage is covered under Paragraph (1) of your Preservation of Property Additional Coverage contained in your BUILDING AND PERSONAL PROPERTY COVERAGE FORM. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
 - (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 90 days after our request. We will supply you with the necessary forms.
 - (7) Cooperate with us in the investigation or settlement of the claim.
 - (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
- b. We may examine any insured, or its representative, under oath, while not in the presence of any other insured, or any other insured's representative, and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

3. Loss Determination

- a. The amount of Business Income loss will be determined based on:
- (1) The Net Income of the business before the direct physical loss or damage occurred;
 - (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.
- b. The amount of Extra Expense will be determined based on:
- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.
- c. **Resumption Of Operations**
We will reduce the amount of your:
- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at the described premises or elsewhere.

(2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

- d. If you do not resume your "operations", or do not resume your "operations" with reasonable speed, any loss determination will be based on the length of time it would have taken to resume "operations" with reasonable speed.
- e. Other than any Waiting Period provided under any Business Income coverage and except as otherwise provided in this Coverage Part, no deductible applies to any Coverage, Additional Coverage, Coverage Extension or Optional Coverage that may be provided under this Coverage Form and any endorsements modifying this Coverage Form.

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss if you have complied with all of the terms of this Coverage Part, and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

D. Additional Condition

Coinsurance

Unless a Coinsurance percentage is shown in the Declarations, this Additional Condition does not apply. If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:
 - a. The Coinsurance percentage shown for Business Income in the Declarations; times
 - b. The sum of:
 - (1) The Net Income (Net Profit or Loss before income taxes), plus
 - (2) Operating expenses, including payroll expenses,that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).
2. Instead, we will determine the most we will pay using the following steps:
 - Step (1):** Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
 - Step (2):** Divide the limit of insurance for the described premises by the figure determined in **Step (1)**; and
 - Step (3):** Multiply the total amount of loss by the figure determined in **Step (2)**.We will pay the amount determined in **Step (3)** or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.
3. In determining operating expenses for the purpose of applying this Additional Condition, the following expenses, if applicable, will be deducted from the total of all operating expenses:
 - a. Prepaid freight – outgoing;
 - b. Returns and allowances;
 - c. Discounts;
 - d. Bad debts;
 - e. Collection expenses;
 - f. Cost of raw stock and factory supplies consumed (including transportation charges);
 - g. Cost of merchandise sold (including transportation charges);
 - h. Cost of other supplies consumed (including transportation charges);
 - i. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
 - j. Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
 - k. All payroll expenses or the amount of payroll expense excluded (if Form **CP 15 10** is attached); and
 - l. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

E. Optional Coverages

If applicable, the Additional Condition, Coinsurance, does not apply to these Optional Coverages.

1. Maximum Period Of Indemnity

If shown as applicable in the Declarations, this Optional Coverage applies separately to each item.

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form and any endorsements modifying this Coverage Form at the described premises to which this Optional Coverage applies.
- b. If a Maximum Period of Indemnity is shown in the Declarations, the most we will pay for the total of Business Income loss, including the Extended Period of Indemnity Additional Coverage, and Extra Expense is the lesser of:
 - (1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
 - (2) The limit of insurance shown in the Declarations.

2. Monthly Limit Of Indemnity

If shown as applicable in the Declarations, this Optional Coverage applies separately to each item.

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form and any endorsements modifying this Coverage Form at the described premises to which this Optional Coverage applies.
- b. If a Monthly Limit of Indemnity is shown in the Declarations, the most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:
 - (1) The limit of insurance, multiplied by
 - (2) The fraction shown in the Declarations for this Optional Coverage.

3. Optional Property In Transit

- a. If a Business Income and Extra Expense Property In Transit Limit of Insurance is shown in the Declarations, we will pay for:
 - (1) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
 - (2) The actual, necessary and reasonable Extra Expense you incur during the "period of restoration";
 caused by direct physical loss or damage caused by or resulting from a Covered Cause of Loss to business personal property covered under any Property in Transit Additional Coverages contained in this Coverage Part.
- b. The most we will pay under this Optional Coverage in any one occurrence is the Business Income and Extra Expense Property in Transit Limit of Insurance shown in the Declarations. This is additional insurance.
- c. Business Income loss and Extra Expense subject to this Coverage Extension are not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part.

4. Optional Property At Other Locations

- a. If a Business Income and Extra Expense Property At Other Locations Limit of Insurance is shown in the Declarations, we will pay for:
 - (1) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
 - (2) The actual, necessary and reasonable Extra Expense you incur during the "period of restoration";
 caused by direct physical loss or damage caused by or resulting from a Covered Cause of Loss to business personal property covered under your Property At Other Locations Additional Coverage contained in this Coverage Part.
- b. The most we will pay under this Optional Coverage in any one occurrence is the Business Income and Extra Expense Property At Other Locations Limit of Insurance shown in the Declarations. This is additional insurance.
- c. Business Income loss and Extra Expense subject to this Coverage Extension are not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part.

F. Definitions

See your COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS form.

CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to your COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS form.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this COMMERCIAL PROPERTY COVERAGE PART.

B. Exclusions

1. Except as otherwise provided in this Coverage Part, 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 or arising from 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 **b.(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action. Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

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

With respect to coverage for Volcanic Action as set forth in **(5)(a)**, **(5)(b)** and **(5)(c)**, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence. Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5)**, is caused in whole or in part by an act of nature, a man-made cause, an artificial cause or any other cause.

c. Governmental Action

Seizure or destruction of property by order of governmental authority, including loss due to mandated or voluntary recall initiated on the recommendation of a governmental agency or other 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 or fluctuation of power, communication, water or other utility service supplied to the described premises, however caused, if the failure or fluctuation:

- (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 or fluctuation 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 or fluctuation of power.

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

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- (4) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings; or
- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature, due to a man-made cause, due to an artificial cause or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or part, for any reason, to contain the water.

But if any of the above, in Paragraphs (1) through (5), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

h. Fungus, Wet Rot And Dry Rot

Presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot. But if "fungus", wet rot or dry rot results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungus", wet rot or dry rot results from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage – Limited Coverage for Fungus, Wet Rot and Dry Rot, with respect to loss or damage by a cause of loss other than fire or lightning.

i. Virus Or Bacteria

Any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Form. With respect to any loss or damage subject to this exclusion, Virus or Bacteria, such exclusion supersedes any exclusion relating to "pollutants".

j. Cyber Vandalism

Any attack, including a “denial of service attack”, on a web site, computer system or network system that successfully corrupts, damages, destroys, deletes or impairs any part of the web site, computer system or network system or disrupts normal operation of the web site, computer system or network system, regardless of whether the attack was the result of an action intentional or not:

- (1) By any employee, including a temporary or leased employee, partner, director, trustee or authorized representative;
- (2) By an entity retained by you or for you to inspect, design, install, maintain, repair or replace any such web site, computer system or network system;
- (3) By any person or entity not authorized to access any such web site, computer system or network system; or
- (4) By a computer, regardless of whether it was authorized to access any such web site, computer system or network system.

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

2. Except as otherwise provided in this Coverage Part, we will not pay for loss or damage caused by or resulting from any of the following:

a. Electrical Apparatus

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

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

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes:

- (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 or explosion results, we will pay for the loss or damage caused by that fire or explosion. We will not pay for the cost to recalibrate electrical or electronic devices.

b. Consequential Loss

Delay, loss of use, loss of market or any other consequential loss.

c. Smoke, Vapor, Gas

Smoke, vapor or gas from agricultural smudging or industrial operations.

d. Other Causes Of Loss

- (1) Wear and tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Settling, cracking, shrinking or expansion;
- (5) Insects, birds, rodents or other animals;
- (6) Mechanical breakdown or mechanical derangement, including rupture or bursting caused by centrifugal force. But if mechanical breakdown or mechanical derangement results in elevator collision, we will pay for the loss or damage caused by that elevator collision; or
- (7) The following causes of loss to personal property:
 - (a) Dampness or dryness of atmosphere;
 - (b) Changes in or extremes of temperature; or
 - (c) Marring or scratching.

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a “specified cause of loss” or building glass breakage, we will pay for the loss or damage caused by that “specified cause of loss” or building glass breakage. We will not pay for the cost to recalibrate mechanical devices.

e. Steam Apparatus

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. Seepage Or Leakage Of Water

Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

g. Freezing

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) There is evidence that you have taken steps to maintain heat and to prevent freezing in the building or structure; or
- (2) You drain the equipment and shut off the supply if the heat is not maintained.

h. Dishonesty

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; and
- (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

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. Exposed Property

Rain, snow, ice, or sleet to personal property in the open.

k. Collapse

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 to Covered Property caused by that Covered Cause of Loss.

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

- (a) To the extent that coverage is provided under the Additional Coverage - Collapse; or
- (b) To collapse caused by one or more of the following:
 - (i) The "specified causes of loss"; or
 - (ii) Breakage of building glass.

l. Pollutants

Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss". This exclusion, **l.**, does not apply to damage to glass caused by chemicals applied to the glass.

m. Neglect

Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

n. Mistakes

Errors or omissions in any stage of the development, production, use or disposal of property, including planning, processing, manufacturing, packaging, testing, distribution, inventory, storage, installation, alteration, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the property. But if such an error results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

- o. **Errors In System Programming**
Errors in system programming or errors in instructions to a machine. But if such an error results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
 - p. **Willful Acts**
Any willful act intended to cause a loss committed by you or anyone else at your direction. In the event of such loss, no insured is entitled to coverage, including insureds who did not commit the act causing the loss.
3. Except as otherwise provided in this Coverage Part, we will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a. **Weather Conditions**
Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph **1.** above to produce the loss or damage.
 - b. **Acts Or Decisions**
Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c. **Faulty Work**
Faulty, inadequate, defective or negligent:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;
 of part or all of any property on or off the described premises.
4. **Special Exclusions**
The following exclusions apply only to the specified Coverage Forms or Coverage.
- a. **Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, or Extra Expense Coverage Form**
Except as otherwise provided in this Coverage Part, 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 Extra Expense or increase of Business Income 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 your Extended Period of Indemnity Additional Coverage.
 - (3) Any other consequential loss.
 - b. **Lessee's Leasehold Interest Coverage Extension**
Paragraph **B.1.a., Ordinance or Law**, does not apply to insurance under the Lessee's Leasehold Interest Coverage Extension or the Coverage Extension for Lessee's Leasehold Interest Coverage – Undamaged Tenant Improvements and Betterments.
 - c. **Legal Liability Coverage Form**
(1) The following exclusions do not apply to insurance under this Coverage Form:
 - (a) Paragraph **B.1.a. Ordinance or Law**;
 - (b) Paragraph **B.1.c. Governmental Action**;
 - (c) Paragraph **B.1.d. Nuclear Hazard**;
 - (d) Paragraph **B.1.e. Utility Services**; and
 - (e) Paragraph **B.1.f. War and Military Action**.

(2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- (i) Your assumption of liability was executed prior to the accident; and
- (ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusions

In addition to the Exclusions and Limitations contained in this Coverage Part, the following Additional Exclusions apply with respect to the specified property except as otherwise provided in this Coverage Part.

a. Accounts Receivable

If "accounts receivable" are Covered Property under this Coverage Part, we will not pay for any loss of or damage to "accounts receivable" caused by or resulting from the following:

- (1) Electrical or magnetic injury, disturbance or erasure of electronic recordings;
- (2) An occurrence that took place more than 1,000 feet from your premises;
- (3) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 1,000 feet from your premises;
- (4) Loss or damage 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. This exclusion applies only to the extent of the wrongful giving, taking or withholding;
- (5) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions; or
- (6) Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

But we will pay for direct loss or damage caused by lightning.

b. Valuable Papers And Records And Research And Development Property

If "valuable papers and records" or "research and development property" is Covered Property under this Coverage Part, we will not pay for any loss of or damage to "valuable papers and records" or "research and development property" caused by or resulting from the following:

- (1) Electrical or magnetic injury, disturbance or erasure of electronic recordings;
- (2) An occurrence that took place more than 1,000 feet from your premises;
- (3) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 1,000 feet from your premises; or
- (4) 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 direct loss or damage caused by that fire or explosion.

But we will pay for direct loss or damage caused by lightning.

C. Limitations

The following limitations apply to all policy forms and endorsements contained in this Coverage Part, except as otherwise provided in this Coverage Part.

- 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 if fire or combustion explosion results, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss of or damage 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 explosion. But if fire or combustion explosion results, we will pay for the loss or damage caused by that fire or combustion explosion.
 - c. 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.
2. 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.
 3. Except as provided under your Equipment Breakdown Coverage endorsement, direct physical loss of or damage to Covered Property does not include Covered Property that suddenly loses its ability to function as the result of a fortuitous event involving microelectronic components (including circuit boards, integrated circuits, computer chips and disk drives) within the Covered Property.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage - Collapse, applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

1. For the purpose of this Additional Coverage - Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
2. We will pay for direct physical loss of or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Part or that contains Covered Property insured under this Coverage Part, only if such abrupt collapse is caused by a Covered Cause of Loss. The following are included in the Covered Causes of Loss for purposes of the coverage provided under this Additional Coverage – Collapse:
 - a. Weight of rain that collects on a roof; and
 - b. Weight of people or personal property.
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;
 - b. Masts or towers;
 - c. Awnings;
 - d. Gutters and downspouts;
 - e. Yard fixtures;
 - f. Outdoor swimming pools;
 - g. Fences;
 - h. Piers, wharves and docks;
 - i. Beach or diving platforms or appurtenances;
 - j. Retaining walls; and
 - k. Walks, roadways and other paved surfaces;
 if an abrupt collapse is caused by a cause of loss listed in Paragraph **2.** above we will pay for loss or damage to that property only if:
 - (1) Such loss or damage is a direct result of the abrupt collapse of a building or any part of a building that is insured under this Coverage Part; and
 - (2) The property is Covered Property under this Coverage Part.
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 Paragraph **2.** above;
 - 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 or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage - Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
7. This Additional Coverage - Collapse, will not increase the limits of insurance provided in this Coverage Part.
8. The term Covered Cause of Loss includes the Additional Coverage - Collapse, as described and limited in D.1. through D.7.

E. Additional Coverage – Limited Coverage For Fungus, Wet Rot And Dry Rot

1. The coverage described in E.2. and E.6. only applies when the “fungus”, wet rot or dry rot are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:
 - a. A “specified cause of loss” other than fire or lightning; or
 - b. Flood, if the Flood Coverage Endorsement applies to the affected premises.
2. We will pay for loss or damage by “fungus”, wet rot or dry rot at a premises described in the Declarations or within 1,000 feet of a premises described in the Declarations. As used in this Limited Coverage, the term loss or damage means:
 - a. Direct physical loss of or damage to Covered Property caused by “fungus”, wet rot or dry rot, including the cost of removal of the “fungus”, wet rot or dry rot;
 - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the “fungus”, wet rot or dry rot; and
 - c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that “fungus”, wet rot or dry rot are present.
3. The most we will pay for loss or damage under the coverage described in E.2. of this Limited Coverage is the annual aggregate Fungus, Wet Rot and Dry Rot Limit of Insurance shown in the Declarations. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of “specified causes of loss” (other than fire or lightning) and (if applicable to the affected premises) Flood which take place each 12-month period of this policy (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in “fungus”, wet rot or dry rot, we will not pay more in total than the Fungus, Wet Rot and Dry Rot Limit of Insurance shown in the Declarations even if the “fungus”, wet rot or dry rot continue to be present or active, or recur, in a later policy period.
4. The coverage provided under this Limited Coverage does not increase the applicable limit of insurance on any Covered Property. If a particular occurrence results in loss or damage by “fungus”, wet rot or dry rot, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable limit of insurance on the affected Covered Property. If there is covered loss or damage to Covered Property, not caused by “fungus”, wet rot or dry rot, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that “fungus”, wet rot or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.
5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.1. **Water Damage, Other Liquids, Powder or Molten Material Damage** of this Coverage Form or under the Additional Coverage - Collapse.
6. **Business Income and Extra Expense Fungus, Wet Rot And Dry Rot**
The following, 6.a. or 6.b., applies only if Business Income or Extra Expense Coverage applies to the described premises and only if the “suspension” of the “operations” satisfies all terms and conditions of the applicable Business Income or Extra Expense Coverage Form:
 - a. **Fungus, Wet Rot And Dry Rot Period Of Restoration**
If the loss which resulted in “fungus”, wet rot or dry rot does not in itself necessitate a “suspension” of “operations”, but such “suspension” is necessary due to loss or damage to property caused by “fungus”, wet rot or dry rot, then our payment under Business Income or Extra Expense is limited to the amount of loss or expense sustained in a period of not more than the Fungus, Wet Rot and Dry Rot Period of Restoration shown in the Declarations. The days need not be consecutive.

b. Fungus, Wet Rot And Dry Rot Extended Period of Restoration

If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet rot or dry rot but remediation of "fungus", wet rot or dry rot prolongs the "period of restoration", we will pay for loss or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to the Fungus, Wet Rot and Dry Rot Extended Period of Restoration shown in the Declarations. The days need not be consecutive.

F. 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 damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension, **F.1.**, does not increase the limit of insurance.

2. Glass

- a.** We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b.** We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays. This Coverage Extension, **F.2.**, does not increase the limit of insurance.

G. Definitions

See your COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER ADDITIONAL COVERAGES

This endorsement modifies insurance provided under the following:

- BUILDING AND PERSONAL PROPERTY COVERAGE FORM
- BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
- BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
- EXTRA EXPENSE COVERAGE FORM

SCHEDULE

Additional Coverage	Policy Level, Annual Aggregate Limit of Insurance*
Cyber Vandalism – Employee Enactment or Introduction	
Cyber Vandalism Business Income and Extra Expense – Employee Enactment or Introduction	
Cyber Vandalism Coverage – Non-Employee Enactment or Introduction	
Cyber Vandalism Business Income and Extra Expense Coverage – Non-Employee Enactment or Introduction	
Denial of Service Attack Business Income Coverage	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	
*Each policy level, annual aggregate limit applies regardless of the number of occurrences, interruptions, premises, locations or computer systems involved.	

A. The following is added to Paragraph **4. Additional Coverages** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Cyber Vandalism Coverage – Employee Enactment Or Introduction

- (1) We will pay for your reasonable and necessary cost to research, replace or restore your “electronic data” which has been destroyed or corrupted by “cyber vandalism” when the enactment or introduction was solely the result of an action, intentional or not:
 - (a) By any employee, including a temporary or leased employee, partner, director or trustee; or
 - (b) By an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (2) To the extent that “electronic data” is not replaced or restored, the loss will be valued at the cost of replacement of the “media” on which the “electronic data” was stored, with blank media of substantially identical type.
- (3) The most we will pay under this Additional Coverage in any one policy year is the policy level, annual aggregate Cyber Vandalism – Employee Enactment or Introduction Limit of Insurance shown in the SCHEDULE above.
- (4) Loss or damage subject to this Additional Coverage is not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part, including any coverage provided under this endorsement.

Cyber Vandalism Coverage – Non-Employee Enactment Or Introduction

- (1) We will pay for your reasonable and necessary cost to research, replace or restore your “electronic data” which has been destroyed or corrupted by “cyber vandalism” when the enactment or introduction was solely the result of an action, intentional or not:
 - (a) By anyone other than the individuals described in Paragraph (1)(a) and (1)(b) of your Cyber Vandalism Coverage – Employee Enactment or Introduction; or
 - (b) By a computer, regardless of whether it was authorized to access any such computer system or network.
- (2) To the extent that “electronic data” is not replaced or restored, the loss will be valued at the cost of replacement of the “media” on which the “electronic data” was stored, with blank media of substantially identical type.
- (3) The most we will pay under this Additional Coverage in any one policy year is the policy level, annual aggregate Cyber Vandalism – Non-Employee Enactment or Introduction Limit of Insurance shown in the SCHEDULE above.
- (4) Loss or damage subject to this Additional Coverage is not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part.

- B. The following is added to the **Additional Coverages** Paragraph of Section **A. Coverage** of the applicable Business Income or Extra Expense Coverage Form shown above:

Cyber Vandalism Business Income And Extra Expense Coverage – Employee Enactment Or Introduction

- (1) We will pay for:
 - (a) If Business Income applies to this Coverage Part, the actual loss of Business Income you sustain due to the necessary “suspension” of your “operations” during the “period of restoration”; and
 - (b) If Extra Expense applies to this Coverage Part, the actual, necessary and reasonable Extra Expense you incur during the “period of restoration”;
 when a “suspension” of “operations” results from an interruption in computer operations caused by the destruction or corruption of “electronic data” caused by “cyber vandalism” when the enactment or introduction was solely the result of an action, intentional or not:
 - (i) By any employee, including a temporary or leased employee, partner, director or trustee; or
 - (ii) By an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (2) The most we will pay under this Additional Coverage in any one policy year is the policy level, annual aggregate Cyber Vandalism Business Income and Extra Expense – Employee Enactment or Introduction Limit of Insurance shown in the SCHEDULE above.
- (3) Loss of Business Income and incurred Extra Expenses subject to this Additional Coverage are not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part.

Cyber Vandalism Business Income And Extra Expense Coverage – Non- Employee Enactment Or Introduction

- (1) We will pay for:
 - (a) If Business Income applies to this Coverage Part, the actual loss of Business Income you sustain due to the necessary “suspension” of your “operations” during the “period of restoration”; and
 - (b) If Extra Expense applies to this Coverage Part, the actual, necessary and reasonable Extra Expense you incur during the “period of restoration”;
 when a “suspension” of “operations” results from an interruption in computer operations caused by the destruction or corruption of “electronic data” caused by “cyber vandalism” when the enactment or introduction was solely the result of an action, intentional or not:
 - (i) By anyone other than the individuals described in Paragraph (1)(a) and (1)(b) of your Cyber Vandalism – Employee Enactment or Introduction Coverage; or
 - (ii) By a computer, regardless of whether it was authorized to access any such computer system or network.
- (2) The most we will pay under this Additional Coverage in any one policy year is the policy level, annual aggregate Cyber Vandalism Business Income and Extra Expense – Non-Employee Enactment or Introduction Limit of Insurance shown in the SCHEDULE above.

(3) Loss of Business Income and incurred Extra Expenses subject to this Additional Coverage are not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part.

C. The following is added to the **Additional Coverages** Paragraph of the applicable Business Income or Extra Expense Coverage Form shown above:

Denial Of Service Attack Business Income Coverage

(1) If Business Income applies to this Coverage Part, we will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration" when a "suspension" of "operations" results from a "denial of service attack".

(2) This Additional Coverage does not apply to:

- (a) Loss of Business Income covered under any Cyber Vandalism Business Income and Extra Expense Additional Coverage;
- (b) Governmental action;
- (c) Nuclear hazard; or
- (d) War and military action.

(3) The most we will pay under this Additional Coverage in any one policy year is the policy level, annual aggregate Denial of Service Attack Business Income Limit of Insurance shown in the SCHEDULE above.

(4) Loss of Business Income subject to this Additional Coverage is not eligible for coverage under any other Coverage, Additional Coverage or Coverage Extension contained in this Coverage Part.

D. The following definitions are added to your COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS:

"Cyber vandalism" means a virus, harmful code or similar instruction introduced into or enacted on a computer system or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. "Cyber vandalism" does not include a "denial of service attack".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**EQUIPMENT BREAKDOWN COVERAGE**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. Additional Covered Causes Of Loss

The following are added to the Covered Causes of Loss:

1. "Accident"; and
2. "Electronic circuitry impairment".

Without an "accident" or "electronic circuitry impairment", there is no coverage provided under this endorsement.

B. Equipment Breakdown Additional Coverages

Unless *Not Covered* is indicated in the Declarations, each of the following Equipment Breakdown Additional Coverages also applies to loss caused by or resulting from an "accident" or, except as otherwise provided, "electronic circuitry impairment". The limits of insurance applicable to the following Additional Coverages are a part of, and not in addition to, your Equipment Breakdown Limit of Insurance, if any, shown in the Declarations.

Loss, damage or expense subject to the following Additional Coverages are not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this COMMERCIAL PROPERTY COVERAGE PART.

1. Expediting Expenses Coverage

a. With respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (1) Make temporary repairs; and
- (2) Expedite permanent repairs or permanent replacement.

b. The most we will pay for loss or expense under this Additional Coverage in any "one equipment breakdown" is the Equipment Breakdown Expediting Expenses Limit of Insurance shown in the Declarations. This limit of insurance is a part of, and not in addition to, the limit of insurance otherwise applicable to the damaged Covered Property.

2. Hazardous Substances Coverage

a. We will pay:

- (1) Your additional cost to repair or replace Covered Property because of contamination by a "hazardous substance". This includes the additional expenses to clean up or dispose of such property; and
- (2) If Business Income or Extra Expense coverage applies, the actual loss of Business Income you sustain or the necessary Extra Expense you incur during the "period of restoration" when a "suspension" of "operations" results from contamination by a "hazardous substance".

b. This does not include contamination of "perishable goods" by a refrigerant, including ammonia, which is addressed in Paragraph **5.a.(2)** below. As used in this Additional Coverage, additional costs mean those beyond what would have been payable under this endorsement had no "hazardous substance" been involved.

c. The most we will pay for loss, damage or expense under this Additional Coverage in any "one equipment breakdown", including actual loss of Business Income you sustain and necessary Extra Expense you incur, if Business Income or Extra Expense coverage applies, is the Equipment Breakdown Hazardous Substances Limit of Insurance shown in the Declarations. This limit of insurance is a part of, and not in addition to, the limit of insurance otherwise applicable to the damaged Covered Property or coverage.

3. Public Relations Coverage

a. This Additional Coverage only applies if you have sustained an actual loss of Business Income:

- (1) Arising out of one or more of the causes of loss described in Section **A.** of this endorsement; and
- (2) That is covered under this Coverage Part.

- b. We will pay for your reasonable costs for professional services to create and disseminate communications, when the need for such communications arises directly from the “suspension” of your “operations”. This communication must be directed to one or more of the following:
 - (1) The media;
 - (2) The public; or
 - (3) Your customers, clients or members.
 - c. Such costs must be incurred during the “period of restoration” or up to 30 days after the “period of restoration” has ended.
 - d. The most we will pay for loss or expense under this Additional Coverage in any “one equipment breakdown” is the Equipment Breakdown Public Relations Limit of Insurance shown in the Declarations. This limit of insurance is a part of, and not in addition to, the limit of insurance otherwise applicable to your loss of Business Income.
- 4. Equipment Breakdown Utility Services Coverage**
- a. If applicable, your Utility Services – Direct Damage Coverage, Utility Services – Time Element Coverage, Electronic Data Additional Coverage, Interruption of Computer Operations Additional Coverage and Spoilage Additional Coverage are extended to apply to your loss, damage or expense caused by a failure or disruption of any of the following services:
 - (1) Electrical power;
 - (2) Waste disposal;
 - (3) Air conditioning;
 - (4) Refrigeration;
 - (5) Heating;
 - (6) Natural Gas;
 - (7) Compressed Air;
 - (8) Water;
 - (9) Steam;
 - (10) Internet access;
 - (11) Telecommunications services;
 - (12) “Cloud computing services”;
 - (13) Wide area networks; or
 - (14) Data transmission;
 when the failure or disruption of service is caused by an “accident”.
 - b. For purposes of this coverage, “covered equipment” is equipment, including overhead transmission lines if Overhead Transmission Lines are shown as “Included” under your Utility Services – Direct Damage Coverage and Utility Services – Time Element Coverage, that:
 - (1) Is owned by a utility, landlord, a landlord’s utility or other supplier who provides you with the services described in Paragraph a. above; and
 - (2) Meets the definition of “covered equipment”, except that it is not Covered Property.
 - c. “Cloud computing services” must be provided by a professional provider with whom you have a contract.
 - d. Coverage under this Equipment Breakdown Utility Services Coverage for Electronic Data Additional Coverage and Interruption of Computer Operations Additional Coverage applies to loss of or damage to “electronic data” stored in the equipment of a provider of “cloud computing services”.
 - e. Unless otherwise shown in the Declarations, coverage under this Equipment Breakdown Utility Services Coverage for Utility Services – Direct Damage Coverage, Utility Services – Time Element Coverage, Electronic Data Additional Coverage or Interruption of Computer Operations Additional Coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the “accident”. If the interruption exceeds 24 hours, coverage will begin at the time of the disruption, and the applicable deductible will apply.
 - f. This Additional Coverage is subject to, and will not increase, the applicable limit of insurance otherwise provided under this Coverage Part for Utility Services – Direct Damage Coverage, Utility Services – Time Element Coverage, Electronic Data Additional Coverage, Interruption of Computer Operations Additional Coverage and Spoilage Additional Coverage.
- 5. Spoilage**
- a. We will pay for:
 - (1) Physical damage to “perishable goods” due to spoilage;
 - (2) Physical damage to “perishable goods” due to contamination from the release of refrigerant, including ammonia; and

- (3) Any necessary expenses you incur to reduce the amount of loss under this Additional Coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this Additional Coverage.
- b. If you are unable to replace the “perishable goods” before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the “perishable goods” at the time of the “accident” or “electronic circuitry impairment”, less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition contained in this Coverage Part.
- c. The most we will pay for loss, damage or expense under this Additional Coverage in any “one equipment breakdown” is the Equipment Breakdown Spoilage Limit of Insurance shown in the Declarations. This limit is a part of, and not in addition to, the Spoilage and Contamination Limit of Insurance, if the Spoilage and Contamination Additional Coverage endorsement applies to this Coverage Part. If the Spoilage and Contamination Additional Coverage endorsement does not apply to this Coverage Part, your Equipment Breakdown Spoilage Limit of Insurance is a part of, and not in addition to, the limit of insurance otherwise applicable to the damaged “perishable goods”.

C. Exclusions, Limitations And Related Provisions

The Exclusions and Limitations contained in the Causes of Loss form applicable to this COMMERCIAL PROPERTY COVERAGE PART apply to coverage provided under this endorsement, except as modified below and to the extent that coverage is specifically provided under this endorsement:

1. An “electronic circuitry impairment” is not added as a Covered Cause of Loss for any Utility Services – Direct Damage Coverage, Utility Services – Time Element Coverage, Equipment Breakdown Utility Services Coverage or Dependent Properties Coverage provided under this Coverage Part.
2. The following exclusions are modified:
 - a. If the CAUSES OF LOSS – BASIC FORM or CAUSES OF LOSS – BROAD FORM applies, with respect to coverage provided under this endorsement only, the following is added to Exclusion **B.2.**: Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. However, if an “accident” or “electronic circuitry impairment” results, we will pay for the resulting loss, damage or expense caused by that “accident” or “electronic circuitry impairment”.
 - b. If the CAUSES OF LOSS – SPECIAL FORM applies, with respect to coverage provided under this endorsement only, the last paragraph of Exclusion **B.2.d.** is deleted and replaced with the following: But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in an “accident” or “electronic circuitry impairment”, we will pay for the loss, damage or expense caused by that “accident” or “electronic circuitry impairment”. We will not pay for the cost to recalibrate mechanical devices.
3. The following exclusions are added:
 - a. We will not pay for loss, damage or expense caused directly or indirectly by any of the following, whether or not caused by or resulting from an “accident” or “electronic circuitry impairment”:
 - (1) Fire including smoke from a fire;
 - (2) Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;
 - (3) Any other explosion, except as specifically covered under this endorsement;
 - (4) Any earth movement, including earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action;
 - (5) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; mudslide or mudflow; or water that backs up or overflows from a sewer, drain or sump. However, if electrical “covered equipment” requires drying out because of the above, we will pay for the direct expenses of such drying out subject to the applicable limit of Insurance and deductible; or
 - (6) Vandalism.
 - b. Coverage under this endorsement does not apply to an “accident” or “electronic circuitry impairment” caused by or resulting from:
 - (1) Lightning;
 - (2) Windstorm or hail. However this exclusion does not apply when:
 - (a) “Covered equipment” located within a building or structure suffers an “accident” or “electronic circuitry impairment” that results from wind-blown rain, snow, sand or dust; and

- (b) The building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.
- (3) Smoke; aircraft or vehicles; riot or civil commotion; sprinkler leakage; elevator collision;
- (4) Breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse or molten material;
- (5) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment; or
- (6) Water or other means used to extinguish a fire.
- c. With respect to any Business Income, Extra Expense or Utility Services – Time Element Coverage, we will also not pay for:
 - (1) Loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or
 - (2) Any increase in loss resulting from an agreement between you and your customer or supplier.
- d. We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an “accident” or “electronic circuitry impairment”: Any “fungus”, wet rot, dry rot or bacteria, including any presence, growth, proliferation, spread or any activity of “fungus”, wet rot, dry rot or bacteria. This includes costs arising from clean up, removal, or abatement of such “fungus”, wet rot, dry rot or bacteria. However, this exclusion does not apply to spoilage of personal property that is “perishable goods”, to the extent that such spoilage is covered under any Spoilage Additional Coverage provided under this endorsement.
- e. If animals are Covered Property under this Coverage Part, we will not pay for any loss or damage to animals.
- 4. Exclusions **3.b.(1)**, **3.b.(2)**, **3.b.(3)** and **3.b.(4)** above do not apply if:
 - a. The excluded cause of loss occurs away from any covered location and causes an electrical surge or other electrical disturbance;
 - b. Such surge or disturbance is transmitted through utility service transmission lines to the covered location and results in an “accident” or “electronic circuitry impairment”; and
 - c. The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under this policy.
- 5. With respect to the coverage provided under this endorsement, any cause of loss described in exclusion **3.b.(4)** above is excluded only with respect to Equipment Breakdown Utility Services Coverage.

D. Limits Of Insurance

- 1. If an Equipment Breakdown Coverage Limit of Insurance is not shown in the Declarations, the most we will pay in any “one equipment breakdown” for coverage provided under this endorsement is the otherwise applicable property and coverage limits of insurance provided under this Coverage Part, except as otherwise provided under this endorsement.
- 2. If an Equipment Breakdown Coverage Limit of Insurance is shown in the Declarations, the following limit of insurance provisions apply:
 - a. The limit of insurance described in Paragraph **c.** below:
 - (1) Applies to all covered direct and consequential loss or damage (including any coverage for Business Income or Extra Expense) arising out of the causes of loss described in Section **A.** of this endorsement, including coverage under any Equipment Breakdown Additional Coverage.
 - (2) Is included in and does not increase the limits of insurance otherwise provided under this Coverage Part, including any Equipment Breakdown Additional Coverage.
 - (3) Applies regardless of the items or types of property; number or types of Coverages, Additional Coverages, Coverage Extensions or Optional Coverages; or number of premises or locations involved.
 - b. Amounts payable under this endorsement for any item or type of property or under any Coverage, Additional Coverage, including any Equipment Breakdown Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part are subject to the limit of insurance described in Paragraph **c.** below and will not:
 - (1) Exceed the otherwise applicable property and coverage limits of insurance provided under this Coverage Part; or
 - (2) Increase the applicable limit of insurance described in Paragraph **c.** below.

- c. The most we will pay in any "one equipment breakdown" for coverage provided under this endorsement is the Equipment Breakdown Limit of Insurance shown in the Declarations. This is not an additional amount of insurance.

E. Deductible

The deductible otherwise applicable under this COMMERCIAL PROPERTY COVERAGE PART applies to the coverage provided under this endorsement unless an Equipment Breakdown Deductible is shown in the Declarations. If an Equipment Breakdown Deductible is shown in the Declarations, the following deductible provisions apply:

1. Deductibles For Each Coverage

- a. Unless the Declarations indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one equipment breakdown".
- b. We will not pay for loss, damage or expense in any "one equipment breakdown" under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Declarations. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount up to the applicable limit of insurance.
- c. If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one equipment breakdown", only the largest deductible for each coverage will apply.

2. Deductibles For Direct And Indirect Coverages

- a. Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Declarations.
- b. Unless more specifically indicated in the Declarations:
 - (1) Indirect Coverages Deductibles apply to Business Income loss; and
 - (2) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered under this endorsement;however, no deductible applies to any Extra Expense loss.
- c. If an Equipment Breakdown Indirect Coverages Deductible or a Combined, All Equipment Breakdown Coverages Deductible applies, the "period of restoration" will begin immediately after the "accident" or "electronic circuitry impairment", and the Equipment Breakdown Indirect Coverages Deductible or the Combined, All Equipment Breakdown Coverages Deductible shown in the Declarations, whichever is applicable, will apply.

3. Application Of Deductibles

a. Dollar Deductibles

We will not pay for loss, damage or expense resulting from any "one equipment breakdown" until the amount of loss, damage or expense exceeds the applicable deductible shown in the Declarations. We will then pay the amount of loss, damage or expense in excess of the applicable deductible or deductibles, up to the applicable limit of insurance.

b. Time Deductibles

If a time deductible is shown in the Declarations, we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident" or "electronic circuitry impairment". If a time deductible is expressed in days, each day shall mean 24 consecutive hours.

c. Multiple Of Average Daily Value (ADV) Deductibles

If a deductible is expressed as a number times ADV, that amount will be calculated as follows: The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage contained in this Coverage Part) that would have been earned during the "suspension" of "operations" had no "accident" or "electronic circuitry impairment" occurred, divided by the number of working days in that period. No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or "electronic circuitry impairment" or any other scheduled or unscheduled shutdowns during the "suspension" of "operations". The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the "suspension" of "operations" may not extend beyond the "period of restoration". The number indicated in the Declarations will be multiplied by the ADV as determined above. The result is the applicable deductible.

d. Percentage Of Loss Deductibles

If a deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

F. Additional Conditions

In addition to the conditions contained in this COMMERCIAL PROPERTY COVERAGE PART, the following Additional Conditions apply to the coverage provided under this endorsement:

1. Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" or "electronic circuitry impairment" to that "covered equipment". This can be done by mailing or delivering a written notice of suspension to:

- a. Your last known address; or
- b. The address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment". If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

2. Jurisdictional Inspections

If any property that is "covered equipment" under this Coverage Part requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

3. Environmental, Safety And Efficiency Improvements

If "covered equipment" requires replacement due to an "accident" or "electronic circuitry impairment", we will pay your additional cost to replace with equipment that is better for the environment, safer for people or more energy or water efficient than the equipment being replaced. However, we will not pay to increase the size or capacity of the equipment, and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This provision:

- a. Does not apply to the replacement of component parts or to any property to which Actual Cash Value applies; and
- b. Does not increase any of the applicable limits of insurance.

G. Definitions

The following definitions are added with respect to the coverage provided under this endorsement:

1. "Accident"

- a. "Accident" means a fortuitous event that causes direct physical damage to "covered equipment".

The event must be one of the following:

- (1) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- (2) Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
- (3) Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- (4) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
- (5) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

- b. None of the following is an "accident":

- (1) Defect, programming error, programming limitation, computer virus, malicious code, loss of "electronic data", loss of access, loss of use, loss of functionality or other condition within or involving "electronic data" or "media" of any kind; or
- (2) Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

However, if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident".

2. "Cloud computing services" means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service) and NaaS (network as a service). This includes business models known as public clouds, community clouds and hybrid clouds. "Cloud computing services" include private clouds if such services are owned and operated by a third party.
3. "Covered equipment"
 - a. "Covered equipment" means Covered Property:
 - (1) That generates, transmits or utilizes energy; or
 - (2) Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents."Covered equipment" may utilize conventional design and technology or new or newly commercialized design and technology.
 - b. If insurance under this Coverage Part applies at a premises not described in the Declarations or at a "dependent property", "covered equipment" does not have to be Covered Property; however, it must be located at an Equipment Breakdown Off-Premises Location shown on the Equipment Breakdown Off-Premises Locations Schedule or located at a Location shown on the Schedule contained in the Spoilage and Contamination Additional Coverage endorsement.
 - c. None of the following is "covered equipment":
 - (1) Structure, foundation, cabinet or compartment;
 - (2) Insulating or refractory material;
 - (3) Sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;
 - (4) Water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - (5) "Vehicle" or any equipment mounted on a "vehicle";
 - (6) Satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
 - (7) Dragline, excavation or construction equipment; or
 - (8) Equipment manufactured by you for sale.
4. "Electronic circuitry" means microelectronic components, including circuit boards, integrated circuits, computer chips and disk drives.
5. "Electronic circuitry impairment"

"Electronic circuitry impairment" means a fortuitous event involving "electronic circuitry" within "covered equipment" that causes the "covered equipment" to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in **b.**, **c.** and **d.** below.

 - a. We shall determine that the reasonable and appropriate remedy to restore such "covered equipment's" ability to function is the replacement of one or more "electronic circuitry" components of the "covered equipment".
 - b. The "covered equipment" must be owned or leased by you, or operated under your control.
 - c. None of the following is an "electronic circuitry impairment":
 - (1) Any condition that can be reasonably remedied by:
 - (a) Normal maintenance, including replacing expendable parts, recharging batteries or cleaning;
 - (b) Rebooting, reloading or updating software or firmware; or
 - (c) Providing necessary power or supply.
 - (2) Any condition caused by or related to:
 - (a) Incompatibility of the "covered equipment" with any software or equipment installed, introduced or networked within the prior 30 days; or
 - (b) Insufficient size, capability or capacity of the "covered equipment".
 - (3) Exposure to adverse environmental conditions, including change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.

With respect to the coverage provided under this endorsement only, we will consider "electronic circuitry impairment" to be physical damage to "covered equipment".

6. "One equipment breakdown" means that if an initial "accident" or "electronic circuitry impairment" causes other "accidents" or "electronic circuitry impairments", all will be considered "one equipment breakdown". All "accidents" or "electronic circuitry impairments" that are the result of the same "accident" or "electronic circuitry impairment" will be considered "one equipment breakdown".
7. "Vehicle" means, with respect to the coverage provided under this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes: car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester. However, any property that is stationary, permanently installed at a covered location, and that receives electrical power from an external power source will not be considered a "vehicle".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GREEN UPGRADES ADDITIONAL COVERAGE

This endorsement modifies insurance provided under the following:

- BUILDING AND PERSONAL PROPERTY COVERAGE FORM
- BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
- BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
- EXTRA EXPENSE COVERAGE FORM

SCHEDULE

Policy Level Green Upgrades Limit of Insurance:		
Green Upgrades Percentage:		
Premises No.	Building No.	Location Level Green Upgrades Limit of Insurance
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following is added to Paragraph **4. Additional Coverages** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Green Upgrades Coverage

(1) Subject to the terms and conditions of this Additional Coverage, we will pay for “green upgrades” in the event of covered direct physical loss of or damage to “upgrade-eligible property”.

(2) Coverage Conditions

(a) Insured To Replacement Cost

- (i)** This Additional Coverage only applies to “upgrade-eligible property” insured on a Replacement Cost valuation basis.
- (ii)** The value of any pre-existing “green” materials and products must be:
 - (A)** Included in the current Replacement Cost value of the “upgrade-eligible property”; and
 - (B)** Insured under the otherwise applicable limits for the “upgrade-eligible property”. Repair or replacement of any such pre-existing “green” materials and products with comparable material and quality is already covered under your Building Coverage, your Business Personal Property Coverage or any applicable Additional Coverage, Coverage Extension or Optional Coverage.
- (iii)** The coverage and limits provided under this endorsement cannot be applied to any part of the current Replacement Cost of your “upgrade-eligible property”.

(b) Green Upgrades

The coverage and limits provided under this endorsement can be applied to any cost differential to upgrade:

- (i)** The “green” level of damaged parts of your “upgrade-eligible property” that are pre-existing “green” materials and products; and
- (ii)** To “green” other damaged parts of your “upgrade-eligible property”; to the extent necessary for repair or replacement of such damaged parts.

(c) Building Upgrades – Certification

- (i)** If your building had been given a level of “green” building certification by a “green standards-setter” prior to the loss, we will pay for necessary “green upgrades” to damaged parts of your “upgrade-eligible property” to satisfy the minimum number of points required to qualify for

“green” building certification by that “green standards-setter” at one level above the certification in effect at the time of the loss.

- (ii) If your building had not been given a level of “green” building certification by a “green standards-setter” prior to the loss, we will pay for necessary “green upgrades” to damaged parts of your “upgrade-eligible property” to satisfy the minimum number of points required to qualify for “green” building certification by a “green standards-setter” at the lowest level of certification available at the time of the loss.

(d) Necessary Repair Or Replacement

Subject to Paragraph **(4) Limits of Insurance** below, our payment under this Additional Coverage is limited to “green upgrades” as reasonable and necessary to the repair or replacement of damaged parts of the property.

- (i) To the extent that the damage can be repaired without replacement (and whether or not “green” materials or products are suitable and available for use in the repair), we will not pay any additional cost to replace such property or a system comprising such property solely for the purpose of achieving a “green” alternative.
- (ii) We will not pay any additional cost to repair or replace damaged property solely for the purpose of achieving points toward certification or recertification of the property by a “green standards-setter”. However, we will pay for reasonable and necessary “green upgrades” as set forth above and for certain additional expenses related to achieving recertification as provided under your Green Upgrades Related Expenses Coverage.

(e) Replacement Of A Building Component

In the event of a loss for which we determine that it is necessary to replace a building component (such as a roof) or building system (such as a heating system), such replacement:

- (i) Is limited to replacement of the damaged building component or system with a “green” building component or system which serves the primary function as the damaged property; and
- (ii) Does not extend to modification or replacement of any other building component or system. However, we may pay to repair or replace property that is necessarily damaged or destroyed in the course of replacing the damaged building component or system.

For example, if your traditional roof sustains damage and we pay to replace it with a vegetated roof, we would also pay to restore damaged electrical wiring, if any, that ran through the damaged roof and supported the building’s existing electrical power system. But, in such case, we would not pay to replace the electrical wiring with solar panels, because the roof’s primary function is not to generate energy or distribute electrical power. (In referring to costs we pay, this example assumes that such costs are within the amount payable as otherwise determined under this endorsement.)

This Paragraph, **(2)(e)**, reinforces the policy’s loss settlement provisions in the context of coverage for “green upgrades” and is not meant to imply broader coverage for replacement of property other than building components or systems.

(3) Ordinance Or Law Coverage

- (a) Any Ordinance or Law Coverage provided under this policy applies only in response to the minimum requirements of an ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements of ordinance or law are not covered under Ordinance or Law Coverage.
- (b) However, as set forth above and subject to the terms of this endorsement, reasonable and necessary “green upgrades” in excess of the minimum requirements of ordinance or law are covered under this Green Upgrades Coverage.
- (c) With respect to coverage for “green upgrades” under this endorsement, we will not pay any cost that is actually paid in loss settlement under another coverage, including Ordinance or Law Coverage.

(4) Limits Of Insurance

(a) Green Upgrades Limit Of Insurance

The most we will pay in any one occurrence for the combined total of all losses and expenses covered under this Additional Coverage is the least of:

- (i) The combined total amount of the actual losses and expenses covered under this Additional Coverage as determined in accordance with all applicable provisions contained in this endorsement;
- (ii) The applicable Green Upgrades Limit(s) of Insurance shown in the SCHEDULE above; or
- (iii) The amount determined under Paragraph **(4)(b) Green Upgrades Percentage** below.

The amount we pay under this Additional Coverage is additional insurance.

(b) Green Upgrades Percentage

The most we will pay under **(4)(a)(iii)** above will be determined by applying the following steps:

Step 1: Determine the amount to be paid for the direct physical loss of or damage to “upgrade-eligible property” on a Replacement Cost valuation basis under your Building Coverage, your Business Personal Property Coverage or any applicable Additional Coverage, Coverage Extension or Optional Coverage.

In determining the **Step 1** Replacement Cost amount:

(1) Exclude:

(a) Any costs attributable to the coverage provided under this endorsement; and

(b) Any costs attributable to any Ordinance or Law Coverage; and

(2) Do not subtract any deductible amount that will apply to the loss.

Step 2: Multiply the Replacement Cost amount determined in **Step 1** above by the Green Upgrades Percentage shown in the SCHEDULE above.

(c) If a location level Green Upgrades Limit of Insurance is shown in the SCHEDULE above to apply at a specific location, the policy level Green Upgrades Limit of Insurance applies on an excess basis at that location.

B. The following is added to Paragraph **4. Additional Coverages** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Green Upgrades Related Expenses Coverage

The following Related Expenses are insured only with respect to a loss that is covered under your Green Upgrades Coverage described above.

In any one occurrence, you may elect to apply up to 10% of the Green Upgrades Limit of Insurance to the total of all Related Expenses. The amount of insurance you apply to Related Expenses is part of, and not in addition to, the Green Upgrades Limit of Insurance. However, if any such Related Expenses are otherwise covered under this policy, the amount provided under this endorsement for Related Expenses will apply in excess of such coverage.

(1) Waste Reduction And Recycling

We will pay your reasonable expense to:

(a) Reuse or salvage building materials and contents; and

(b) Extract and transport recyclable construction waste to appropriate sites;

but any income received as a result of such waste reduction and recycling reduces the amount of loss that otherwise would have been payable under this endorsement.

(2) Design And Engineering Professional Fees

We will pay reasonable and customary fees for the services of an accredited architect or engineer with respect to any necessary design and engineering recommendations in the course of repair or replacement of damaged portions of the building.

(3) Certification Fees And Related Equipment Testing

(a) We will pay fees imposed by the “green standards-setter” in order to determine if certification or recertification is appropriate according to the organization’s standard.

(b) We will pay your reasonable expenses to test building systems and building equipment following their repair or installation as replacements, when such testing is undertaken in the course of submitting to the certification or recertification process. But we will not pay expenses to test production equipment or other tools or equipment used in your business.

(c) We will not pay for any further modification if the building fails to obtain certification, recertification or a specific level of certification.

(4) Building Air-Out And Related Air Testing

After repair or reconstruction is completed, we will pay your reasonable expenses to flush out the renovated space and conduct air quality testing of the renovated space in accordance with the recommended procedures of a “green standards-setter” and for the purpose of mitigating indoor air quality deficiencies resulting from the repair or reconstruction.

C. The following provisions apply only to the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM, or EXTRA EXPENSE COVERAGE FORM, if such form is included in this policy with respect to the applicable premises:

1. The "period of restoration" is extended to include the increased period of time attributable to the coverage described under your Green Upgrades Coverage and your Green Upgrades Related Expenses Coverage. Such extension is limited to 30 days.
2. The Additional Coverage – Extended Period of Indemnity in the Business Income Coverage Forms referenced above does not commence until the extended "period of restoration" described in Paragraph **C.1.** above ends.
3. The provisions contained in Paragraph **C.1.** above do not increase any applicable Business Income or Extra Expense Limit of Insurance shown in the Declarations.

D. The following Limitations are added to Section B. Exclusions And Limitations of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

We will not pay under this endorsement for:

- a. The costs associated with enforcement of or conformance to any standard or guideline which:
 - (1) Requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot, dry rot, virus or bacteria;
 - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, minimize, prevent or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet rot, dry rot, virus or bacteria. However, this Paragraph, **a.(2).**, does not negate the coverage set forth in Building Air-Out and Related Air Testing, provided such coverage applies; or
 - (3) You were required to comply with before the loss (even if the property was undamaged), and you failed to comply.
- b. Costs covered under any Ordinance or Law Coverage or any other Coverage, Additional Coverage, Coverage Extension, or Optional Coverage contained in this policy, except as otherwise stated.

E. The following is added to Section E. Loss Conditions of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Green Upgrades Additional Coverage Conditions

- a. We will not pay under this endorsement unless the property is actually repaired or replaced at the same or another premises, and unless the repairs or replacement including "green upgrades" are made as soon as reasonably possible after loss or damage, not to exceed two years after the date on which the physical loss or damage took place. We may extend the two-year period in writing during the two years. If the property is being relocated to another premises, the most we will pay for "green upgrades" is the cost of "green upgrades" at the original premises, subject to all other terms and conditions contained in this endorsement.
- b. If you elect not to make a "green upgrade" in the course of necessary repair or replacement of the property that has sustained loss or damage, we will settle the loss to such property in accordance with the applicable terms and conditions of this policy excluding this endorsement.
- c. If the Additional Condition, Coinsurance, applies, it does not apply to the coverage provided under this endorsement, but continues to apply with respect to the amount of coverage shown in the Declarations for the Covered Property subject to this endorsement.

F. The following definitions are added to your COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS form:

"Green" means enhanced energy efficiency or use of environmentally-preferable, sustainable materials, products or methods in design, construction, manufacture or operation, as recognized by a "green standards-setter".

"Green standards-setter" means a nationally recognized organization or governmental agency which produces and maintains guidelines related to "green" products and practices. "Green standards-setter" includes:

1. The Leadership in Energy and Environmental Design (LEED®) program of the U.S. Green Building Council;
2. ENERGY STAR, a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy; and
3. Green Globes™, a program of the Green Building Initiative.

“Green upgrades” means the necessary and reasonable additional costs to repair or replace lost or damaged parts of the “upgrade-eligible property”, as necessary, with “green” materials and products which are otherwise similar in functionality and quality to the damaged property.

“Upgrade-eligible property” means Covered Property:

1. To which Replacement Cost valuation applies;
2. That is located at a premises described in the Declarations; and
3. That is:
 - a. Building property under Paragraph **A.1.a.** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM or added under any Additional Coverage, Coverage Extension or Optional Coverage;
 - b. Your Business Personal Property under Paragraph **A.1.b.** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM or added under any Additional Coverage, Coverage Extension or Optional Coverage, excluding:
 - (1) Personal property of others;
 - (2) Personal effects of others;
 - (3) Leased personal property;
 - (4) “Stock”; or
 - (5) Production tools and equipment or other “tools and equipment” not used in support of building systems.

“Upgrade-eligible property” does not include any Property Not Covered under Paragraph **A.2. Property Not Covered** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM, unless such property is covered under any Additional Coverage, Coverage Extension or Optional Coverage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORDINANCE OR LAW COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
STANDARD PROPERTY POLICY

SCHEDULE

Building Number/ Premises Number	Coverage A	Coverage B Limit Of Insurance	Coverage C Limit Of Insurance	Coverages B And C Combined Limit Of Insurance
/	<input type="checkbox"/>	\$	\$	\$ *
/	<input type="checkbox"/>	\$	\$	\$ *
/	<input type="checkbox"/>	\$	\$	\$ *

Post-Loss Ordinance Or Law Option: Yes No

*Do not enter a Combined Limit of Insurance if individual Limits of Insurance are selected for Coverages B and C, or if one of these Coverages is not applicable.

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

A. Each Coverage – Coverage A, Coverage B and Coverage C – is provided under this endorsement only if that Coverage(s) is chosen by entry in the above Schedule and then only with respect to the building identified for that Coverage(s) in the Schedule.

B. Application Of Coverage(s)

The Coverage(s) provided by this endorsement applies with respect to an ordinance or law that regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises, subject to the following:

1. The requirements of the ordinance or law are in force at the time of loss. But if the Post-Loss Ordinance Or Law Option is indicated in the Schedule as being applicable, then Paragraph **B.2.** applies instead of this Paragraph **B.1.**

2. The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

3. Coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.

4. Coverage under this endorsement applies only if:
 - a. The building sustains only direct physical damage that is covered under this policy and as a result of such damage, you are required to comply with the ordinance or law; or
 - b. The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building damage in its entirety, you are required to comply with the ordinance or law.

However, there is no coverage under this endorsement if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, even if the building has also sustained covered direct physical damage.

5. If coverage applies under this endorsement based on the terms of Paragraph **B.4.b.**, we will not pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B**, and/or **C** of this endorsement. Instead, we will pay a proportion of such loss, meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Paragraph **F**. of this endorsement provides an example of this procedure.)

However, if the covered direct physical damage, alone, would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B** and/or **C** of this endorsement.

6. We will not pay under this endorsement for:
 - a. Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
 - b. The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

7. We will not pay under this endorsement for any loss in value or any cost incurred due to an ordinance or law that you were required to comply with before the time of the current loss, even in the absence of building damage, if you failed to comply.

C. Coverage

1. Coverage A – Coverage For Loss To The Undamaged Portion Of The Building

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage **A** for the loss in value of the undamaged portion of the building as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage **A** is included within the Limit Of Insurance applicable to such building as shown in the Declarations or addressed elsewhere in this policy. Coverage **A** does not increase the Limit of Insurance.

2. Coverage B – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building as a consequence of a requirement to comply with an ordinance or law that requires demolition of such undamaged property.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

3. Coverage C – Increased Cost Of Construction Coverage

- a. With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of a requirement to comply with the minimum standards of the ordinance or law.

However:

- (1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

- (2) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction Coverage.

- b. When a building is damaged or destroyed and Coverage **C** applies to that building in accordance with Paragraph **C.3.a.** above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in Paragraph **C.3.a.:**

- (1) The cost of excavations, grading, backfilling and filling;
- (2) Foundation of the building;
- (3) Pilings; and
- (4) Underground pipes, flues and drains.

The items listed in **b.(1)** through **b.(4)** above are deleted from Property Not Covered, but only with respect to the coverage described in this provision, **3.b.**

D. Loss Payment

- 1. All following loss payment provisions, **D.2.** through **D.5.**, are subject to the apportionment procedures set forth in Paragraph **B.5.** of this endorsement.
- 2. When there is a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - a. If the Replacement Cost Coverage Option applies and such building is being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:
 - (1) The amount you would actually spend to repair, rebuild or reconstruct such building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or

- (2) The Limit Of Insurance applicable to such building as shown in the Declarations or addressed elsewhere in this policy. (If this policy is endorsed to cover Earthquake and/or Flood as a Covered Cause of Loss, the Limit of Insurance applicable to the building in the event of damage by such Covered Cause of Loss may be lower than the Limit of Insurance that otherwise would apply.)

- b. If the Replacement Cost Coverage Option applies and such building is **not** repaired or replaced, or if the Replacement Cost Coverage Option does **not** apply, we will not pay more than the lesser of:

- (1) The actual cash value of such building at the time of loss; or

- (2) The Limit Of Insurance applicable to such building as shown in the Declarations or addressed elsewhere in this policy. (If this policy is endorsed to cover Earthquake and/or Flood as a Covered Cause of Loss, the Limit of Insurance applicable to the building in the event of damage by such Covered Cause of Loss may be lower than the Limit of Insurance that otherwise would apply.)

- 3. Unless Paragraph **D.5.** applies, loss payment under Coverage **B** – Demolition Cost Coverage will be determined as follows:

We will not pay more than the lesser of the following:

- a. The amount you actually spend to demolish and clear the site of the described premises; or
- b. The applicable Limit Of Insurance shown for Coverage **B** in the Schedule.

4. Unless Paragraph **D.5.** applies, loss payment under Coverage **C** – Increased Cost Of Construction Coverage will be determined as follows:

a. We will not pay under Coverage **C**:

- (1) Until the building is actually repaired or replaced, at the same or another premises; and
- (2) 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 under Coverage **C** is the lesser of:

- (1) The increased cost of construction at the same premises; or
- (2) The applicable Limit Of Insurance shown for Coverage **C** in the Schedule.

c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage **C** is the lesser of:

- (1) The increased cost of construction at the new premises; or
- (2) The applicable Limit Of Insurance shown for Coverage **C** in the Schedule.

5. If a Combined Limit Of Insurance is shown for Coverages **B** and **C** in the Schedule, Paragraphs **D.3.** and **D.4.** do not apply with respect to the building that is subject to the Combined Limit, and the following loss payment provisions apply instead:

The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the Combined Limit Of Insurance shown for Coverages **B** and **C** in the Schedule. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

a. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

b. With respect to the Increased Cost of Construction:

- (1) We will not pay for the increased cost of construction:
 - (a) Until the building is actually repaired or replaced, at the same or another premises; and

(b) 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.

(2) 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 is the increased cost of construction at the same premises.

(3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

E. The terms of this endorsement apply separately to each building to which this endorsement applies.

F. Example of proportionate loss payment for Ordinance Or Law Coverage Losses (procedure as set forth in Paragraph **B.5.**)

Assume:

- Wind is a Covered Cause of Loss; Flood is an excluded Cause of Loss
- The building has a value of \$200,000
- Total direct physical damage to building: \$100,000
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value
- Portion of direct physical damage that is covered (caused by wind): \$30,000
- Portion of direct physical damage that is not covered (caused by flood): \$70,000
- Loss under Ordinance Or Law Coverage **C** of this endorsement: \$60,000

Step 1: Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$$\$30,000 \div \$100,000 = .30$$

Step 2: Apply that proportion to the Ordinance or Law loss.

$$\$60,000 \times .30 = \$18,000$$

In this example, the most we will pay under this endorsement for the Coverage **C** loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

Note: The same procedure applies to losses under Coverages **A** and **B** of this endorsement.

G. The following definition is added:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PAVED SURFACES ADDITIONAL COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

SCHEDULE

Paved Surfaces Coverage Limit of Insurance:	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

The following is added to Paragraph **4. Additional Coverages** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Paved Surfaces Coverage

- (1) We will pay for direct physical loss of or damage to your driveways, patios or walks located on or within 1,000 feet of the premises described in the Declarations caused by or resulting from any of the "specified causes of loss".
- (2) The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Paved Surfaces Limit of Insurance shown in the SCHEDULE above. This is additional insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UTILITY SERVICES – DIRECT DAMAGE COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

SCHEDULE

Utility Services – Direct Damage Coverage Limit of Insurance:
Overhead Transmission Lines:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 4. **Additional Coverages** of Section **A. Coverage** of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Utility Services – Direct Damage Coverage

- (1) We will pay for direct physical loss of or damage to Covered Property at the described premises caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage caused by or resulting from a Covered Cause of Loss to the following property:
 - (a) "Water supply services";
 - (b) "Communication supply services"; or
 - (c) "Power supply services";
 when such property is located more than 1,000 feet from the described premises.
- (2) "Communication supply services" and "power supply services" do not include:
 - (a) Off-premises:
 - (i) Power transmission lines;
 - (ii) Utility poles; or
 - (iii) Supporting structures; or
 - (b) Overhead:
 - (i) Transmission lines; or
 - (ii) Distribution equipment;
 unless Overhead Transmission Lines are shown as "Included" in the SCHEDULE above. As used in this endorsement, transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.
- (3) This Additional Coverage does not apply if the interruption in utility service is due to your failure to comply with the terms and conditions of any contract.
- (4) Coverage under this endorsement for direct physical loss of or damage to Covered Property does not apply to direct physical loss of or damage to "electronic data", including destruction or corruption of "electronic data".
- (5) If applicable to your policy, any coverage provided under a Flood, Earthquake and Volcanic Eruption, or Earthquake – Sprinkler Leakage endorsement does not apply to this Additional Coverage.
- (6) The most we will pay under this Additional Coverage in any one occurrence is the policy level Utility Services – Direct Damage Coverage Limit of Insurance shown in the SCHEDULE above. This limit of insurance is part of, not in addition to, any limit of insurance otherwise applicable to the Covered Property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**UTILITY SERVICES – TIME ELEMENT COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
 EXTRA EXPENSE COVERAGE FORM

SCHEDULE

Utility Services – Business Income and Extra Expense Coverage Limit of Insurance:
Overhead Transmission Lines:

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

The following is added to the **Additional Coverages** Paragraph of Section **A. Coverage** of the applicable Business Income or Extra Expense Coverage Form shown above:

Utility Services – Time Element Coverage

- (1) We will pay for:
- (a) If Business Income applies to the described premises, the actual loss of Business Income you sustain due to the necessary “suspension” of your “operations” during the “period of restoration”; and
 - (b) If Extra Expense applies to the described premises, the actual, necessary and reasonable Extra Expense you incur during the “period of restoration”;
- when a “suspension” of “operations” at the described premises results from an interruption of utility service to that premises. The interruption in utility service must result from direct physical loss or damage caused by or resulting from a Covered Cause of Loss to the following property:
- (i) “Water supply services”;
 - (ii) “Communication supply services”; or
 - (iii) “Power supply services”;
- when such property is located more than 1,000 feet from the described premises.
- (2) “Communication supply services” and “power supply services” do not include:
- (a) Off-premises:
 - (i) Power transmission lines;
 - (ii) Utility poles; or
 - (iii) Supporting structures; or
 - (b) Overhead:
 - (i) Transmission lines; or
 - (ii) Distribution equipment;
- unless Overhead Transmission Lines are shown as “Included” in the SCHEDULE above. As used in this endorsement, transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.
- (3) This Additional Coverage does not apply if the interruption in utility service is due to your failure to comply with the terms and conditions of any contract.
- (4) This Additional Coverage does not apply to any Business Income loss or incurred Extra Expense related to interruption in utility service which causes loss or damage to “electronic data”, including destruction or corruption of “electronic data”.
- (5) Under this Additional Coverage, we will pay only for that part of a Business Income loss which occurs after the Waiting Period following the direct physical loss of or damage to the applicable “water supply services”, “communication supply services” or “power supply services”. The Waiting Period for Business Income under this Additional Coverage is the greater of:
- (a) The Waiting Period otherwise applicable to your Business Income Coverage; or

(b) 24 hours.

No coverage is provided under this Additional Coverage during the Waiting Period.

- (6)** If applicable to your policy, any coverage provided under a Flood, Earthquake and Volcanic Eruption, or Earthquake – Sprinkler Leakage endorsement does not apply to this Additional Coverage.
- (7)** The most we will pay under this Additional Coverage in any one occurrence is the policy level Utility Services – Business Income and Extra Expense Coverage Limit of Insurance shown in the SCHEDULE above. This limit of insurance is part of, not in addition to, any limit of insurance otherwise applicable to Business Income or Extra Expense at the described premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE
ENDORSEMENT**

This endorsement modifies insurance provided under the following:
COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Including Masonry Veneer Applies:	
Earthquake Flat Deductible:	
Earthquake Percentage Deductible: Earthquake Minimum Deductible:	
Per Occurrence Earthquake Limit of Insurance: Annual Aggregate Earthquake Limit of Insurance:	
Premises No.	Building No.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. This endorsement applies to Covered Property and Coverages that are located at described premises for which a limit of insurance for Earthquake is shown in the SCHEDULE above.

B. Additional Covered Causes Of Loss

The following are added to the Covered Causes of Loss:

1. Earthquake, meaning a shaking or trembling of the earth's crust that originates from naturally-occurring volcanic or tectonic forces.
 2. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.
- All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period.

C. Exclusions, Limitations And Related Provisions

1. The Exclusions and Limitation(s) sections of the Causes of Loss form apply to coverage provided under this endorsement except as provided in Paragraphs **C.2.** and **C.3.** below.
2. To the extent that a part of the Earth Movement Exclusion in this Coverage Part might conflict with coverage provided under this endorsement, that part of the Earth Movement Exclusion does not apply.

3. The Collapse Exclusion in this Coverage Part does not apply to collapse caused by Earthquake or Volcanic Eruption.
4. The Additional Coverage – Collapse in this Coverage Part does not apply to the coverage provided under this endorsement. This endorsement includes coverage for collapse caused by Earthquake or Volcanic Eruption.
5. We will not pay for loss or damage caused directly or indirectly by tidal wave or tsunami, even if attributable to an Earthquake or Volcanic Eruption.
6. We will not pay for loss or damage caused by or resulting from any Earthquake or Volcanic Eruption that begins before the inception of this insurance, except as may be provided under any Earthquake Inception Extension.
7. The Ordinance or Law Exclusion in this Coverage Part continues to apply with respect to any loss under this Coverage Part, including any loss under this endorsement, except to the extent provided by any Ordinance or Law Coverage endorsement.
8. We will not pay for loss of or damage to exterior masonry veneer (except stucco) on wood frame walls caused by or resulting from Earthquake or Volcanic Eruption. The value of such veneer will not be included in the value of Covered Property or the amount of loss when applying the Property Damage Deductible applicable to this endorsement. This limitation, **C.8.**, does not apply if:
 - a. The SCHEDULE above indicates that the Including Masonry Veneer option applies or the premises description in the Declarations specifically states “Including Masonry Veneer”; or
 - b. Less than **10%** of the total outside wall area is faced with masonry veneer (excluding stucco).
9. Under this Coverage Part, as set forth under Property Not Covered in the Coverage Form to which this endorsement is attached, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land.

D. Limit Of Insurance

1. General Information

- a. The limits of insurance described in Paragraph **2.** below:
 - (1) Apply to all covered direct and consequential loss or damage (including any coverage for Business Income or Extra Expense) arising out of Earthquake and Volcanic Eruption.
 - (2) Are included in and do not increase the limits of insurance otherwise provided under this Coverage Part.
 - (3) Apply regardless of the items or types of property; number or types of Coverages, Additional Coverages, Coverage Extensions or Optional Coverages; or number of premises or locations involved.
- b. Amounts payable under this endorsement for any item or type of property or under any Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part are subject to the limits of insurance described in Paragraph **2.** below and will not:
 - (1) Exceed the otherwise applicable property and coverage limits of insurance provided under this Coverage Part; or
 - (2) Increase the applicable limits of insurance described in Paragraph **2.** below.

2. Limits Of Insurance

For the Covered Property and Coverages shown in the SCHEDULE above that are located at described premises for which a limit of insurance for Earthquake is shown in the SCHEDULE above:

- a. The most we will pay for the total of all loss or damage that is caused by or resulting from Earthquake and Volcanic Eruption in a 12-month period (beginning with the effective date of this policy) is the Annual Aggregate Earthquake Limit of Insurance shown in the SCHEDULE above.
- b. Subject to the limit of insurance described in Paragraph **2.a.** above, the most we will pay for loss or damage caused by or resulting from Earthquake and Volcanic Eruption in any one occurrence is the Per Occurrence Earthquake Limit of Insurance if such a limit of insurance is shown in the SCHEDULE above. This limit of insurance is a part of, not in addition to, the Annual Aggregate Earthquake Limit of Insurance shown in the SCHEDULE above.

3. Ensuing Loss

If a Cause of Loss (such as Fire) is covered by means of an exception to the Earth Movement Exclusion, we will also pay for the loss or damage caused by that other Covered Cause of Loss. But the most we will pay for the total of all loss or damage caused by the Earthquake, Volcanic Eruption and other Covered Cause of Loss is the limit of insurance applicable to such other Covered Cause of Loss. We will not pay the sum of the two limits.

E. Property Damage Deductible

1. Paragraphs **E.2.**, **E.3.** and **E.4.** below apply to all Coverage Forms except:
 - a. Business Income (And Extra Expense) Coverage Form;
 - b. Business Income (Without Extra Expense) Coverage Form; and
 - c. Extra Expense Coverage Form.

2. Earthquake Flat Deductible

If an Earthquake Flat Deductible is shown in the SCHEDULE above, the following provisions apply to coverage provided under this endorsement and replace the Deductible, if any, in this Coverage Part:

- a. We will not pay for loss or damage until the amount of loss or damage exceeds the Earthquake Flat Deductible shown in the SCHEDULE above. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable limit of insurance, after any reduction required by any of the following: Coinsurance Condition, Additional Condition – Need for Adequate Insurance or Additional Condition – Need for Full Reports.
 - b. The Earthquake Flat Deductible shown in the SCHEDULE above applies to each Earthquake or Volcanic Eruption. A single Earthquake or Volcanic Eruption is defined in Section **B.** of this endorsement.
 - c. If there is loss or damage caused by Earthquake or Volcanic Eruption, and loss or damage caused by a Cause of Loss (e.g. Fire) that is covered by means of an exception to the Earth Movement Exclusion, then only the Earthquake Flat Deductible shown in the SCHEDULE above applies.
- 3. Earthquake Percentage Deductible**

If an Earthquake Percentage Deductible is shown in the SCHEDULE above, the following provisions apply to coverage provided under this endorsement and replace the Deductible, if any, in this Coverage Part:

a. Calculation Of The Deductible - All Policies

- (1) The Deductible provisions apply to each Earthquake or Volcanic Eruption.
- (2) Separate Deductibles are calculated for, and apply to, each building, personal property at each building and personal property in the open. Deductibles are separately calculated and applied even if:
 - (a) Two or more buildings sustain loss or damage;
 - (b) Personal property at two or more buildings sustains loss or damage; or
 - (c) A building and the personal property in that building sustain loss or damage.
- (3) We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition, Additional Condition – Need For Adequate Insurance or Additional Condition – Need For Full Reports.
- (4) When property is covered under the Coverage Extension for Newly Acquired or Constructed Property: In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to a percentage of the value of the property at time of loss. The applicable percentage for Newly Acquired or Constructed Property is the highest percentage shown in the SCHEDULE above for any described premises.
- (5) If there is loss or damage caused by Earthquake or Volcanic Eruption, and loss or damage caused by a Covered Cause (e.g. Fire) that is covered by means of an exception to the Earth Movement Exclusion, then the only applicable Deductible provisions are those stated in this endorsement.

b. Calculation Of The Deductible – Specific Insurance**(1) Property Not Subject To Value Reporting Forms**

- (a) In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the Earthquake Percentage Deductible shown in the SCHEDULE above of the Limit of Insurance applicable to the property that has sustained loss or damage, if the limit of insurance applying to Earthquake and Volcanic Eruption is the same as the limit applying to the Fire cause of loss; or
 - (b) A percentage of the value shown in the most recent Statement of Values on file with us, if the Earthquake and Volcanic Eruption Limit of Insurance is less than the limit applying to the Fire cause of loss.
- (2) Property Subject to Value Reporting Forms**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the Earthquake Percentage Deductible shown in the SCHEDULE above of the value of the property that has sustained loss or damage. The value to be used is the latest value shown in the most recent Report of Values on file with us.

However:

- (a) If the most recent Report of Values shows less than the full value of the property on the report dates, we will determine the deductible amount as a percentage of the full value as of the report dates.
- (b) If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as:
 - (i) A percentage of the applicable Limit of Insurance, if the limit of insurance applying to Earthquake and Volcanic Eruption is the same as the limit applying to the Fire cause of loss; or
 - (ii) A percentage of the value shown in the most recent Statement of Values on file with us, if the Earthquake and Volcanic Eruption Limit of Insurance is less than the limit applying to the Fire cause of loss.

c. Calculation Of The Deductible – Blanket Insurance

(1) Property Not Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the Earthquake Percentage Deductible shown in the SCHEDULE above of the value of the property that has sustained loss or damage. The value to be used is that shown in the most recent Statement of Values on file with us.

(2) Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the Earthquake Percentage Deductible shown in the SCHEDULE above of the value of the property that has sustained loss or damage as of the time of the loss or damage.

As used in this endorsement, the terms “specific insurance” and “blanket insurance” have the following meanings: Specific insurance covers each item of insurance (for example, each building or personal property in a building) under a separate Limit of Insurance. Blanket insurance covers two or more items of insurance (for example, a building and personal property in that building, or two buildings) under a single Limit of Insurance. Items of insurance and corresponding Limit(s) Of Insurance are shown in the Declarations.

4. Earthquake Minimum Deductible

If an Earthquake Minimum Deductible is shown in the SCHEDULE above, the following provisions apply to coverage provided under this endorsement:

The Earthquake Minimum Deductible shown in the SCHEDULE above applies to each Earthquake or Volcanic Eruption at each described premises. Per Paragraph 3. above, the Earthquake Percentage Deductible will be calculated separately for each type of property that sustains loss or damage at the described premises, but if the sum of the deductible amounts so calculated is less than the Earthquake Minimum Deductible shown in the SCHEDULE above, the Earthquake Minimum Deductible will be applied to the aggregate loss at that described premises.

F. Coinsurance

Where the Earthquake and Volcanic Eruption Coverage provided under this endorsement applies to a Coverage to which the Coinsurance Condition applies, if the same limit of insurance amount applicable to that Coverage for Fire also applies to Earthquake and Volcanic Eruption, the Coinsurance Option and percentage applying to that Coverage also applies to the Earthquake and Volcanic Eruption Coverage provided under this endorsement.

G. Business Income And Extra Expense Period Of Restoration

This Section G. is applicable only to the Coverage Forms specified below:

1. Business Income (And Extra Expense) Coverage Form;
2. Business Income (Without Extra Expense) Coverage Form; and
3. Extra Expense Coverage Form.

The “period of restoration” definition provided in the COMMERCIAL PROPERTY COVERAGE PART DEFINITIONS, or in any applicable endorsement amending the beginning of the “period of restoration”, applies to each Earthquake or Volcanic Eruption. A single Earthquake or Volcanic Eruption is defined in Section B. of this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Per Occurrence Flood Deductible:	
Per Occurrence Flood Limit of Insurance: Annual Aggregate Flood Limit of Insurance:	
Premises No.	Building No.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. This endorsement applies to Covered Property and Coverages that are located at described premises for which a limit of insurance for Flood is shown in the SCHEDULE above.

B. Additional Covered Cause Of Loss

The following is added to the Covered Causes of Loss:

Flood, meaning:

1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
2. Mudslides or mudflows which are caused by the flooding as defined in Paragraph 1. above. For the purpose of this Covered Cause of Loss, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current;
3. Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment; and
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; and
 - c. Doors, windows or other openings;

including waterborne material carried or otherwise moved by any of the water referred to in Paragraphs 1., 3., and 4. above and material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

C. Exclusions, Limitations And Related Provisions

1. The Exclusions and Limitation(s) sections of the Causes of Loss form apply to coverage provided under this endorsement except as provided in Paragraphs C.2. and C.3. below.

2. To the extent that a part of the Water Exclusion in this Coverage Part might conflict with coverage provided under this endorsement, that part of the Water Exclusion does not apply.
3. To the extent that a tsunami causes the overflow of tidal waters, the exclusion of earthquake in the Earth Movement Exclusion in this Coverage Part does not apply.
4. The Ordinance or Law Exclusion in this Coverage Part continues to apply with respect to any loss under this Coverage Part, including any loss under this endorsement, except to the extent provided by any Ordinance or Law Coverage endorsement.
5. The following exclusions and limitations are added and apply to coverage under this endorsement:
 - a. We will not pay for any loss or damage caused by or resulting from any Flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if Flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated limit of insurance for Flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to loss or damage from any Flood that begins before or within 72 hours after your request was made. If the Flood is due to the overflow of inland or tidal waters, then the Flood is considered to begin when the water first overflows its banks.
 - b. We will not pay for loss or damage caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.
 - c. Under this Coverage Part, as set forth under Property Not Covered in the Coverage Form to which this endorsement is attached, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from Flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause Flood.
 - d. We do not cover loss or damage by Flood to personal property in the open except to the extent that such coverage, if any, is specified in the SCHEDULE above.
 - e. Property Not Covered in the Coverage Form to which this endorsement is attached is amended and supplemented as follows with respect to Flood Coverage:
 - (1) Property Not Covered includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 *et seq.* and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 *et seq.*
 - (2) Property Not Covered includes boat houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
 - (3) If retaining walls that are not part of a building, bulkheads, pilings, piers, wharves or docks have been removed from Property Not Covered and added as Covered Property by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

D. Additional Coverages And Coverage Extensions

1. With respect to Flood Coverage, the Debris Removal Additional Coverage (and any additional limit for Debris Removal under a limit of insurance clause or an endorsement) is not applicable and is replaced by the following:

Debris Removal

- a. We will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from Flood. However, we will not pay to remove deposits of mud or earth from the grounds of the described premises.
- b. We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the described premises by Flood.
- c. This coverage for Debris Removal, as set forth in Paragraphs **D.1.a.** and **D.1.b.** above, does not increase the applicable limit of insurance for Flood. Therefore, the most we will pay for the total of debris removal and loss or damage to Covered Property is the limit of insurance for Flood that applies to the Covered Property at the affected described premises covered under this endorsement.

2. With respect to Flood Coverage, the Coverage Extension for Newly Acquired or Constructed Property is amended by adding the following:
 - a. With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.
 - b. With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in the Coverage Extension do not apply to Flood Coverage. Instead, the most we will pay for all loss or damage to property covered under this Coverage Extension is **10%** of the total of all limits of insurance for Flood Coverage as provided under this endorsement. Such coverage does not increase any limit of insurance for Flood.
3. With respect to any applicable Additional Coverages, Coverage Extensions or Optional Coverage contained in this Coverage Part, amounts payable under such other provisions, as set forth therein, do not increase the limit of insurance for Flood.

E. Coinsurance

Where the Flood Coverage provided under this endorsement applies to a Coverage to which the Coinsurance Condition applies, if the same limit of insurance amount applicable to that Coverage for Fire also applies to Flood, the Coinsurance Option and percentage applying to that Coverage also applies to the Flood Coverage provided under this endorsement.

F. Limit Of Insurance

1. General Information

- a. The limits of insurance described in Paragraph 2. below:
 - (1) Apply to all covered direct and consequential loss or damage (including any coverage for Business Income or Extra Expense) arising out of Flood.
 - (2) Are included in and do not increase the limits of insurance otherwise provided under this Coverage Part.
 - (3) Apply regardless of the items or types of property; number or types of Coverages, Additional Coverages, Coverage Extensions or Optional Coverages; or number of premises or locations involved.
- b. Amounts payable under this endorsement for any item or type of property or under any Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part are subject to the limits of insurance described in Paragraph 2. below and will not:
 - (1) Exceed the otherwise applicable property and coverage limits of insurance provided under this Coverage Part; or
 - (2) Increase the applicable limits of insurance described in Paragraph 2. below.

2. Limits Of Insurance

For the Covered Property and Coverages shown in the SCHEDULE above that are located at described premises for which a limit of insurance for Flood is shown in the SCHEDULE above:

- a. The most we will pay for the total of all loss or damage that is caused by or resulting from Flood in a 12-month period (beginning with the effective date of this policy) is the Annual Aggregate Flood Limit of Insurance shown in the SCHEDULE above. This is not an additional amount of insurance.
- b. Subject to the limit of insurance described in Paragraph 2.a. above, the most we will pay for loss or damage caused by or resulting from Flood in any one occurrence is the Per Occurrence Flood Limit of Insurance if such a limit of insurance is shown in the SCHEDULE above. This limit of insurance is a part of, not in addition to, the Annual Aggregate Flood Limit of Insurance shown in the SCHEDULE above.

3. Ensuing Loss

In the event of covered ensuing loss, for example, loss caused by Fire, Explosion and/or Sprinkler Leakage which results from Flood, the most we will pay for the total of all loss or damage caused by Flood, Fire, Explosion and Sprinkler Leakage is the limit of insurance applicable to Fire. We will **not** pay the sum of the Fire and Flood limits of insurance.

G. Deductible

1. The deductible for coverage provided under this endorsement is the Deductible applicable to any one occurrence of Flood as shown in the SCHEDULE above.
2. We will not pay that part of the loss that is attributable to any Deductible in a National Flood Insurance Program policy.
3. If Flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause loss or damage, then only the higher deductible applies (e.g., the Flood deductible or the Fire deductible).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**DISCHARGE FROM SEWER, DRAIN OR SUMP
 (NOT FLOOD-RELATED)**

This endorsement modifies insurance provided under the following:

- BUILDING AND PERSONAL PROPERTY COVERAGE FORM
- BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
- BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
- CONDOMINIUM ASSOCIATION COVERAGE FORM
- CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
- EXTRA EXPENSE COVERAGE FORM
- TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Discharge Limit (Property Damage)	Discharge Limit (Business Interruption)	Annual Aggregate Limitation Applies
8	1	\$100,000	\$100,000	<input checked="" type="checkbox"/>
9	1	\$100,000	\$100,000	<input checked="" type="checkbox"/>
11	1	\$100,000	\$100,000	<input checked="" type="checkbox"/>

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

A. If a Discharge Limit for Property Damage is entered in the Schedule, the following applies:

With respect to the premises identified in the Schedule, we will pay for direct physical loss or damage to Covered Property, caused by or resulting from discharge of water or waterborne material from a sewer, drain or sump located on the described premises, provided such discharge is not induced by flood or flood-related conditions.

The aforementioned references to flood include surface water, waves (including tidal wave and tsunami), tides, tidal water, and overflow of any body of water, including storm surge.

For the purpose of this endorsement, the term drain includes a roof drain and related fixtures.

B. If a Discharge Limit for Business Interruption is entered in the Schedule, the following applies:

With respect to the premises identified in the Schedule, we will pay for business income loss and/or extra expense in accordance with the terms of the Coverage Form applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraph **A**.

- C.** There is no coverage under this endorsement if:
- 1.** The discharge results from an insured's failure to perform routine maintenance or repair necessary to keep a sewer or drain or a sump, sump pump or related equipment free from obstruction and in proper working condition. This limitation does not apply to sudden mechanical breakdown of a sump pump or its related equipment, provided the breakdown is not the result of an insured's negligence; or
 - 2.** Sump pump failure is caused by or results from failure of power, unless this policy is endorsed to cover power failure affecting the described premises.
- D.** To the extent that the Water Exclusion might conflict with the coverage provided under this endorsement, the Water Exclusion does not apply to such coverage.
- E.** We will not pay the cost of repairing or replacing a sewer, drain, sump, sump pump or any related parts or equipment.
- F.** The most we will pay under this endorsement, for the total of all covered loss and expense, is the applicable Discharge Limit shown in the Schedule. Such Limit is part of, not in addition to, the Limit of Insurance applicable to the Covered Property, business income or extra expense.
- G.** If the Annual Aggregate Limitation is shown as applicable in the Schedule, then the following applies:
- The applicable Discharge Limit is an annual aggregate limit and as such is the most we will pay for the total of all covered loss and expense caused by all occurrences in a 12-month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time. Thus, if the first occurrence does not exhaust the applicable Discharge Limit, then the balance of that Limit is available for a subsequent occurrence. If an occurrence begins during one annual policy period and ends during the following annual policy period, any Discharge Limit applicable to the following annual policy period will not apply to that occurrence.
- H.** All policy provisions apply to the coverage provided under this endorsement unless otherwise indicated, including the Deductible for direct physical loss or damage and the "period of restoration" for business income and extra expense. If an occurrence results in loss payable only under this endorsement, the Deductible applicable to Fire will apply to this endorsement. But if an occurrence also causes other loss or damage that is paid under this policy, a separate Deductible will not apply to the loss or damage covered under this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISCELLANEOUS PROPERTY COVERAGE FOR GOVERNMENT RISKS

This endorsement modifies insurance provided under the following:

ADDITIONAL COVERAGES FOR GOVERNMENT RISKS

SCHEDULE

Miscellaneous Property	Per Occurrence Limit of Insurance	Per Item Limit of Insurance	Deductible
Street Lights			
Traffic Signals and Controls			
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

The following coverage is added to Paragraph 3. **Property Off-Premises Additional Coverages** of Section A. **Additional Coverages**:

Miscellaneous Property Coverage For Government Risks

- (1) We will pay for direct physical loss of or damage to the types of property for which a Limit of Insurance is shown in the SCHEDULE above that are not located at a described premises but are located within the jurisdictional boundaries of your governmental entity:
 - (a) Street Lights; and
 - (b) Traffic Signals and Controls;
 caused by or resulting from a Covered Cause of Loss.
- (2) In addition to the Exclusions and Limitations contained in this Coverage Part, this Additional Coverage does not apply to loss of or damage to traffic signs.
- (3) The most we will pay for loss or damage to any one type of property in any one occurrence under this Additional Coverage is the applicable Per Occurrence Limit of Insurance shown in the SCHEDULE above. This is additional insurance.
- (4) Subject to the applicable Per Occurrence Limit of Insurance shown in the SCHEDULE above, the most we will pay for loss or damage to any one item of any type of property in any one occurrence under this Additional Coverage is the applicable Per Item Limit of Insurance shown in the SCHEDULE above. This Per Item Limit of Insurance is part of, not in addition to, the applicable Per Occurrence Limit of Insurance shown in the SCHEDULE above.
- (5) This Additional Coverage is subject to the Per Occurrence Deductible shown in the Declarations, unless a Miscellaneous Property Deductible is shown in the SCHEDULE above.
- (6) Loss or damage subject to this Additional Coverage is not eligible for coverage under any other Coverage, Additional Coverage, Coverage Extension or Optional Coverage contained in this Coverage Part, including any other Property Off-Premises Additional Coverage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

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

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

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

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

SCHEDULE 2

Effective 07/01/2019 , this schedule forms a part of Policy No. 791-00-18-95-0000
(At the time stated in the policy)

issued to
CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS
by Atlantic Specialty Insurance Company

Liability Coverage Part Declarations, ASC 00 05 01 98, Continued:

Forms Applicable to the Liability Coverage Part:

ASC 00 05 01 98	LIABILITY COVERAGE PART DEC
CG 21 71 01 15	EXCL- OTHER ACTS OF TERRORISM; CAP ON CERTIFIED LOSSES
GRS GL 101 01 16	COMMERCIAL GENERAL LIABILITY COVERAGE FORM
GRS GL 200 01 16	EXCL - DESIGNATED PREMISES OR OPERATIONS
GRS GL 210 01 16	EXCL - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA RELATED LIABILITY; COMPUTER OR COMPONENTS; NETWORK SECURITY OR HACKING EVENT
VCG 100 10 98	LIABILITY SCHEDULE
ASC 00 11 01 98	Schedule 2 - LIABILITY FORMS LIST

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LIABILITY COVERAGE PART DECLARATION

Limits of Insurance

General Aggregate	\$2,000,000
Products/Completed Operation Aggregate	\$2,000,000
Coverage A Bodily Injury and Property Damage	\$1,000,000 Each Occurrence
Coverage B Personal and Advertising Injury	\$1,000,000
Coverage A & B Loss Only Deductible	\$0 Each Occurrence or Offense
Damage to Premises Rented to You	\$1,000,000 Each Occurrence
Coverage C Health Care and Social Services Deductible	\$1,000,000 Each Wrongful Act \$0 Each Wrongful Act
Medical Expense	Not Covered
Failure to Supply	\$1,000,000 Each Occurrence
Sexual Abuse	\$1,000,000 Each Occurrence

Forms applicable to the Liability Coverage Part:

See ASC 00 11 01 98, Schedule 2

3 0-00-0000 07/24/2019 P1B CPW PR 1.000

CLASS	CLASS DESCRIPTION LOCATION AND PREMIUM BASIS						
44114	General purpose government risks organized as cities, towns, townships, villages or boroughs Subline(s): 334 Premises/Operations <table data-bbox="245 422 1040 485"> <tr> <td data-bbox="245 422 305 453">Loc</td> <td data-bbox="342 422 418 453">Bldg</td> <td data-bbox="857 422 1040 453">Subline(s)</td> </tr> <tr> <td data-bbox="285 453 305 485">3</td> <td data-bbox="399 453 418 485">1</td> <td data-bbox="857 453 917 485">334</td> </tr> </table>	Loc	Bldg	Subline(s)	3	1	334
Loc	Bldg	Subline(s)					
3	1	334					
48727	Streets, Roads, Highways or Bridges - existence and maintenance hazard only Subline(s): 334 Premises/Operations 336 Products/Completed Operations <table data-bbox="245 705 1040 768"> <tr> <td data-bbox="245 705 305 737">Loc</td> <td data-bbox="342 705 418 737">Bldg</td> <td data-bbox="857 705 1040 737">Subline(s)</td> </tr> <tr> <td data-bbox="285 737 305 768">3</td> <td data-bbox="399 737 418 768">1</td> <td data-bbox="857 737 1015 768">334, 336</td> </tr> </table>	Loc	Bldg	Subline(s)	3	1	334, 336
Loc	Bldg	Subline(s)					
3	1	334, 336					

Note: See reverse side for definition of premium basis

Definition of Premium Basis

When used as a premium basis:

"admissions" means the total number of persons, other than employees of the named insured, admitted to the event insured or to events conducted on the premises whether on paid admission tickets, complimentary tickets or passes.

"cost" means total cost of all work let or sublet in connection with each specific project including: the cost of all labor, materials and equipment furnished, used or delivered for use in the execution of the work and all fees, bonuses or commissions made, paid or due.

"area" means the total number of square feet or floor space at the insured premises.

"payroll" means remuneration (all money or substitutes for money) earned during the policy period by proprietors and by all employees of the named insured subject to any overtime earnings or limitation of payroll rule applicable in accordance with the manuals in use by the Company.

"sales" means the gross amount charged by the named insured, concessionaires of the named insured or by other trading under the insured's name for all goods or products sold or distributed, for operations performed during the policy period and for rentals subject to the limitation sales rule applicable in accordance with the manuals in use by the Company.

"each" means a unit of exposure whose quantity is indicated in the classification footnotes in the manual used by the Company, such as "per person."

"unit" (primarily applicable to apartment buildings and condominiums) means a single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together or by a person living alone.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

for Government Risks

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. We have no duty to provide coverage unless there has been full compliance with all the **SECTION IV – GENERAL LIABILITY CONDITIONS**.

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" that may result. But:

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

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS – COVERAGES A, B AND C**.

- 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, in whole or in part, 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, in whole or in part, 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, in whole or in part, or has begun to occur, changed, continued or resumed.

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury Or Damage

"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. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **b.(1)** applies even if the "claim" against any insured alleges 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 that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **b.(2)** applies even if the "claim" against any insured alleges 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 (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **b.(2)** does not apply to:

- (a) A watercraft while ashore on premises you own or rent;
- (b) A watercraft you do not own that is not being used to carry persons or property for a charge;
- (c) A watercraft you own that is not powered by a motor, or powered by a motor or a combination of motors of 300 horsepower or less, or a personal watercraft;
- (d) 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;
- (e) Liability assumed by you under an "insured contract" for the ownership, maintenance or use of aircraft or watercraft, provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- (f) "Bodily injury" or "property damage" arising out of:

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

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

(g) An aircraft chartered with crew and pilot. This exception does not apply if the aircraft is owned by you or the aircraft is being used to carry any person or property for a charge.

c. Asbestos, Nuclear

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to:

(1) Any asbestos or asbestos-containing materials; or

(2) Any radioactive matter or nuclear material.

d. Contractual Liability

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

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

(b) Such attorneys' fees and litigation expenses are for defense of that party against a "suit" in which damages to which this insurance applies are alleged.

e. Dam, Reservoir or Levee Structural Failure or Collapse

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to the structural failure, collapse, bursting, flooding, cracking, settling, seepage, underseepage, subsidence, landslide or earth movement of any dam, reservoir or levee.

This exclusion does not apply to "bodily injury" or "property damage" arising out of the structural failure, collapse, bursting, flooding, cracking, settling, subsidence, landslide or earth movement of any dam, reservoir or levee which is scheduled in the policy declarations.

f. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising directly or indirectly out of, or in any way related to:

(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.

g. Damage To Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of

such property for any reason, including prevention of injury to a person or damage to another's property;

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

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 30 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in **SECTION III – LIMITS OF INSURANCE**.

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

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

Paragraph (5) of this exclusion does not apply to "property damage" resulting from actions taken to protect persons or property by your fire, ambulance or rescue services.

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

h. Damage To Your Product

"Property damage" to "your product" arising directly or indirectly out of, or in any way related to it or any part of it.

i. Damage To Your Work

"Property damage" to "your work" arising directly or indirectly out of, or in any way related to 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.

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

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

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

k. Electronic Data

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

I. Eminent Domain or Condemnation

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to any impairment, deprivation or destruction of property, including loss of use or diminution in value thereof, resulting from proceedings in eminent domain or from inverse condemnation, by whatever name called.

m. Employer's Liability

"Bodily injury" to:

(1) An "employee" or elected or appointed official of any insured arising out of and in the course of:

(a) Employment by any insured; or

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

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

This exclusion applies whether any 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 you under an "insured contract".

n. Employment Practices and Employee Benefit Plans

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to your "employment practices" or "administration" of your "employee benefit plans".

o. Failure to Supply

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to the failure to adequately supply electricity, gas, oil, steam, or water service.

However, we won't apply this exclusion if the failure to supply results from the sudden and accidental injury to tangible property owned or used by any insured to obtain, produce, process or transmit such service.

Nor will we apply this exclusion if there is a Failure to Supply limit greater than zero shown in the Declarations.

p. Fungi or Bacteria

(1) "Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to the actual, alleged, or threatened inhalation of, ingestion of, contact with, dispersal, 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.

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

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

q. Health Care and Social Services

"Bodily injury" arising directly or indirectly out of, or in any way related to a "health care and social services wrongful act", or services provided by any medical doctor, wherever provided.

r. Law Enforcement Activity

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to any "law enforcement activity".

s. Liquor Liability

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

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

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

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

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

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

t. Mobile Equipment

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to:

- (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.

u. Personal And Advertising Injury

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to "personal and advertising injury".

v. Pollution

- (1) "Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time:
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising directly or indirectly out of, or in any way related to 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) Any "claim" 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".

However, this paragraph (2) does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such "claim" by or on behalf of a governmental authority.

- (3) This exclusion does not apply to "bodily injury" or "property damage" that results from:
 - (a) Chemicals you use in your sewage treatment, swimming pool maintenance, or water purification operations; or
 - (b) Natural gas or propane gas you use in your sewage treatment, swimming pool maintenance, or water purification operations; or
 - (c) The application of any pesticide or herbicide by or for you if such application or use meets all legal or license requirements of any governmental agency or authority which apply to it.

Also, we won't apply this exclusion to "bodily injury" or "property damage" that results from the application or use of any "pollutants" in the providing of:

- (d) "Potable water" which you supply to others; or

- (e) Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you; or
 - (f) "Training operations" by you; or
 - (g) Water runoff from the cleaning of equipment used in an "emergency service activity".
- (4) This exclusion does not apply to "bodily injury" or "property damage" to a building or its contents if such "bodily injury" or "property damage" is caused by the escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if "bodily injury" or "property damage" occurs away from land you own or lease; and does not result from any corrosive or radioactive "pollutants" in the sewage or waste water.

Paragraphs (3) and (4) of this exclusion only apply if the discharge is accidental, unintended and stopped as soon as possible. The entirety of any discharge or series of related discharges will be deemed a single discharge regardless of the length of time over which the "pollutants" are released. The entirety of any discharge or series of related discharges will be deemed to have occurred at the date the earliest discharge commenced.

Discharge as used in this exclusion includes dispersal, seepage, migration, release or escape.

w. Recall Of Products, Work Or Impaired Property

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to 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.

x. Sexual Harassment

"Bodily injury" arising directly or indirectly out of, or in any way related to "sexual harassment" of any person.

y. Sexual Abuse

"Bodily injury" arising directly or indirectly out of, or in any way related to "sexual abuse" of any person or the negligent:

- (1) Employment;
- (2) Investigation;
- (3) Supervision;
- (4) Reporting to the proper authorities, or failing to so report; or
- (5) Retention;

of any person who actually or allegedly committed or attempted to commit "sexual abuse" for whom any insured is or ever was legally responsible.

However, we won't apply this exclusion to you, if there is a Sexual Abuse limit greater than zero shown in the Declarations.

z. Volunteer Firefighters

"Bodily injury" or "property damage" to any volunteer firefighter, emergency medical services, first aid, or rescue squad volunteer, that results from his or her duties as a volunteer for you or anyone else.

aa. War

"Bodily injury" or "property damage", however caused, arising directly or indirectly out of, or in any way related to:

- (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.

bb. Workers' Compensation And Similar Laws

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

cc. Aviation & Airports

Any loss, cost or expense arising directly or indirectly out of, or in any way related to aviation or the ownership, maintenance, use, operations or services of any "airport".

dd. Hospitals

Any loss, cost or expense arising directly or indirectly out of, or in any way related to the:

- (1) Performing of or failure to perform any services at any hospital; or
- (2) The ownership, maintenance, use or operations of any hospital.

ee. Nursing, Assisted Living, Senior, Hospice, Long-Term Care Or Retirement Homes Or Facilities

Any loss, cost or expense arising directly or indirectly out of, or in any way related to the:

- (1) Performance of or failure to perform any services at any nursing, assisted living, senior citizen, hospice, long-term care, retirement home or similar residential facility; or
- (2) Ownership, maintenance, use or operations of any such facility.

Exclusions **b., f., g., h., i., m., r., s., t., w., aa.** and **bb.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE.**

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

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

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

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS – COVERAGES A, B AND C.**

- 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 and advertising injury" caused by malicious prosecution.

b. **Breach Of Contract**

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to breach of contract, except an implied contract to use another's advertising idea in your "advertisement"; or any "claim" against any insured arising directly or indirectly out of, or in any way related to tortious interference with a contract or business relations.

c. **Contractual Liability**

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

d. **Criminal Acts**

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to a criminal act committed by or at the direction of the insured.

e. **Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to any action or omission that violates or is alleged to violate;

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

f. **Electronic Chatrooms, Bulletin Boards Or Web Logs**

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to electronic chatrooms, bulletin boards or web logs any insured hosts, owns, or over which any insured exercises control.

g. **Eminent Domain or Condemnation**

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to any impairment, deprivation or destruction of property, including loss of use or diminution in value thereof, resulting from proceedings in eminent domain or from inverse condemnation, by whatever name called.

h. **Employment Practices**

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to your "employment practices" or "administration" of your "employee benefit plan".

i. **Health Care and Social Services**

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to a "health care and social services wrongful act", or services provided by any medical doctor, wherever provided, or any services provided by a nurse at a nursing home, hospice or similar residential facility.

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

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to the infringement of copyright, patent, trademark, trade dress, trade name, trade secret or other intellectual

property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

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

k. Insureds In Media And Internet Type Businesses

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

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

However, this exclusion does not apply to Paragraphs **24.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

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

l. Law Enforcement Activity

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to any "law enforcement activity".

m. Material Published Prior To Policy Period

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

n. Material Published With Knowledge Of Falsity

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

o. Pollution

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

p. Pollution-related

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to 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) Any "claim" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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

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

r. Sexual Harassment

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to "sexual harassment" or "sexual abuse".

s. Unauthorized Use Of Another's Name Or Product

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

t. Volunteers

"Personal and advertising injury" to any volunteer firefighter, emergency medical services, first aid, or rescue squad volunteer, that results from his or her duties as a volunteer for you or anyone else.

u. War

"Personal and advertising injury", however caused, arising directly or indirectly out of, or in any way related to:

- (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.

v. Wrong Description Of Prices

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to the wrong description of the price of goods, products or services stated in your "advertisement".

w. Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the "claim" against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- (1) The use of another's advertising idea in your "advertisement"; or
- (2) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

COVERAGE C – HEALTH CARE AND SOCIAL SERVICES LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" arising out of a "health care and social services wrongful act" if a limit for Coverage **C** is shown in the Declarations. 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 a "healthcare and social services wrongful act" to which this insurance does not apply. We may at our discretion investigate any "health care and social services wrongful act" and settle any "claim" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III – LIMITS OF INSURANCE**; and

- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided under **SUPPLEMENTARY PAYMENTS – COVERAGES A, B AND C** or medical expenses under **COVERAGE D**.

- b. This insurance applies to damages because of "bodily injury" arising out of a "health care and social services wrongful act" only if:
 - (1) The damages are caused by a "health care and social services wrongful act" arising out of your operations; and
 - (2) The "health care and social services wrongful act" takes place in the "coverage territory" during the policy period.

2. Exclusions

All exclusions under **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** apply to this **COVERAGE C**, except that exclusion **q. Health Care and Social Services** under **COVERAGE A** will not apply.

All exclusions under **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY** apply to this **COVERAGE C**, except that exclusion **i. Health Care and Social Services** under **COVERAGE B** will not apply.

In addition, this insurance does not apply to:

a. Medical Doctors

Any loss, cost or expense arising directly or indirectly out of, or in any way related to the performance of or failure to perform any professional medical services by any medical doctor, wherever provided.

b. Fraudulent, Dishonest, Criminal Or Malicious Acts Or Willful Violations

Any loss, cost or expense arising directly or indirectly out of, or in any way related to any fraudulent, dishonest, criminal or malicious act or the willful violation of any statute, ordinance or regulation committed by or with the knowledge of the insured. However, we will defend the insured for a "suit", subject to the other terms of this coverage part, until either a final judgment or adjudication establishes such an act or willful violation, or the insured confirms such act or willful violation.

c. Jail Nurses Or Other Medical Worker At A Jail

Any loss, cost or expense arising directly or indirectly out of, or in any way related to the performance of or failure to perform any services by a jail nurse or other medical worker at a jail.

COVERAGES D – 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. Correctional And Similar Facilities

To a person injured while being detained, held, or imprisoned in any correctional facility, jail, penal institution, penitentiary, prison, or similar facility.

c. Day Camps Or Overnight Camps

To a person injured while attending or taking part in any day or overnight camp which you operate or sponsor.

d. Day Care Centers

To a person injured while attending or being cared for in any adult or child day care center.

e. Hired Person

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

f. Injury On Normally Occupied Premises

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

g. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

h. Recreation Programs And Athletics Activities

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

i. 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.

j. Coverage A Exclusions

Excluded under Coverage A.

YOUR DEDUCTIBLE – COVERAGES A, B AND C

Our obligation to pay damages on your behalf applies only to the amount of damages in excess of any Deductible Amount shown in the Declarations for Coverage A Property Damage Each Occurrence, Coverage A and Coverage B Each Occurrence or Each Offense, or Coverage C Each Wrongful Act. **SUPPLEMENTARY PAYMENTS – COVERAGES A, B AND C** will not be reduced by the application of the Deductible Amount.

1. Limits of Insurance applicable to each occurrence, offense or wrongful act will not be reduced by the Deductible Amount. Aggregate limits applicable to Coverage **A**, Coverage **B** or Coverage **C** will not be reduced by the application of the Deductible Amount.
2. The Deductible Amount applies only to damages for each occurrence, offense or wrongful act regardless of the number of insureds, persons, or organizations making "claims" or "claims" made because of such occurrence, offense or wrongful act.
3. The terms of this insurance, including those with respect to:
 - a. Our right and duty to defend any "suits" seeking those damages; and
 - b. Your duties in the event of an occurrence, offense, wrongful act or "claim";apply irrespective of the application of the Deductible Amount.
4. We may pay any part or all of the Deductible Amount to effect settlement of any "claim" and, upon notification of the action taken; you shall promptly reimburse us for such part of the Deductible Amount paid by us.

SUPPLEMENTARY PAYMENTS – COVERAGES A, B AND C

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 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, nor will we be a principal under 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, nor will we be a principal under these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation of a "claim" or defense of a "suit", including actual loss of earnings up to \$1,000 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit", but only for that portion of the judgment we are obligated to pay. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured. Instead, those costs, if awarded or paid in a settlement for a covered "claim", will be subject to **SECTION III – LIMITS OF INSURANCE**.
 - 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.
 - h. The costs of any required appeal bond, but only for bond amounts for that portion of the judgment that is for damages that we are obligated to pay and which are within the applicable limit of insurance. We will pay or reimburse you for the cost of higher appeal bond amounts if we are required to do so. We do not have to furnish these bonds, nor will we be a principal under these bonds.

These payments will not reduce the limits of insurance. However, our duty to make such payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

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", offense, or "health care and social services wrongful act" 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.d.(2)** of Section I – Coverage **A** – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

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

SECTION II – WHO IS AN INSURED

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

- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. If you are designated in the Declarations as a governmental unit, you are an insured. Your operating authorities, boards, commissions, districts or any other governmental units are an insured, provided that you operate, control, and fund the authority, board, commission, district or any other governmental unit and to which no other similar insurance is available, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.
 - f. 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 current or previously elected or appointed officials while performing duties related to the conduct of your business.
 - b. Your current or previously elected or appointed officials of your operating authorities, boards, commissions, districts or any other governmental units, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.
 - c. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
 - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
 - (d) Arising out of his or her providing or failing to provide professional health care services unless that person is not a medical doctor or nurse; and is acting as a good Samaritan in response to an accident or public emergency. This subparagraph does not apply to Coverage C.
 - (2) "Property damage" to property:
 - (a) Owned, occupied or used by; or
 - (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).
 - d. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - e. 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.
 - f. Upon death of an insured, that insured's legal representative, but only with respect to duties as such. That representative will have all the rights and duties of such insured under this Coverage Part.

3. If you are an organization other than a partnership or joint venture, any organization you newly acquire or form over which you exercise controlling interest and actively manage and to which no other similar insurance is available will be deemed to be a named insured.
 - a. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization;
 - b. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization; and
 - c. Coverage **C** does not apply to injury arising out of a "health care and social services wrongful act" committed before you acquired or formed the organization.
 4. Any person or organization with whom you agreed, because of a written contract or written agreement to provide insurance is an insured.
 - a. The above applies only with respect to "your work", "your product" or premises owned or used by you.
 - b. The above does not apply unless the written contract or written agreement has been executed prior to the "bodily injury", "property damage", or "personal and advertising injury".
 - c. The Limits of Insurance applicable to the additional insured are those specified in the written contract or written agreement in the Declarations for this policy, whichever are less. The Limits of Insurance are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.
- However, no such person or organization under contract is an insured for "bodily injury", "property damage", or "personal and advertising injury" that results from its sole negligence.

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
 - c. Persons or organizations making "claims".
2. The General Aggregate Limit is the most we will pay for the sum of all:
 - a. Medical expenses under Coverage **D**;
 - 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**; and
 - d. Damages under Coverage **C**.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for the sum of all damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of all:
 - a. Damages under Coverage **A**;
 - b. Damages under Failure to Supply Coverage;
 - c. Damages under Sexual Abuse Coverage; and

- d. Medical expenses under Coverage D;
because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph 2. above, the Each Wrongful Act Limit is the most we will pay for damages under Coverage C.
 7. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
 8. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage D for all medical expenses because of "bodily injury" sustained by any one person.
 9. If one "occurrence", offense or "health care and social services wrongful act" causes "bodily injury", "property damage", "personal and advertising injury" or injury during this policy period, which is otherwise covered, and during the policy period of one or more prior and/or future policies that include a general liability coverage part for the insured issued by us or any affiliated insurance company, which is otherwise covered, the amount we will pay is limited as follows: This policy's Each Occurrence Limit, or Each Offense Limit or Each Health Care and Social Services 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", offense or "health care and social services wrongful act".

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 – 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, Wrongful Act, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence", offense or wrongful act which may result in a "claim". To the extent possible, notice should include:
 - (1) How, when and where the "occurrence", offense or wrongful act 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", offense or wrongful act.
- b. If a "claim" is made against any insured, you must:
 - (1) Immediately record the specifics of the "claim" and the date received; and
 - (2) Notify us as soon as practicable.You must see to it that we receive written notice of the "claim" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and

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

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

3. Legal Action Against Us

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

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

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

4. Other Insurance

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

Other Insurance means insurance, or the funding of losses, that is provided by or through:

- Another insurance company;
- Any of our affiliated insurance companies;
- Any risk retention group;
- Any self-insurance, group self-insurance, or similar risk transfer approach, other than any funded by you and to which this coverage part applies.

However, other insurance does not mean umbrella or excess insurance issued to you to apply in excess of the limits of this coverage part.

a. Primary Insurance

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

b. Excess Insurance

(1) This insurance is excess over:

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

- (2) When this insurance is excess, we will have no duty under Coverages **A**, **B** or **C** to defend any 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. Risk Transfer

Whenever you enter into an agreement with another party requiring the other party to provide liability insurance to you, this Coverage Part will be excess over any other valid and collectible insurance that has been provided to you, except insurance specifically arranged to be excess of this Coverage Part.

When this insurance is excess, we will have no duty under Coverages **A**, **B** or **C** to defend any 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.

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.
- d. We may waive this condition at our option.

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 error or omission in any information provided by you will not be deemed to be a misrepresentation. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or non-renewal.

7. Separation Of Insureds

Except with respect to all exclusions contained within **SECTION I – COVERAGES, SECTION III – LIMITS OF INSURANCE**, Paragraphs **b.(3)** and **d.(1)-(3)** of Coverage **A**, 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 a "claim" is made.

8. Transfer Of Rights Of Recovery Against Others To Us

If any 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. "Administration" means any of the following acts that you do or authorize a person to do:
 - a. Counseling "employees", "volunteer workers" or elected or appointed officials, other than giving legal advice, on "employee benefit plans";
 - b. Interpreting your "employee benefit plans";
 - c. Handling records for your "employee benefit plans"; and
 - d. Effecting enrollment, termination or cancellation of "employees", "volunteer workers" or elected or appointed officials under your "employee benefit plans".
2. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
3. "Airport" means a facility that provides space for aircraft to take off and land, including accommodations for passengers or cargo, any and all airfields, runways, hangars, parking lots, buildings and other properties in connection with aviation activities.
4. "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".
5. "Bodily injury" means physical harm, sickness or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" also includes mental anguish, emotional distress, or illness if the mental anguish emotional distress or illness results from such physical harm, sickness or disease at any time.

"Bodily injury" also includes loss of care or services resulting from such physical harm, sickness or disease at any time.

6. "Claim(s)" means an oral or written demand for payment of money damages, including a "suit".
7. "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.

8. "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.
9. "Emergency Service Activity" means:
 - a. All operations conducted by your firefighting, emergency medical services, or rescue squad units; and
 - b. Which are sanctioned by you.
10. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
11. "Employee benefit plan" means group life insurance, group accident or health insurance, profit sharing plans, pension plans, employee stock subscription plans, employee travel, vacation, or savings plans, workers compensation, unemployment insurance, social security and disability benefits insurance, and any other similar benefit program applying to "employees", "volunteer workers" or elected or appointed officials.
12. "Employment practices" means an actual or alleged improper employment related practice, policy, act, omission or supervision involving an actual, prospective or former "volunteer worker", "employee" or elected or appointed officials.
13. "Executive officers" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
14. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by "fungi".
15. "Health care and social services wrongful act" means a negligent error, omission or act:
 - a. In the performance of or failure to perform health care services by your "employee" or "volunteer worker" who is a first responder, nurse, emergency medical technician or paramedic, but only while acting within the scope of his or her duties to you and while handling a patient:
 - (1) At the place where the patient is accepted for movement into or onto a means of transport to a medical facility;
 - (2) During transport to a medical facility; or
 - (3) During movement from the means of transport into the medical facility where the patient is delivered.
 - b. In the performance of or failure to perform social services by your "employee" or "volunteer worker" who is licensed, certified or trained to perform social services, including counseling, advice and instruction, but only while acting within the scope of his or her duties to you and while handling a patient or client at your:

- (1) Social services department;
 - (2) Department of health and human services;
 - (3) Health clinic; or
 - (4) Substantially similar department or operation.
- c. Relating to the dispatching of, including the failure or refusal to dispatch, personnel to provide any of the services in **a.** above.
- 16.** "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
- 17.** "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.
- 18.** "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement,;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph **f.** does not include that part of any contract or agreement:
- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (2) 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 **(1)** above and supervisory, inspection, architectural or engineering activities.
- 19.** "Law enforcement activity(ies)" means:
- a. Any official activity conducted in the course of your law enforcement operations;
 - b. Any officially sanctioned off-duty activity conducted in the course of law enforcement operations;
 - c. Ownership, maintenance, operation or use of any premises by your law enforcement operations;
 - d. Any criminal prosecution activity by judicial officers, prosecution attorneys and their staff, including public defenders, criminal defense attorneys and their staff; or
 - e. Emergency services dispatch operations conducted by you.

- 20.** "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".
- 21.** "Loading or unloading" means the handling of property:
- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b.** While it is in or on an aircraft, watercraft or "auto"; or
 - c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
- 22.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b.** Vehicles maintained for use solely on or next to premises you own or rent;
 - c.** Vehicles that travel on crawler treads;
 - d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1)** Power cranes, shovels, loaders, diggers or drills; or
 - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2)** Cherry pickers and similar devices used to raise or lower workers;
 - f.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.
- However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
- (1)** Equipment designed primarily for:
 - (a)** Snow removal;
 - (b)** Road maintenance, but not construction or resurfacing; or
 - (c)** Street cleaning;
 - (2)** Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
- However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged or designated as covered autos under your automobile liability insurance. Instead, those land vehicles are considered "autos".
- 23.** "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 24.** "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- 25.** "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.
- 26.** "Potable water" means water intended and provided for human consumption.
- 27.** "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.
- 28.** "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.
- 29.** "Sexual Abuse" means any actual, attempted or alleged sexual conduct by a person, or by persons acting in concert, which causes injury. "Sexual abuse" includes sexual molestation, sexual assault, sexual exploitation or sexual injury, but does not include "sexual harassment".
- 30.** "Sexual harassment" means any actual, attempted, or alleged unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature by a person, or persons acting in concert, which causes injury. "Sexual harassment" includes:

- a. The above conduct when submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or
 - b. The above conduct when such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.
31. "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.
32. "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.
33. "Training Operations" means activities used to prepare, train, or instruct members of a fire department, emergency medical services unit, or rescue squad in accepted and recognized emergency procedures, including municipal, state and federal standards.
34. "Unmanned aircraft" means an aircraft that is not:
- a. Designed;
 - b. Manufactured; or
 - c. Modified after manufacture;
- to be controlled directly by a person from within or on the aircraft.
35. "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.
36. "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.
37. "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 OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the "coverage territory". However, this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25,000,000 (valued in U.S. dollars). In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or

- c. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

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

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

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
- b. The act resulted in damage:
 - (1) Within the United States (including its territories and possessions and Puerto Rico); or
 - (2) Outside of the United States in the case of:
 - (a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
 - (b) The premises of any United States mission; and
- c. 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.

3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism".

Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.
- D. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
EXCLUSION – DESIGNATED PREMISES, PROJECT OR OPERATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART (CLAIMS-MADE)

SCHEDULE

Premises:

All Locations

Project or Operation:

City of Manchester School System

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

The following exclusion is added to the policy:

This insurance does not apply to "bodily injury", "property damage", "personal and advertising injury", "health care or social services wrongful acts" or medical expenses arising directly or indirectly out of, or in any way related to the premise, project or operation shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY; COMPUTER OR COMPONENTS; NETWORK
SECURITY OR HACKING EVENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART (CLAIMS-MADE)

A. The following replaces Exclusion k., Electronic Data, of Paragraph 2., Exclusions, of SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

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

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to:

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

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

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

Access Or Disclosure Of Confidential Or Personal Information

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

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

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

Computer Or Computer Components

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to the creation, development, design, manufacture, programming, leasing, licensing, distribution, assembly, installation, alteration, modification or sale of any:

- (1) Computer;
- (2) Computer component, including any hardware, network, terminal device, data storage device, input and output device or back-up facility;
- (3) System, including an application, program, software, code or script; or
- (4) "Electronic data".

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

Computer Or Computer Components

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to the creation, development, design, manufacture, programming, leasing, licensing, distribution, assembly, installation, alteration, modification or sale of any:

- (1) Computer;
- (2) Computer component, including any hardware, network, terminal device, data storage device, input and output device or back-up facility;
- (3) System, including an application, program, software, code or script; or
- (4) "Electronic data".

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

Network Security or Hacking Event

"Bodily injury" or "property damage" arising directly or indirectly out of, or in any way related to any "network security or hacking event".

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

Network Security or Hacking Event

"Personal and advertising injury" arising directly or indirectly out of, or in any way related to any "network security or hacking event".

- G. The following is added to the **DEFINITIONS SECTION**:

"Network security or hacking event" means the failure or inability of any:

- a. Computer;
- b. Computer component, including any hardware, network, terminal device, data storage device, input and output device or back-up facility; or
- c. System, including an application, program, software, code or script;

to perform or function as planned or intended, including the failure or inability of any system to prevent any hack, virus, contaminant, worm, trojan horse, logic bomb or unauthorized or unintended access or use of any such system.

SCHEDULE 3

Effective 07/01/2019 , this schedule forms a part of Policy No. 791-00-18-95-0000
(At the time stated in the policy)

issued to
CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS
by Atlantic Specialty Insurance Company

Commercial Auto Coverage Part Declarations, ACA 01 03 10,
Continued:

Forms Applicable to the Auto Coverage Part:

ACA 01 03 10	BUSINESS AUTO DEC (PART I)
ACA 02 03 10	BUSINESS AUTO DEC (PART II)
ACA 03 03 10	BUSINESS AUTO DEC (PART III)
CA 00 01 10 13	BUSINESS AUTO COVERAGE FORM
CA 01 46 10 13	TN CHANGES
CA 20 02 10 13	AUDIO VISUAL DATA ELEC EQUIP- FIRE POLICE EMERGENCY VEHICLES
CA 20 18 10 13	PROFESSIONAL SERVICES NOT COVERED
CA 21 20 11 17	TN UM COVERAGE
CA 23 84 10 13	EXCLUSION OF TERRORISM
CA 99 03 10 13	AUTO MEDICAL PAYMENTS COVERAGE
CA 99 54 10 13	COVERED AUTO DESIGNATION SYMBOL
GRS CA 400 06 18	BROAD FORM AUTO ENDORSEMENT - GOVERNMENT RISKS
GRS CA 401 09 10	AGREED AMOUNT VALUATION - PHYSICAL DAMAGE COVERAGE
IL 00 21 09 08	NUCLEAR ENERGY LIABILITY EXCL (n/a to NY or WA)
ASC 00 11 01 98	Schedule 3 - AUTO FORMS LIST
ASC 00 11 01 98	Schedule 4 - AUTO COMPOSITE RATE SCHEDULE
ASC 00 11 01 98	Schedule 5 - UNINSURED MOTORIST
ASC 00 11 01 98	Schedule 6 - AGREED AMOUNT VALUATION - PHYSICAL DAMAGE - SCHEDULE

3 0-00-0000 07/24/2019 P1B CPW PR 1.000

Business Auto Declarations (Part I)

ITEM **ONE** This Declarations Page is issued with and is part of Policy No. 791-00-18-95-0000

Business Entity: Governmental Entity
See Common Policy Declarations 4 VIL 100 for additional information.

ITEM **TWO** **Schedule of Coverages and Covered Autos**

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos." "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

COVERAGES	COVERED AUTOS	LIMIT	PREMIUM	
LIABILITY INSURANCE	1	\$ 1,000,000	\$ 1,697	
PERSONAL INJURY PROTECTION (P.I.P.) (or equivalent No-fault Coverage)		Separately Stated In Each P.I.P. Endorsement Minus \$ Deductible	\$	
ADDED PERSONAL INJURY PROTECTION (or equivalent Added No-fault Coverage)		Separately Stated In Each Added P.I.P. Endorsement	\$	
PROPERTY PROTECTION INSURANCE (P.P.I.) (Michigan only)		Separately Stated In The P.P.I. Endorsement Minus \$ Deductible For Each Accident	\$	
AUTO MEDICAL PAYMENTS INSURANCE	2	\$ See Item Three Extension	\$ Included	
UNINSURED MOTORISTS INSURANCE	2	\$ See ASC 00 11 01 98, Schedule 5	\$ Included	
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage) (Not Applicable in New York)		\$	\$	
PHYSICAL DAMAGE INSURANCE	COMPREHENSIVE COVERAGE	10	ACTUAL CASH VALUE OR COST OF REPAIR WHICHEVER IS LESS MINUS \$See Deductible For Each Covered Auto. But No Deductible Applies to Loss Caused by Fire or Lightning. See Item Four for Hired or Borrowed Autos.	\$ Included
	SPECIFIED CAUSES OF LOSS COVERAGE			\$See Deductible For Each Covered Auto For Loss Caused By Mischief Or Vandalism. See Item Four for Hired or Borrowed Autos.
	COLLISION COVERAGE	10	\$See Deductible For Each Covered Auto See Item Four For Hired Or Borrowed Autos	
	TOWING AND LABOR			\$ for each disablement of a private passenger auto
Automobile Terrorism			\$	
			\$	
			\$	
			\$	
Estimated Total Premium Includes Composite Rated Coverages			\$ 53,217	
PREMIUM FOR ENDORSEMENTS			\$	
ESTIMATED TOTAL PREMIUM			\$ 54,914	

ENDORSEMENTS ATTACHED TO THIS POLICY:
See ASC 00 11 01 98, Schedule 3

REFER TO COVERED AUTO SECTION OF THE BUSINESS AUTO COVERAGE FORM FOR DESCRIPTION OF COVERED AUTO DESIGNATION SYMBOLS 1 THROUGH 9.

For Symbol 10

Refer to CA 99 54 10 13 for additional Covered Auto Designation Symbols

Business Auto Declarations

(Part II)

ITEM **THREE** Schedule of Covered Autos You Own

Policy Number: 791-00-18-95-0000

Covered Auto No.	DESCRIPTION	PURCHASED		Territory: Town & State
	Year, Model, Trade Name, Body Type, Serial Number(s), Vehicle Identification Number (VIN)	Original Cost New	Actual Cost New (N) Used (U)	Where The Covered Auto Will Be Principally Garaged
	Composite Truck Per Schedule on File with Company			TN (41)
	Composite Trailer Per Schedule on File with Company			TN (41)
	Composite Private Passenger Per Schedule on File with Company			TN (41)
	Composite Fire Department - All Other Per Schedule on File with Company			TN (41)

Covered Auto No.	Radius of Operation	BUSINESS USE S = Service R = Retail C = Commercial	Size GVW, GCW or, Vehicle Seating Capacity	Age Group	RATING FACTOR			Code	Except for Towing all physical damage loss is payable to you and the loss payee named below according to their interests in the auto at the time of the loss.
					Liability	Physical Damage	Secondary Factor		
							INCL	459400	If any, See Schedule of Loss Payees
							INCL	459400	
								459400	
								459400	

COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES
(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead)

Covered Auto No.	LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION INSURANCE (MICHIGAN ONLY)		AUTO MEDICAL PAYMENTS	
	LIMIT	PREMIUM	Limit stated in each P.I.P. End. minus deductible shown below	PREMIUM	Limit stated in each Added P.I.P. End. PREMIUM	Limit stated in P.P.I. End. minus deductible shown below	PREMIUM	LIMIT	PREMIUM
	1,000,000	Incl						5,000	Incl
	1,000,000	Incl						5,000	Incl
	1,000,000	Incl						5,000	Incl
	1,000,000	Incl						5,000	Incl
TOTAL PREMIUM									

Covered Auto No.	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS COVERAGE		COLLISION		TOWING AND LABOR	
	Limit stated in ITEM TWO minus deductible shown below	PREMIUM	Limit stated in ITEM TWO minus deductible shown below	PREMIUM	Limit stated in ITEM TWO minus deductible shown below	PREMIUM	Limit Per Disablement	PREMIUM
	500	Incl			500	Incl		
	500	Incl			500	Incl		
	500	Incl			500	Incl		
	500	Incl			500	Incl		
TOTAL PREMIUM								

Business Auto Declarations

(Part II)

ITEM **THREE** Schedule of Covered Autos You Own

Policy Number: 791-00-18-95-0000

Covered Auto No.	DESCRIPTION	PURCHASED		Territory: Town & State
	Year, Model, Trade Name, Body Type, Serial Number(s), Vehicle Identification Number (VIN)	Original Cost New	Actual Cost New (N) Used (U)	Where The Covered Auto Will Be Principally Garaged
	Composite Law Enforcement - PPT Per Schedule on File with Company			TN (41)

Covered Auto No.	Radius of Operation	BUSINESS USE S = Service R = Retail C = Commercial	Size GVW, GCW or, Vehicle Seating Capacity	Age Group	RATING FACTOR			Code	Except for Towing all physical damage loss is payable to you and the loss payee named below according to their interests in the auto at the time of the loss.
					Liability	Physical Damage	Secondary Factor		
								459400	If any, See Schedule of Loss Payees

COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES
(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead)

Covered Auto No.	LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION INSURANCE (MICHIGAN ONLY)		AUTO MEDICAL PAYMENTS	
	LIMIT	PREMIUM	Limit stated in each P.I.P. End. minus deductible shown below	PREMIUM	Limit stated in each Added P.I.P. End. PREMIUM	Limit stated in P.P.I. End. minus deductible shown below	PREMIUM	LIMIT	PREMIUM
	1,000,000	Incl						5,000	Incl
TOTAL PREMIUM		Incl							Incl

Covered Auto No.	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS COVERAGE		COLLISION		TOWING AND LABOR	
	Limit stated in ITEM TWO minus deductible shown below	PREMIUM	Limit stated in ITEM TWO minus deductible shown below	PREMIUM	Limit stated in ITEM TWO minus deductible shown below	PREMIUM	Limit Per Disablement	PREMIUM
	500	Incl			500	Incl		
TOTAL PREMIUM		Incl				Incl		

Business Auto Declarations

(Part III)

ITEM **FOUR** Schedule of Hired or Borrowed Covered Auto Coverage and Premiums

Policy Number: 791-00-18-95-0000

Liability Coverage - Cost Of Hire Rating Basis For Autos NOT Used In Your Motor Carrier Operations (Other than Mobile or Farm Equipment)

LIABILITY COVERAGE	STATE Primary And All States	CLASS	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	RATE PER EACH \$100 COST OF HIRE	FACTOR (IF LIABILITY COVERAGE IS PRIMARY)	PREMIUM
PRIMARY COVERAGE						\$
EXCESS COVERAGE	41-66190		If Any	1.511*		\$300

* Subject to Evidence of Insurance

Cost of Hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of Hire does not include charges for services performed by motor carriers of property or passengers.

TOTAL PREMIUM

\$300

PHYSICAL DAMAGE COVERAGE

COVERAGES	STATE Primary And All States	LIMIT OF INSURANCE THE MOST WE WILL PAY DEDUCTIBLE	ESTIMATED ANNUAL COST OF HIRE For Each State (Excluding Autos Hired With A Driver)	RATE PER EACH \$100 ANNUAL COST OF HIRE	PREMIUM
COMPREHENSIVE		ACTUAL CASH VALUE, OR COST OF REPAIRS, OR \$ WHICHEVER IS LESS, MINUS \$ DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING			\$
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE, OR COST OF REPAIRS, OR \$ WHICHEVER IS LESS, MINUS \$ 25 DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM			\$
COLLISION		ACTUAL CASH VALUE, OR COST OF REPAIRS, OR \$ WHICHEVER IS LESS, MINUS \$ DEDUCTIBLE FOR EACH COVERED AUTO.			\$
TOTAL PREMIUM					\$

ITEM **FIVE** Schedule for Non-ownership Liability

NAMED INSURED'S BUSINESS	RATING BASIS	NUMBER	PREMIUM
41-660300-611-37355 OTHER THAN GARAGE SERVICE OPERATIONS AND OTHER THAN SOCIAL SERVICE AGENCIES	Number of Employees	250	\$ 1,397
	Number of Partners (Active and Inactive)		\$
SOCIAL SERVICE AGENCIES	Number of Employees		\$
	Number of Volunteers Who Regularly Use Autos To Transport Clients		\$
	Number of Partners (Active and Inactive)		\$
GARAGE SERVICE OPERATIONS	Number of Employees Whose Principal Duty Involves The Operations of Autos		\$
	Number of Partners (Active and Inactive)		\$
			\$
			\$
TOTAL PREMIUM			\$ 1,397

SCHEDULE 4

Effective 07/01/2019 , this schedule forms a part of Policy No. 791-00-18-95-0000

(At the time stated in the policy)

issued to

CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC

DBA PUBLIC RISK INSURORS

by Atlantic Specialty Insurance Company

Composite Rate - Auto Liability and Physical Damage

The earned premium for this insurance is computed by applying the Composite rates shown below to the applicable vehicles, as indicated, and is subject to final adjustment at policy anniversary, expiration, or termination, whichever comes first.

Coverage	Vehicle	Rate	Est. Premium
TRUCKS	88		
Liability		\$144	\$12,672
Collision		\$70	\$6,160
Comp		\$31	\$2,728
Med/PIP		\$2	\$176
UM/UIM		\$7	\$616
FIRE TRUCKS	8		
Liability		\$470	\$3,760
Collision		\$331	\$2,648
Comp		\$78	\$624
Med/PIP		\$4	\$32
UM/UIM		\$12	\$96
TRAILERS	10		
Liability		\$14	\$140
Collision		\$16	\$160
Comp		\$12	\$120
Med/PIP		\$1	\$10
LAW PPT	33		
Liability		\$345	\$11,385
Collision		\$197	\$6,501
Comp		\$99	\$3,267
Med/PIP		\$4	\$132
UM/UIM		\$17	\$561
PPT	2		
Liability		\$116	\$232
Collision		\$32	\$64
Comp		\$16	\$32
Med/PIP		\$2	\$4
UM/UIM		\$10	\$20

3 0-00-0000 07/24/2019 P1B CPW PR 1.000

SCHEDULE 5

Effective 07/01/2019 , this schedule forms a part of Policy No. 791-00-18-95-0000
(At the time stated in the policy)

issued to
CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS
by Atlantic Specialty Insurance Company

Uninsured Motorist Limits (UM)
and
Underinsured Motorist Limits (UIM)
(when not included in Uninsured Motorists Coverage)

State	Coverage	Limit	Premium
Tennessee	UM BI & PD	\$65,000	(Incl)

UM/UIM Coverage is not provided on the following vehicle(s):

Auto
No.
*

* Per Schedule on File with Company

3 0-00-0000 07/24/2019 P1B CPW PR 1.000

BUSINESS AUTO COVERAGE FORM

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

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

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

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II – COVERED AUTOS LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

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

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph a. above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

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

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- (3) 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.

11. Pollution

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

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

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

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III – PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

a. Transportation Expenses

We will pay up to \$20 per day, to a maximum of \$600, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

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

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:
- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:
- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

- b. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.

- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.

- d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";

- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or

- d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limits Of Insurance

1. The most we will pay for:

- a. "Loss" to any one covered "auto" is the lesser of:

- (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or

- (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;

- (2) Removable from a permanently installed housing unit as described in Paragraph **b.(1)** above; or
 - (3) An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV – BUSINESS AUTO CONDITIONS

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

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value 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 we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;

- (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.
 - (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:
 1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or

2. 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".

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

- D. "Covered pollution cost or expense" means any cost or expense arising out of:

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

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G.** "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H.** "Insured contract" means:
1. A lease of premises;
 2. A sidetrack agreement;
 3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

5. 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 to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. 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;
 - b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
 - c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I.** "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".
- J.** "Loss" means direct and accidental loss or damage.
- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 2. Vehicles maintained for use solely on or next to premises you own or rent;
 3. Vehicles that travel on crawler treads;

- 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
- 5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers; or
- 6. Vehicles not described in Paragraph 1., 2., 3. or 4. 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":
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

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

- L. "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.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
 - 1. Damages because of "bodily injury" or "property damage"; or
 - 2. A "covered pollution cost or expense";
 to which this insurance applies, are alleged.

"Suit" includes:

 - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" 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 or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "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.
- P. "Trailer" includes semitrailer.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENNESSEE CHANGES

For a covered "auto" licensed in, or "auto dealer operations" conducted in, Tennessee, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

A. Changes In Covered Autos Liability Coverage

Paragraph **2.b.(4)** of the **Who Is An Insured** provision of the Auto Dealers Coverage Form does not apply.

B. Changes In Conditions

1. The following replaces the lead-in paragraph to the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition in the Business Auto and Motor Carrier Coverage Forms and the **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** Condition in the Auto Dealers Coverage Form:

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

2. The **Other Insurance** Condition in the Auto Dealers and Business Auto Coverage Forms and the **Other Insurance – Primary and Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are changed by adding the following:

- a. When two policies providing liability insurance apply to an "auto" and:

- (1) One provides coverage to a named "insured" engaged in the business of selling, repairing, servicing, delivering, testing, road testing, parking or storing "autos";
- (2) The other provides coverage to a person not engaged in that business; and

- (3) At the time of an "accident" a person described in Paragraph **a.(2)** is operating an "auto" owned by the business described in Paragraph **a.(1)**, then that person's liability insurance is primary and the policy issued to a business described in Paragraph **a.(1)** is excess over any insurance available to that person.
- b. When two policies providing liability insurance apply to an "auto" and:
 - (1) One provides coverage to a named "insured" engaged in the business of repairing, servicing, parking or storing "autos";
 - (2) The other provides coverage to a person not engaged in that business; and
 - (3) At the time of an "accident" an "insured" under the policy described in Paragraph **b.(1)** is operating an "auto" owned by a person described in Paragraph **b.(2)**, then the liability insurance policy issued to the business described in Paragraph **b.(1)** is primary and the policy issued to a person described in Paragraph **b.(2)** is excess over any insurance available to the business.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE – FIRE, POLICE AND EMERGENCY VEHICLES

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Physical Damage Coverage is changed as follows:

- A. The exclusion relating to audio, visual and data electronic equipment in Paragraphs **B.4.c.** and **B.4.d.** does not apply to any equipment that is installed in or upon a covered "auto" which is:
 - 1. Owned by a police or fire department;
 - 2. Equipped as an emergency vehicle and owned by a political body or any of its agencies; or
 - 3. Equipped as an emergency vehicle and owned by a volunteer fire department, volunteer rescue squad or volunteer ambulance corps.
- B. For covered "autos" described above, the **Limits Of Insurance** provision in Paragraph **C.1.b.** does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL SERVICES NOT COVERED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Covered Autos Liability Coverage is changed by adding the following exclusions:

This insurance does not apply to:

1. "Bodily injury" resulting from the providing or the failure to provide any medical or other professional services.
2. "Bodily injury" resulting from food or drink furnished with these services.
3. "Bodily injury" or "property damage" resulting from the handling of corpses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENNESSEE UNINSURED MOTORISTS COVERAGE

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Tennessee, this endorsement modifies insurance provided under the following:

- AUTO DEALERS COVERAGE FORM
- BUSINESS AUTO COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy on the inception date unless another date is indicated below.

Named Insured: CITY OF MANCHESTER
Endorsement Effective Date: 07/01/2019

SCHEDULE

"Bodily Injury" and "Property Damage"	\$ 65,000	Each "Accident"
	or	
"Bodily Injury"	\$	Each "Accident"
This endorsement provides "bodily injury" and "property damage" Uninsured Motorists Coverage unless an "X" is entered below.		
<input type="checkbox"/> If an "X" is entered in this box, this endorsement provides "bodily injury" Uninsured Motorists Coverage only.		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured", or "property damage" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. With respect to damages resulting from an "accident" with a vehicle described in Paragraph (2) of the definition of "uninsured motor vehicle", we will pay under this coverage only if **a.** or **b.** below applies:
 - a. The limit of any applicable liability bonds or policies has been exhausted by payments of judgments or settlements; or

- b. A tentative settlement has been made between an "insured" and the insurer of an owner or operator of a vehicle described in Paragraph (2) of the definition of "uninsured motor vehicle" and we have been given written notice of such tentative settlement as described in Paragraph E.4.b.

3. Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".

- b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
 - c. The Named Insured for "property damage" only.

C. Exclusions

This insurance does not apply to:

- 1. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of an owner or operator of a vehicle described in Paragraph (2) of the definition of "uninsured motor vehicle" in accordance with the procedure described in Paragraph A.2.b.
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- 3. The direct or indirect benefit of any insurer of property.
- 4. "Bodily injury" sustained by:
 - a. The individual Named Insured while "occupying" or when struck by a vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form.
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form.
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

- 5. Property contained in or struck by any vehicle owned by the Named Insured or, if the Named Insured is an individual, any "family member" which is not a covered "auto".
- 6. The first \$200 of the amount of "property damage" to the property of each "insured" as the result of any one "accident". This exclusion does not apply if:
 - a. We insure the Named Insured's covered "auto" for both collision and uninsured motorists "property damage" coverage; and
 - b. The operator of the "uninsured motor vehicle" is positively identified and is solely at fault.
- 7. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 8. "Property damage" for which the "insured" has been or is entitled to be compensated by other property or physical damage insurance.
- 9. Punitive or exemplary damages.
- 10. "Bodily injury" or "property damage" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. 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
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule.
- 2. The most we will pay for all damages resulting from "bodily injury" to an "insured" when the "insured" is "occupying" an "auto" not owned by the "insured", or is not "occupying" any "auto", is the highest limit of Uninsured Motorists Coverage on an "auto" owned by the "insured".
- 3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form, any Liability Coverage form, and any Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation law, disability benefits or similar law.

4. We will not pay for a loss which is paid or payable under Physical Damage Coverage.

E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

- a. If there is other applicable insurance available under one or more Coverage Forms, policies or provisions of coverage, the maximum recovery for damages under all Coverage Forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any one Coverage Form or policy providing coverage.
- b. Subject to Paragraph a., with respect to "bodily injury" to an "insured":
 - (1) While not "occupying" a vehicle, only the Uninsured Motorists Coverage applicable to a vehicle, under which the injured person is an "insured", that provides the highest limit of Uninsured Motorists Coverage, will apply. No other Coverage Form, policy or provision of coverage with lesser limits of Uninsured Motorists Coverage will apply. If two or more Coverage Forms, policies or provisions of coverage provide the highest limit of Uninsured Motorists Coverage, they will share the loss equally.
 - (2) While "occupying" a vehicle owned by that "insured", only the Uninsured Motorists Coverage applicable to that vehicle will apply, and no other Coverage Form, policy or provision of coverage will apply.

- (3) While "occupying" a vehicle not owned by that "insured", the following will be the priorities of recovery:

First Priority	The Uninsured Motorists Coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident".
Second Priority	If the first priority is exhausted, only the Coverage Form, policy or provision of coverage applicable to a vehicle under which the "insured" is a named "insured", that provides the highest limit of Uninsured Motorists Coverage.
Third Priority	If the first and second priorities are exhausted, only the Coverage Form, policy or provision of coverage applicable to a vehicle under which the "insured" is other than a named "insured", that provides the highest limit of Uninsured Motorists Coverage.

If two or more Coverage Forms, policies or provisions of coverage in the second or third priority provide the highest limit of Uninsured Motorists Coverage, they will equally share the loss applicable to that priority. No Coverage Forms, policies or provisions of coverage with lesser limits of Uninsured Motorists Coverage will apply to the second or third priority.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved.
- b. Promptly send us copies of the legal papers if a suit is brought.
- c. A person seeking coverage from an insurer, owner or operator of a vehicle described in Paragraph **F.2.c.(2)** of the definition of "uninsured motor vehicle" must notify us in writing of a tentative settlement between the "insured" and the insurer as described in Paragraph **E.4.b.** and allow us, within 30 days of receipt of both notices, to advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such vehicle.

3. Transfer Of Rights Of Recovery Against Others To Us is changed by adding the following:

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

Our rights under this provision do not apply with respect to a tentative settlement between an "insured" and the insurer of an owner or operator of a vehicle described in Paragraph **(2)** of the definition of "uninsured motor vehicle", for which we have been notified in accordance with Paragraph **A.2.b.**, to which we:

- a. Consent to the tentative settlement; or
- b. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification:

- a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Uninsured Motorists Coverage; and
- b. We also have a right to recover the advance payment, unless judgment is rendered in favor of the owner or operator of an "uninsured motor vehicle".

4. The following is added:

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or operator of an "uninsured motor vehicle", or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated and shall be decided by a court of competent jurisdiction.

- b. If a tentative settlement is made between an "insured" and the insurer, owner or operator of the "uninsured motor vehicle" for the full limits of all liability policies or bonds available to the party on whose behalf the tentative settlement is made, and:

- (1) We receive written notice from the "insured", sent certified mail return receipt requested or by some other method with written verification, of the "insured's":

- (a) Intent to accept the offer thereby releasing the party on whose behalf the offer is made; and
- (b) Agreement to submit the uninsured motorists claim to binding arbitration;

- (2) We receive written notice from the insurer of the "uninsured motor vehicle", sent certified mail return receipt requested or by some other method with written verification of the offer, and such insurer:

- (a) Provides verification of coverage upon request; and
- (b) Confirms to us that the owner or operator of the "uninsured motor vehicle" agrees to cooperate in connection with the arbitration of the uninsured motorists claim;

- (3) We consent to the tentative settlement in writing, sent certified mail return receipt requested or by some other method with written verification, within 30 days from receipt of both notices described in Paragraphs **(1)** and **(2)** above, thereby waiving our right to recover payment from the owner or operator of an "uninsured motor vehicle" in exchange for their written agreement to cooperate in connection with the arbitration;

then all issues of tort liability and damages arising out of the ownership, maintenance or use of the "uninsured motor vehicle" shall be arbitrated. However, if the settlement does not release all parties alleged to be liable to the "insured", arbitration of the uninsured motorists claim shall not be conducted until all such parties have been fully and finally disposed by settlement, final judgment or otherwise.

- c. We and an "insured" must agree to arbitration and to be bound by the results of that arbitration. In this event, both parties will agree on an arbitrator. If they cannot agree, either party may request that a judge of a court of record for the county where arbitration is pending designate three (3) potential arbitrators; the parties shall then agree upon one of the three.
- d. Unless we and an "insured" agree otherwise, arbitration will be in the county in which the "insured" lives. Rules of evidence applicable to the state courts where the arbitration is conducted will apply.
- e. The arbitrator's expense will be paid by:
 - (1) The "insured", if the arbitrator's award is less than or equal to the total amount collected by the "insured" from settlements or judgments, if any, and the offer made by us at least 15 days prior to arbitration; or
 - (2) Us, if the arbitrator's award exceeds the total amount collected by the "insured" from settlements or judgments, if any, and the offer made by us at least 15 days prior to arbitration.

F. Additional Definitions

As used in this endorsement:

- 1. "Property damage" means injury or destruction of:
 - a. A covered "auto";
 - b. Property contained in the covered "auto" and owned by the Named Insured or, if the Named Insured is an individual, any "family member"; or
 - c. Property contained in the covered "auto" and owned by anyone else "occupying" the covered "auto".
 - 2. The following are added to the **Definitions** section:
 - a. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.
 - b. "Occupying" means in, upon, getting in, on, out or off.
 - c. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - (1) For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
 - (2) That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of the limits of liability available for payment to an "insured" under all policies, bonds and securities applicable at the time of the accident:
 - (a) Is less than the Limit of Insurance for this coverage; or
 - (b) Has been reduced by payments to persons other than the "insured" to an amount which is less than the limit of liability for this coverage;
 - (3) For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - (4) For which neither the driver nor owner can be identified. The vehicle or "trailer" must either:
 - (a) Hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - (b) Cause "bodily injury" or "property damage" without hitting an "insured", a covered "auto" or a vehicle an "insured" is "occupying".
- If there is no physical contact with such vehicle or "trailer", the facts of the "accident" must be proven by clear and convincing evidence. We will only accept corroborating evidence of the claim other than the evidence provided by occupants in the covered "auto" or in the vehicle an "insured" is "occupying".

However, "uninsured motor vehicle" does not include any vehicle:

- (1) Owned by, or furnished or available for the Named Insured's regular use or, if the Named Insured is an individual, that of any "family member";
- (2) Owned or operated by a self-insurer within the meaning of the Tennessee Financial Responsibility Law, compiled in title 55, chapter 12, or any similar state or federal law, except as a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- (3) Designed for use mainly off public roads or any off-highway vehicle, as defined in Tenn. Code Ann. Section 55-8-101, except while the vehicle is operated on public roads pursuant to Tenn. Code Ann. Section 55-8-185 or other law; or
- (4) While located for use as a premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF TERRORISM

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
SINGLE INTEREST AUTOMOBILE PHYSICAL DAMAGE INSURANCE POLICY

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

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

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

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

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

b. When one or both of the following apply:

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

2. "Any injury, damage, loss or expense" means any injury, damage, loss or expense covered under any Coverage Form or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "loss", loss of use, rental reimbursement after "loss" or "covered pollution cost or expense", as may be defined under this Coverage Form, Policy or any applicable endorsement.

B. Except with respect to Physical Damage Coverage, Trailer Interchange Coverage, Garagekeepers Coverage, Garagekeepers Coverage – Customers' Sound Receiving Equipment or the Single Interest Automobile Physical Damage Insurance Policy, the following exclusion is added:

Exclusion Of Terrorism

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

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

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or
 - c. Protracted loss of or impairment of the function of a bodily member or organ.

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

With respect to this exclusion, Paragraphs **B.5.** and **B.6.** describe the thresholds used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Policy or any applicable endorsement.

- C. With respect to Physical Damage Coverage, Trailer Interchange Coverage, Garagekeepers Coverage, Garagekeepers Coverage – Customers' Sound Receiving Equipment or the Single Interest Automobile Physical Damage Insurance Policy, the following exclusion is added:

Exclusion Of Terrorism

We will not pay for any "loss", loss of use or rental reimbursement after "loss" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions.

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

With respect to this exclusion, Paragraph **C.5.** describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Policy or any applicable endorsement.

D. In the event of any incident of "terrorism" that is not subject to the exclusion in Paragraph **B.** or **C.**, coverage does not apply to "any injury, damage, loss or expense" that is otherwise excluded under this Coverage Form, Policy or any applicable endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO MEDICAL PAYMENTS COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.

3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. 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
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The **Conditions** are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERED AUTO DESIGNATION SYMBOL

This endorsement modifies insurance provided under the following:

- AUTO DEALERS COVERAGE FORM
- BUSINESS AUTO COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Named Insured: CITY OF MANCHESTER

Endorsement Effective Date: 07/01/2019

Section I – Covered Autos in the Business Auto and Motor Carrier Coverage Forms and **Section I – Covered Autos Coverages** in the Auto Dealers Coverage Form are amended by adding the following:

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols may be used (in addition to the numerical symbols described in the Coverage Form) to describe the "autos" that may be covered "autos". The entry of one of these symbols next to a coverage on the Declarations will designate the only "autos" that are covered "autos".

Symbol	Description Of Covered Auto Designation Symbols	
For use with the Business Auto Coverage Form		
X 10	=	Physical damage is provided only for those autos you own and that meet the requirements listed below. This includes autos you acquire after the policy begins. 1. New autos, or 2. Autos which replace those you previously owned that had Physical Damage Coverage.
For use with the Auto Dealers Coverage Form		
32	=	_____ _____ _____

Symbol	Description Of Covered Auto Designation Symbols	
For use with the Motor Carrier Coverage Form		
<div style="border: 1px solid black; padding: 2px; width: 100px; height: 50px; display: flex; align-items: center; justify-content: center;"> 72 </div>	=	<div style="border: 1px solid black; height: 50px; margin-top: 5px;"> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> </div>
<div style="border: 1px solid black; padding: 2px; width: 100px; height: 50px; display: flex; align-items: center; justify-content: center;"> 73 </div>	=	<div style="border: 1px solid black; height: 50px; margin-top: 5px;"> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> </div>

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**BROAD FORM AUTOMOBILE ENDORSEMENT –
GOVERNMENT RISKS**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

This endorsement extends certain coverages. The following listing and the headers in this endorsement are only for convenience. Provisions in this endorsement might be modified by other endorsements. Read the entire policy carefully to determine rights, duties and what is and is not covered.

<p>A. Section II – Covered Autos Liability Coverage</p> <ol style="list-style-type: none"> 1. Additional Insured – Written Contract, Agreement, Permit or Authorization 2. Elected or Appointed Officials as Insureds 3. Owner of Commandeered Auto 4. Employees and Volunteer Workers as Insureds (Including Fellow Employee Coverage) 5. Expected or Intended Injury Exclusion (Reasonable Force Exception) 6. Supplementary Payments – Bail Bonds and Loss of Earnings <p>B. Section III – Physical Damage Coverage</p> <ol style="list-style-type: none"> 1. Hired Auto Physical Damage Coverage 2. Transportation Expenses Increased 3. Loss of Use Expenses Increased 	<ol style="list-style-type: none"> 4. Other Coverage Extensions <ol style="list-style-type: none"> a. Airbag Discharge b. Auto Theft Reward c. Customized Vehicle Coverage d. Lease Gap Coverage 5. Freezing of Emergency Vehicles 6. Electronic Equipment 7. Deductible Waived For Glass Repair <p>C. Section IV – Business Auto Conditions</p> <p>Duties in Event of Accident, Claim, Suit or Loss</p> <p>D. Section V – Definitions</p> <ol style="list-style-type: none"> 1. Bodily Injury – Includes Mental Anguish 2. Additional Definitions <ul style="list-style-type: none"> • Commandeered Auto • Customize • Permanently Attached Special Equipment • Volunteer Worker
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A. Section II – Covered Autos Liability Coverage**1. Additional Insured – Written Contract, Agreement, Permit or Authorization**

Paragraph **A.1. Who is an Insured** of **Section II – Covered Autos Liability Coverage** is amended to include as an additional “insured” any person or organization with whom you have agreed in a written contract, agreement, permit or authorization to provide insurance such as is afforded under this Coverage Form but only with respect to liability for “bodily injury” or “property damage” caused in whole or in part by your maintenance, operation or use of a covered “auto”. But this insurance does not apply:

- a. Unless the written contract or agreement has been executed or the permit or authorization has been issued prior to the “accident” that caused the “bodily injury” or “property damage”;
- b. To any person or organization included as an “insured” under any other provisions of this policy, including this or any other endorsement;
- c. To the independent acts or omissions of such person or organization; or
- d. To any lessor of “autos” when their contract or agreement with you for such leased “auto” ends or the lessor or its agent takes possession of the “auto”.

2. Elected or Appointed Officials as Insureds

Paragraph **A.1. Who is an Insured** of **Section II – Covered Autos Liability Coverage** is amended to include as an “insured” your elected or appointed officials while using a covered “auto”, but only for the conduct of their duties as your elected or appointed officials.

3. Owner of Commandeered Auto

Paragraph **A.1. Who is an Insured** of **Section II – Covered Autos Liability Coverage** is amended to include as an “insured” the owner of any “commandeered auto” while the “auto” is in your temporary care, custody or control.

4. Employees and Volunteer Workers as Insureds (Including Fellow Employee Coverage)

a. Paragraph **A.1. Who is an Insured** of **Section II – Covered Autos Liability Coverage** is amended to include as an “insured” your “employee” or “volunteer worker” while using a covered “auto” you do not own, hire or borrow in your business or your personal affairs.

b. Exclusion **B.5. Fellow Employee** of **Section II – Covered Autos Liability** is deleted.

5. Expected or Intended Injury Exclusion (Reasonable Force Exception)

The following is added to Exclusion **B.1. Expected Or Intended Injury** of **Section II – Covered Autos Liability**:

This exclusion does not apply if the “bodily injury” or “property damage” results from the use of reasonable force to protect people or property.

6. Supplementary Payments – Bail Bonds and Loss of Earnings

In Paragraph **A.2.a. Supplementary Payments** of **Section II – Covered Autos Liability**, the following replaces Paragraphs **(2)** and **(4)**:

(2) Up to \$3,500 for cost of bail bonds (including bonds for related traffic law violations) required because of an “accident” we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the “insured” at our request, including actual loss of earnings up to \$500 a day because of time off from work.

B. Section III – Physical Damage Coverage

1. Hired Auto Physical Damage Coverage

a. If hired “autos” are covered “autos” under **Section II – Covered Autos Liability Coverage** and this policy provides Comprehensive, Specified Causes of Loss Coverage or Collision Coverage for any “auto” you own, a hired “auto” will be deemed a covered “auto” for Physical Damage Coverage subject to the provisions in Paragraph **b.** below.

b. For Hired Physical Damage Coverage provided by paragraph **a.** above:

(1) The most we will pay for “loss” to any hired “auto” is the lesser of:

(a) \$50,000;

(b) The actual cash value of the damaged or stolen property as of the time of the “loss”; or

(c) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

(2) The Deductible is the largest Deductible for the applicable coverage for an “auto” you own.

(3) This insurance is excess over any other valid and collectible insurance, whether such insurance is primary, excess, contingent or on any other basis.

2. Transportation Expenses Increased

The following replaces the first sentence in Paragraph **A.4.a. Transportation Expenses** of **Section III – Physical Damage Coverage**:

We will pay up to \$75 per day, to a maximum of \$2,250, for temporary transportation expense incurred by you because of the total theft of a covered “auto” of the private passenger type.

3. Loss of Use Expenses Increased

The following replaces the last paragraph in Paragraph **A.4.b. Loss Of Use Expenses** of **Section III – Physical Damage Coverage**:

However, the most we will pay for any expenses for loss of use is \$1,000.

4. Other Coverage Extensions

If you have Physical Damage Coverage, the following are added to Paragraph **A.4. Coverage Extensions of Section III – Physical Damage Coverage**:

a. Airbag Discharge

We will pay to reset or replace a covered “auto’s” airbag that accidentally discharges without the “auto” being involved in an “accident” if the airbag is not covered under a manufacturer’s warranty and you did not intentionally cause the discharge. No Deductible applies to this Coverage Extension.

b. Auto Theft Reward

If you have Comprehensive or Special Cause of Loss Coverage, we will pay a reward up to \$2,000 for information leading to the arrest and conviction of anyone stealing a covered “auto”. But we will not pay a reward to you, your family members or your “employees” or any public officials while performing their duties.

c. Customized Vehicle Coverage

We will pay the additional repair or replacement costs necessary to “customize” a damaged covered “auto” with “permanently attached special equipment” of like kind and quality. We will also pay the cost of installation of such “permanently attached special equipment” onto a replacement “auto” if the covered “auto” is not repairable.

This Coverage Extension is excess over any other valid and collectible insurance and does not apply to any covered “auto” insured on an Agreed Value basis.

d. Lease Gap Coverage

If a covered “auto” is subject to a lease that requires, in writing, that the lessor be an additional “insured”, and you are legally obligated for the remaining balance on the lease, we will pay the difference between the actual cash value of the “auto” at the time of “loss” and the remaining balance on your lease. But we will not pay for:

- (1) Any amount paid under the policy’s Physical Damage Coverage; or
- (2) Any amounts for abnormal or excess wear and tear, additional or high mileage charges, carry-over balances from previous leases, extended warranties or insurance purchased with the lease, lease termination fees, taxes, overdue payments, unreturned security deposits or any penalties, interest or charges resulting from overdue payments.

5. Freezing of Emergency Vehicles

The following is added to Exclusion **B.3. of Section III – Physical Damage Coverage**:

Paragraph **a.** does not apply to any “loss” caused by or resulting from freezing of “permanently attached special equipment” in or on a fire truck, ambulance or rescue vehicle, including pumps, gauges and tanks.

6. Electronic Equipment

The following is added to Paragraph **B. Exclusions of Section III – Physical Damage Coverage**:

Exclusions **4.c.** and **4.d.** do not apply to “loss” of any installed audio, visual, communications or radar equipment, including any:

- a. Citizen’s band radio;
- b. Two-way mobile radio or telephone;
- c. Scanning monitor receiver;
- d. GPS navigation system;
- e. Radar/laser equipment
- f. Visual equipment;
- g. Audio equipment; or
- h. Laptop, notebook or tablet computers;

including any antenna or other accessories associated with such electronic equipment. But no coverage is provided for any electronic data, tapes, records, discs or software. Any coverage for such electronic equipment is excess over any other valid and collectible insurance.

7. Deductible Waived For Glass Repair

The following is added to Paragraph **D. Deductible** of **Section III – Physical Damage Coverage**:

No Deductible applies if glass that is damaged is repaired rather than replaced.

C. Section IV – Business Auto Conditions

Duties in the Event of Accident, Claim, Suit or Loss

The following is added to Paragraph **A.2. Duties in the Event of Accident, Claim, Suit or Loss** of **Section IV – Business Auto Conditions**:

The requirements that you must notify us of an “accident”, claim, “suit” or “loss”, or send us documents concerning a claim or “suit”, apply only if the “accident”, claim, “suit” or “loss” is known to:

- (1) Your officers;
- (2) Your legal department; or
- (3) An “employee” you designate to give or receive notice of an “accident”, claim, suit or “loss”.

The requirement that you must notify us as soon as practicable of an “accident”, claim, “suit” or “loss” does not apply if you report the “accident”, claim, “suit” or “loss” to your workers’ compensation insurer and the “accident”, claim, “suit” or “loss” later develops into a liability claim for which coverage is provided by this policy.

D. Section V – Definitions

1. Bodily Injury – Includes Mental Anguish

The following is added to Paragraph **C.** of **Section V – Definitions**:

“Bodily injury” includes mental anguish resulting from bodily injury, sickness, or disease sustained by a person at any time.

2. Additional Definitions

The following are added to **Section V – Definitions**:

“Commandeered auto” means any “auto” you do not own that you, your “employees” or your “volunteer workers” seize or take possession of for official use during an emergency operation. A “commandeered auto” is deemed a covered “auto” while the “commandeered auto” is in your temporary care, custody or control.

“Customize” includes adding the following:

1. Emergency lights, light bars and sirens;
2. Paint and decals;
3. Permanently installed radios and other communication equipment; or
4. Permanently installed computer equipment.

“Permanently attached special equipment”:

1. Means equipment that is welded, bolted or permanently screwed to the dashboard, firewall or body of the “auto”.
2. Does not include any portable equipment, the engine used to power the “auto” or any equipment inserted on permanently installed slide brackets, with or without set screws or tension.

“Volunteer worker” means a person who is not your “employee” and who donates his or her work, 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AGREED AMOUNT VALUATION - PHYSICAL DAMAGE COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

The following changes are made to this Coverage Part. All other terms and conditions remain unchanged.

For covered "autos" listed in the schedule of this endorsement, **SECTION III PHYSICAL DAMAGE COVERAGE, C. Limit of Insurance** is changed to the following:

C. Limit of Insurance

The most we will pay for "loss" in any one "accident" is the least of:

1. the cost of repairing the damaged property; or
2. the cost to repair or replace a part or parts of the damaged property as of the time of the "loss" with a part or parts of like kind and quality without deduction for depreciation; or
3. the cost to replace the entire covered "auto" as of the time of "loss" with a comparable new "auto" manufactured to current specifications; or
4. the agreed amount limit that applies to the covered "auto".

SCHEDULE

Vehicle Number	Agreed Amount Limit of Insurance	Vehicle Number	Agreed Amount Limit of Insurance
	See ASC 00 11 01 98, Schedule 6		

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

SCHEDULE 6

Effective 07/01/2019, this schedule forms a part of Policy No. 791-00-18-95-0000

(At the time stated in the policy)

issued to

CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS

By Atlantic Specialty Insurance Company

GRSCA 401 Agreed Amount Valuation Physical Damage is
Applicable to the following vehicles:

Year	Make	Model	VIN	Agreed Amount
1992	KME	Pumper	1HVBCPCR2NH445524	\$ 152,557
1997	KME	Pumper	1HTSDADR1WH4825595	\$ 169,240
2001	Ford	Ranger Pickup Truck First Responder	1FTYR10D01PB63337	\$ 2,990
2005	Ford	F350 Haz-Mat Truck	1FTWW33P55EC36706	\$ 39,350
2005	Intern'l	Pumper	1HTMKADRX5H693370	\$ 166,298
2006	Chevrolet	Trailblazer - Fire Chief	1GNDT13S162339379	\$ 15,000
2006	Chevrolet	Silverado Pickup Truck First Responder	2GCEC13V961257763	\$ 18,000
2007	Chevrolet	Trailblazer - Fire Inspector	1GNDT135372273547	\$ 21,989
2013	Rosenbauer	Aerial Fire Truck	54F2CC60XDWM10012	\$ 578,427
2019	KME	Custom Pumper Fire Truck	1K9AF4S81KN058810	\$ 487,161

SCHEDULE 7

Effective 07/01/2019 , this schedule forms a part of Policy No. 791-00-18-95-0000
(At the time stated in the policy)

issued to

CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS
by Atlantic Specialty Insurance Company

Commercial Inland Marine Coverage Part Declarations, VIM 100 07 05,
Continued:

Forms Applicable to the Inland Marine Coverage Part:

IL 09 52 01 15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
VIM 001 05 18	COMMERCIAL INLAND MARINE CONDITIONS
VIM 008 07 05	MISCELLANEOUS ARTICLES COVERAGE FORM
VIM 016 07 05	CONTRACTORS EQUIPMENT COVERAGE FORM
VIM 100 07 05	COMMERCIAL INLAND MARINE DECLARATIONS
VIM 516 07 05	CONTRACTORS EQUIPMENT SCHEDULE
ASC 00 11 01 98	Schedule 7 - INLAND MARINE LIST OF FORMS

3 0-00-0000 07/24/2019 P1B CPW PR 1.000

INLAND MARINE DECLARATIONS

Loc	Bldg Coverage	Limit of Insurance	Deductible
	Miscellaneous Articles	\$109,652	
	Deductible Amount		\$1,000
	Description of Property:		
	As Per Schedule on File With Company		
	Valuation: Actual Cash Value		
	Newly Acquired Miscellaneous Articles	\$50,000	
	Pollutant Clean Up	\$25,000	
	Debris Removal	\$25,000	
	Preservation of Property - Expense Coverage	\$10,000	
	Days	30	
	Inventory or Appraisals	\$10,000	
	Contractor's Equipment		
	Deductible Amount		\$1,000
	Description of Property:		
	Per Schedule on File With Company		
	Valuation: Actual Cash Value		
	All Covered Property	\$1,548,075	
	Additionally Acquired Equipment	\$250,000	
	Days	60	
	Construction Documents	\$2,500	
	Debris Removal	\$5,000	
	Employee Tools and Clothing	\$2,500	
	Pollutant Clean Up	\$10,000	
	Preservation of Property - Expense Coverage	\$2,500	
	Days	30	
	Rental Expense Reimbursement	\$2,500	
	Days	2	
	Leased, Rented or Borrowed Contractors Equipment from Others		
	Any One Item	\$1,000	
	All Items	\$2,000	
	Your Contractor's Equipment Leased, Rented or Borrowed by Others		
	Any One Item	\$1,000	
	All Items	\$2,000	
	Terrorism - Inland Marine		

CONTRACTORS EQUIPMENT SCHEDULE

Valuation (Val): RC = Replacement Cost
ACV = Actual Cash Value
SV = Stated Value
FRC = Functional Replacement Cost

Item #	Year	Description of Item / Serial #	Limit	Deductible	Valuation
		Per Schedule on File with Company	\$ 1,548,075	\$ 1,000	ACV

COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable additional Conditions in Commercial Inland Marine Coverage Forms:

LOSS CONDITIONS

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

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

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

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

C. Duties In The Event Of Loss

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

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within **90 days** after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.
11. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amounts of loss claimed.
12. Resume all or part of your "**operations**" as quickly as possible.
13. Make no statement that will assume any obligation or admit any liability for any loss for which we may be liable without our consent.

D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

E. Loss Payment

1. We will give notice of our intentions within **30 days** after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
5. We will pay for covered loss or damage within **30 days** after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

F. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in **1.** above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

G. Pair, Sets Or Parts

1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. Recovered Property

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

I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

J. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance; or
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

D. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

E. Policy Period, Coverage Territory

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory or with respect to personal property in transit, while it is between points in 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.

F. Valuation

The value of Covered Property will be the least of the following amounts:

- a. Amount for which you are liable;
- b. Actual cash value of the lost or damaged property;
- c. Cost of reasonably restoring the property to its condition immediately before the loss; or
- d. Cost of replacing the lost or damaged property with substantially identical property.

If a valuation method other than actual cash value applies, as shown in the Declarations or by a valuation condition in the coverage form, that valuation method applies in a. above in place of actual cash value.

The value will include the value of labor, materials or services furnished or arranged by you.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

PROPERTY VALUATION METHODS AND LOSS PAYMENT CONDITIONS

A. Loss Payment

1. In the event of loss or damage covered by this policy, at our option we will either:
 - a. Pay the value of lost or damaged property;
 - b. Pay the cost of repairing or replacing the lost or damaged property;
 - c. Take all or any part of the property at an agreed value or, if an agreed value cannot be reached, appraised value; or
 - d. Repair, rebuild or replace the property with other property of like kind and quality.

We will give notice of our intentions within **30 days** after we receive the sworn proof of loss.

2. We will not pay you more than your financial interest in the Covered Property.
3. We will not pay more than the least of the following amounts:
 - a. The Limit of Insurance under this policy that applies to the loss;
 - b. The value of the lost or damaged property; or
 - c. for building property, the amount that you actually spend that is necessary to repair or replace the lost or damaged property at:
 - (1) The same location; or
 - (2) Another location;for the same use and occupancy.
 - d. For property other than building property, the amount that you actually spend that is necessary to repair or replace the lost or damaged property.

B. Valuation Methods

We will determine the value of your property based on one of the following valuation methods when designated to apply to your property by your policy.

a. Replacement Cost

- (1) Replacement Cost means the cost to repair, rebuild, or replace the lost or damaged property with other property:
 - (a) Of comparable material and quality;
 - (b) Used for the same purpose; and
 - (c) Without a deduction for depreciation.
- (2) We will not pay on a replacement cost basis for any loss or damage until the lost or damaged property is actually repaired or replaced. You may make a claim on an actual cash value basis for loss or damage covered by this insurance 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 on a replacement cost basis if:
 - (a) The lost or damaged property is actually repaired or replaced; and
 - (b) You notify us to do so within **180 days** after the date of loss or damage or some other reasonable period on which we agree in writing.
- (3) The following property will be adjusted based on its replacement cost:
 - (a) Any property designated in the coverage form as having replacement cost valuation apply; and
 - (b) Any property specifically identified in the Declarations as having replacement cost valuation apply.

b. Functional Replacement Cost

- (1) Functional replacement cost means the cost to repair or replace property with available property that most closely duplicates the function of the damaged or replaced property at time of loss. The replacement property may perform additional functions if it is the available property that most closely duplicates the function of the damaged or replaced property.
- (2) The following property will be adjusted based on its functional replacement cost:
 - (a) Unless a different valuation basis is specified for such property in the Declarations:
 - (i) **"hardware"**;
 - (ii) **"media"**; and
 - (iii) **"scientific and medical equipment"**; and
 - (b) Any property designated in the coverage form as having functional replacement cost valuation apply; and
 - (c) Any property specifically identified in the Declarations as having functional replacement cost valuation apply.

c. Stated Value

- (1) Stated Value means that in a total loss we will pay the amount stated in the Declarations for the lost or damaged property.

- (2) For property to be covered on a stated value basis it must be specifically identified in the Declarations as having Stated Value apply. The Declarations must indicate the Stated Value individually for each item.
- (3) If we determine that there has been a partial loss to property covered on a stated value basis, we will pay no more than the proportion that the value of the damaged part bears to the Stated Value in the Declarations.

d. Actual Cash Value

- (1) Actual cash value means replacement cost, as defined in **a.** above, minus depreciation.
- (2) We will value the following property on an actual cash value basis:
 - (a) Any property that otherwise would be valued on a replacement cost basis, but for which repairs or replacements are not made as soon as reasonably possible;
 - (b) Any property designated in the coverage form as having actual cash value apply;
 - (c) Any property specifically identified in the Declarations as having actual cash value apply; and
 - (d) Any property for which another valuation method is not specifically identified.

e. Electronic Data Valuation

To the extent "**electronic data**" is not replaced, the loss will be valued at the cost of replacement of the "**media**" on which the "**electronic data**" was stored, with blank "**media**" of substantially identical type.

C. Personal Property of Others

- a. Our payment for loss of or damage to personal property of others will only be for the account of the owners of the property. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- b. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- c. Personal property of others is valued on the same basis as your business personal property (subject to any exceptions in this Valuation and Loss Payment section). However, we will not pay more than the amount for which you are legally liable.
- d. Labor, materials and services that you furnish or arrange on personal property of others are valued based on the actual cost of the labor, materials and services.

D. Coinsurance Option

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

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage 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.
- 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.

LOSS PAYEE CONDITION

When an Additional Interest Schedule is attached to this Policy, the following provisions apply to Loss Payees:

For Covered Property in which both you and a Loss Payee shown in the Additional Interest Schedule have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for loss jointly to you and the Loss Payee, as interests may appear.

MISCELLANEOUS ARTICLES COVERAGE FORM

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

Throughout this policy the words **you** and **your** refer to the Named Insured shown in the Declarations. The words **we**, **us**, and **our** refer to the Company providing this insurance. The word **loss** means accidental loss or damage.

Other words and phrases that appear in **bold** and have "**quotation marks**" have special meaning. Refer to the **DEFINITIONS** section.

COVERAGE

Covered Property

We will pay for direct physical loss or damage to Covered Property consisting of "**miscellaneous articles**" which are listed or described on the Schedule of Miscellaneous Articles caused by or resulting from a Cause of Loss not otherwise excluded, not to exceed the applicable **Limit Of Insurance for Miscellaneous Articles** shown in the Declarations.

Covered Causes Of Loss

Covered Causes of Loss means Risks of Direct Physical Loss to Covered Property except those causes of loss listed in the exclusions.

Additional Coverages

Newly Acquired Miscellaneous Articles

We will pay for direct physical loss or damage to "**miscellaneous articles**" not yet listed or described on the Schedule Of Miscellaneous Articles caused by or resulting from a Cause of Loss not otherwise excluded for up to 90 days from the date on which you acquire them. Your **Newly Acquired Miscellaneous Articles Limit of Insurance** shown in the Declarations is the most that we will pay for all loss or damage to such articles in any one occurrence.

Pollutant Clean Up And Removal

1. We will pay your expense to extract "**pollutants**" from land or water if the discharge, dispersal, seepage, migration, release or escape of the "**pollutants**" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of when the Covered Cause of Loss occurs.
2. This Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effect of "**pollutants**" from the land or water. But we will pay for testing which is performed in the course of extracting the "**pollutants**" from the land or water.
3. **Pollutant Clean Up Limit of Insurance**
 - a. Your **Pollutant Clean Up Limit of Insurance** applies to your Pollutant Clean Up and Removal Coverage. The aggregate liability of the Company shall not exceed this limit for all covered expenses arising during any single policy year. A policy year means the period from the inception or anniversary date to the expiration date or next anniversary date.
 - b. Your **Pollutant Clean Up Limit of Insurance** applies per location and is shown in the Declarations.

Debris Removal

1. We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:
 - a. The date of direct physical loss or damage; or
 - b. The end of the policy period.
2. This Coverage does not apply to costs to:
 - a. Extract "**pollutants**" from land or water; or
 - b. Remove, restore or replace polluted land or water.
3. **Debris Removal Limit of Insurance**
 - a. Your **Debris Removal Limit of Insurance** applies to your Debris Removal Coverage, providing an excess Limit of Insurance.

- b. The most we will pay for debris removal is the lesser of:
 - (1) 25% of the covered direct physical loss or damage; or
 - (2) The remaining applicable Limit of Insurance for Covered Property shown in the Declarations after payment of the covered direct physical loss or damage.
- c. If the amount in b. above is insufficient to pay the debris removal, we will pay the remaining debris removal. However, this additional amount we pay is subject to the **Debris Removal Limit of Insurance** shown in the Declarations.

Preservation of Property

If it is necessary to move Covered Property from a premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss of or damage to that property:

- a. While it is being moved to or while temporarily stored at another location; and
- b. Only if loss or damage occurs within 90 days after the property is first moved.

This Additional Coverage does not increase the Limit of Insurance.

Preservation of Property – Expense Coverage

If it is necessary to move Covered Property from a premises to preserve it from further loss or damage by a Covered Cause of Loss, we will pay the actual expense to move the property to safety.

We will also pay any necessary rental fees for the temporary storage at premises of others for the period of days shown in the Declarations after the property is first moved.

This is additional insurance. The applicable per-occurrence **Preservation of Property – Expense Coverage Limit of Insurance** is shown in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to "**miscellaneous articles**", not to exceed the applicable **Limit of Insurance for Inventory or Appraisals** shown in the Declarations.

EXCLUSIONS

Acts or Decisions

We will not pay for loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body. But, if an excluded cause of loss results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Breakage of Fragile Articles

We will not pay for loss or damage caused by or resulting from breakage of fragile articles.

But we will pay for such loss or damage caused directly by fire, lightning, explosion, windstorm, vandalism, aircraft, rioters, strikers, theft or attempted theft, or by accident to the vehicle carrying the property if these causes of loss would be covered under this Coverage Form.

Consequential Loss

We will not pay for loss or damage caused by or resulting from delay, loss of use, loss of market or any other consequential loss.

Dampness, Dryness, or Extremes of Temperature

We will not pay for loss or damage caused by or resulting from dampness, dryness, or extremes of temperature. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Dishonesty

We will not pay for loss or damage caused by or resulting from dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone (except carriers for hire) to whom you entrust the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

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

False Pretense

We will not pay for loss or damage caused by or resulting from voluntary parting with any covered 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.

Governmental Action

We will not pay for loss or damage caused directly or indirectly by seizure or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

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 Form.

Hidden or Latent Defect

We will not pay for loss or damage caused by or resulting from hidden or latent defect or any quality in property that causes it to damage or destroy itself. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Insects, Vermin, or Animals

We will not pay for loss or damage caused by or resulting from insects, vermin, rodents, birds, or other animals. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Mechanical Breakdown

We will not pay for loss or damage caused by or resulting from mechanical breakdown, including rupture or bursting caused by centrifugal force. However, this does not apply to any loss or damage caused by elevator collision. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Negligent Work

We will not pay for loss or damage caused by or resulting from faulty, inadequate, defective or negligent:

- a. Planning, zoning, development, surveying, siting;
- b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- c. Materials used in repair, construction, renovation or remodeling; or
- d. Maintenance;

of part or all of any property on or off the described premises.

But, if an excluded cause of loss results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by: any weapon employing atomic fission or fusion; nuclear reaction or radiation; or radioactive contamination; however caused. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of "**pollutants**" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "**specified causes of loss**". But if the discharge, dispersal, seepage, migration, release or escape of "**pollutants**" results in a "**specified cause of loss**", we will pay for the loss or damage caused by that "**specified cause of loss**".

Processing or Work Upon the Property

We will not pay for loss or damage caused by or resulting from processing or work upon the property.

But we will pay for direct loss or damage caused by resulting fire or explosion if these causes of loss would be covered under this Coverage Form.

Rust, Oxidation, Corrosion, or Discoloration

We will not pay for loss or damage caused by or resulting from rust, oxidation, other corrosion, or discoloration. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Unauthorized Transfer

We will not pay for loss or damage caused by or resulting from unauthorized instructions to transfer property to any person or to any place.

War and Military Action

We will not pay for loss or damage caused directly or indirectly by

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

Wear and Tear

We will not pay for loss or damage caused by or resulting from wear and tear, or depreciation. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

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.

For "**miscellaneous articles**" which are listed or described on the Schedule of Miscellaneous Articles, we will not pay more than the Limit Of Insurance for each item that is lost or damaged. This Limit of Insurance is shown opposite the item on the Schedule of Miscellaneous Articles.

DEDUCTIBLES

We will not pay for loss or damage in any one occurrence until the amount of adjusted loss or damage before applying the applicable Limit of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible up to the applicable Limit of Insurance. If no other Deductible is shown in the Declarations, your Deductible is \$500.

If more than one deductible applies in any one occurrence, the largest applicable deductible will be used.

CONDITIONS

This Coverage Form is subject to the Common Policy Conditions, the Commercial Inland Marine Conditions, and the following Additional Conditions:

Valuation Method

Subject to the **Limit Of Insurance for Miscellaneous Articles** shown in the Declarations:

- A. "**miscellaneous articles**" are valued on a replacement cost basis as described below, unless:
 1. the Loss Payment Basis shown in the Declarations is actual cash value; or
 2. otherwise stated under Loss Payment Basis Exceptions; and
- B. "**miscellaneous articles**" valuation includes costs you incur as described below under Extended Warranties.
- C. "**miscellaneous articles**" not owned by you and in your care, custody or control are valued on the same basis as your "**miscellaneous articles**", but we will not pay more than the amount for which you are legally liable.

Extended Warranties

"**miscellaneous articles**" valuation includes the pro-rated cost for the unused portion of non-refundable extended warranties, maintenance contracts or service contracts that you purchased, which are no longer valid on lost or damaged "**miscellaneous articles**" that you repair or replace.

Other Insurance

The following is added to the **Other Insurance** condition in the Commercial Inland Marine Conditions:

If you have other insurance against loss or damage covered by this policy, we shall not pay any amount greater than the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total applicable limits of insurance covering the loss or damage.

This insurance is excess of any other insurance for "**miscellaneous articles**" not owned by you and in your care, custody or control.

DEFINITIONS

POLLUTANTS

"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.

MISCELLANEOUS ARTICLES

"miscellaneous articles" means property which you own, or which is owned by others and in your care, custody or control and which you are legally responsible for.

"miscellaneous articles" does not mean:

- a. accounts, bills, deeds, evidences of debt or other valuable papers or records;
- b. aircraft, motor vehicles, trailers, semi-trailers or watercraft;
- c. furniture, fixtures, furnishings, office machinery and equipment, stationery and tenants' improvements and betterments;
- d. jewelry, watches, furs, garments trimmed with fur, bullion, precious metals, precious or semi-precious stones or gems, or stamps or coins whose value exceeds face value;
- e. money, notes or securities;
- f. property:
 - (1) being towed by aircraft or watercraft; or
 - (2) while afloat, submerged or underwater;
- g. property while on any platform which is either temporarily or permanently anchored in any body of water. But "**miscellaneous articles**" does mean such property on a dock, wharf or pier which is attached at one end to dry land; or
- h. property while underground, except while in transit through railroad or vehicular tunnels.

SINKHOLE COLLAPSE

"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:

- a. The cost of filling sinkholes; or
- b. Sinking or collapse of land into man-made underground cavities.

SPECIFIED CAUSES OF LOSS

"Specified causes of loss" means the following:

Fire; lightning; explosion, windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "**sinkhole collapse**"; "**volcanic action**"; falling objects; weight of snow, ice or sleet; "**water damage**"; sonic boom and elevator collision.

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.

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

WATER DAMAGE

"Water damage" means 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) containing water or steam.

CONTRACTOR'S EQUIPMENT COVERAGE FORM

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

Throughout this policy the words **you** and **your** refer to the Named Insured shown in the Declarations. The words **we**, **us**, and **our** refer to the Company providing this insurance. The word **loss** means accidental loss or damage.

Other words and phrases that appear in **bold** and have "**quotation marks**" have special meaning. Refer to the **DEFINITIONS** section.

COVERAGE

We will pay for direct physical loss or damage to Covered Property caused by or resulting from any of the Covered Causes of Loss.

Covered Property

Covered property means contractor's equipment, as scheduled in the Coverage Form Declarations or on a separate schedule, as scheduled in the Coverage Form Declarations, on a Schedule that is part of the policy, or on a separate Schedule identified in the policy, which that is:

- a. Your property; and
- b. Similar property of others for which you may be liable.

Covered Property – Limits of Insurance

For contractor's equipment or other Covered Property listed or described on a Schedule, the most we will pay, in any one occurrence:

1. for loss or damage to each item, is the limit of insurance shown for that item on the Schedule, but
2. we will pay no more in total than the **All Covered Property Limit of Insurance** shown in the Declarations.

Property Not Covered

Covered Property does not include:

- a. Automobiles, motor trucks, tractors, trailers, or other vehicles designed and principally used for highway transportation; aircraft, or watercraft;
- b. Property while airborne;
- c. Property while waterborne, except while in transit on a regular ferry;
- d. Property while located underground;
- e. Contraband or property in the course of illegal transportation or trade;
- f. Land or water; or
- g. Property while in the possession of others under an agreement of sale.

Covered Causes of Loss

Covered Causes of Loss means Risks of Direct Physical Loss or Damage to Covered Property, except those causes of loss or damage listed in the exclusions.

Additional Coverages

Additionally Acquired Equipment

If during the policy period you acquire additional equipment of a type already covered by this form which you buy, lease, rent, or borrow, we will cover such equipment for up to the number of days shown in the Declarations but not beyond the end of the policy period.

The most we will pay in a loss or damage for any one item is your **Additionally Acquired Equipment Limit of Insurance** shown in the Declarations;

Unless an increased limit for any one item is shown in this Coverage Form Declarations.

You will report such equipment to us within the number of days shown in the Declarations after the date acquired and will pay any additional premium due. If you do not report such equipment, coverage will automatically cease the number of days shown in the Declarations after the date the equipment is acquired, or at the end of the policy period, whichever occurs first.

This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

Construction Documents

We will cover Construction Documents which consist of blueprints, plans, drawings, designs, specifications or similar documents. Your **Construction Documents Limit of Insurance** shown in the Declarations is the most we will pay for loss or damage in any one occurrence.

The Deductible Provision does not apply to this Additional Coverage.

This Additional Coverage is in addition to the applicable limits provided by this Coverage Form.

Debris Removal

1. We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:
 - a. The date of direct physical loss or damage; or
 - b. The end of the policy period.
2. This Coverage does not apply to costs to:
 - a. Extract "**pollutants**" from land or water; or
 - b. Remove, restore or replace polluted land or water.
3. **Debris Removal Limit of Insurance**
 - a. Your **Debris Removal Limit of Insurance** applies to your Debris Removal Coverage, providing an excess Limit of Insurance.
 - b. The most we will pay for debris removal is the lesser of:
 - (1) 25% of the covered direct physical loss or damage; or
 - (2) The remaining applicable Limit of Insurance for Covered Property shown in the Declarations after payment of the covered direct physical loss or damage.
 - c. If the amount in **b.** above is insufficient to pay the debris removal, we will pay the remaining debris removal. However, this additional amount we pay is subject to the **Debris Removal Limit of Insurance** shown in the Declarations.

Employee Tools and Clothing

We will pay for loss or damage to tools and clothing of your employees caused by or resulting from any of the Covered Causes of Loss. Coverage applies only while at your job sites or premises or while in transit to or from such job sites or premises in your vehicle.

Your **Employee Tools and Clothing Limit of Insurance** shown in the Declarations is the most we will pay in any one occurrence for loss or damage under this Additional Coverage. However, the most we will pay for loss or damage to property of any one employee is \$500. We will not pay for any loss or damage unless the amount of the loss or damage is more than \$500.

The Coinsurance and Deductible provisions do not apply to this Additional Coverage.

This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

Pollutant Clean Up And Removal

1. We will pay your expense to extract "**pollutants**" from land or water if the discharge, dispersal, seepage, migration, release or escape of the "**pollutants**" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of when the Covered Cause of Loss occurs.
2. This Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effect of "**pollutants**" from the land or water. But we will pay for testing which is performed in the course of extracting the "**pollutants**" from the land or water.
3. **Pollutant Clean Up Limit of Insurance**
 - a. Your **Pollutant Clean Up Limit of Insurance** applies to your Pollutant Clean Up and Removal Coverage. The aggregate liability of the Company shall not exceed this limit for all covered expenses arising during any single policy year. A policy year means the period from the inception or anniversary date to the expiration date or next anniversary date.
 - b. Your **Pollutant Clean Up Limit of Insurance** applies per location and is shown in the Declarations.

Preservation of Property

If it is necessary to move Covered Property from a premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss of or damage to that property:

- a. While it is being moved to or while temporarily stored at another location; and
- b. Only if loss or damage occurs within 90 days after the property is first moved.

This Additional Coverage does not increase the Limit of Insurance.

Preservation of Property – Expense Coverage

If it is necessary to move Covered Property from a premises to preserve it from further loss or damage by a Covered Cause of Loss, we will pay the actual expense to move the property to safety.

We will also pay any necessary rental fees for the temporary storage at premises of others for the period of days shown in the Declarations after the property is first moved.

This is additional insurance. The applicable per-occurrence **Preservation of Property – Expense Coverage Limit of Insurance** is shown in the Declarations.

Rental Expense Reimbursement

We will reimburse your rental expenses should a covered loss or damage to equipment you own make it necessary to rent or lease replacement equipment to continue your normal operations of the work in progress. We will reimburse these rental expenses provided you do not have equivalent idle equipment you can use, and you restore or replace the lost or damaged equipment as soon as possible.

Our reimbursement is limited to rental expenses incurred during the time beginning the number of days shown in the Declarations after the loss or damage has occurred and continuing until the equipment has been restored, replaced, or is no longer needed, whichever occurs first. The period of reimbursement will not be limited by the policy expiration date.

Your **Rental Expense Reimbursement Limit of Insurance** shown in this Coverage Form Declarations is the most we will pay under this Additional Coverage. The aggregate liability of the Company shall not exceed this limit for all covered expenses arising during any single policy year. A policy year means the period from the inception or anniversary date to the expiration date or next anniversary date.

This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

Leased, Rented, or Borrowed Contractor's Equipment From Others

We will pay for direct physical loss or damage to non-scheduled contractor's equipment which you lease, rent, or borrow from others caused by or resulting from a cause of loss not otherwise excluded, not to exceed the applicable **Limit Of Insurance For Leased, Rented Or Borrowed Contractor's Equipment From Others** shown in the Declarations. You must be responsible for insuring such equipment under the terms and conditions of the lease, rental or loan agreement. Leased, Rented or Borrowed Contractor's Equipment From Others coverage does not apply to contractor's equipment that is listed and described on the Schedule of Contractor's Equipment a Schedule.

Your Contractor's Equipment Leased, Rented, or Borrowed Contractor's By Others

We will pay for direct physical loss or damage to your contractor's equipment which you allow others to lease, rent, or borrow caused by or resulting from a cause of loss not otherwise excluded, not to exceed the applicable **Limit of Insurance For Your Contractor's Equipment Leased, Rented, Or Borrowed By Others** shown in the Declarations.

EXCLUSIONS

Consequential Loss

We will not pay for loss or damage caused by or resulting from delay, loss of use, loss of market or any other consequential loss.

Decay or Deterioration

We will not pay for loss or damage caused by or resulting from decay or deterioration. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Dishonesty

We will not pay for loss or damage caused by or resulting from dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone (except carriers for hire) to whom you entrust the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

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

Electrical Arcing

We will not pay for loss or damage caused by or resulting from artificially generated electrical current, including electric arcing that disturbs electrical devices, appliances or wires creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss

This exclusion only applies to loss or damage to that article in which the disturbance occurs.

Governmental Action

We will not pay for loss or damage caused directly or indirectly by seizure or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

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 Form.

Hidden or Latent Defect

We will not pay for loss or damage caused by or resulting from hidden or latent defect or any quality in property that causes it to damage or destroy itself. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Mechanical Breakdown

We will not pay for loss or damage caused by or resulting from mechanical breakdown, including rupture or bursting caused by centrifugal force. However, this does not apply to any loss or damage caused by elevator collision. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Mysterious Disappearance

We will not pay for loss or damage caused by or resulting from disappearance or shortage disclosed on taking inventory, where there is no physical evidence to show what happened.

This exclusion does not apply to any ensuing loss or damage by a Covered Cause of Loss.

Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by: any weapon employing atomic fission or fusion; nuclear reaction or radiation; or radioactive contamination; however caused. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of "**pollutants**" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "**specified causes of loss**". But if the discharge, dispersal, seepage, migration, release or escape of "**pollutants**" results in a "**specified cause of loss**", we will pay for the loss or damage caused by that "**specified cause of loss**".

Rust or Corrosion

We will not pay for loss or damage caused by or resulting from rust or other corrosion. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Unexplained Loss

We will not pay for loss or damage caused by or resulting from unexplained loss

War and Military Action

We will not pay for loss or damage caused directly or indirectly by

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

Wear and Tear

We will not pay for loss or damage caused by or resulting from wear and tear, or depreciation. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

Weather Conditions

We will not pay for loss or damage caused by or resulting from weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in the exclusions for Governmental Action, Nuclear Hazard, War And Military Action to produce the loss or damage.

But, if an excluded cause of loss results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence:

1. For one item of scheduled property is the Limit of Insurance for that item;
2. For more than one item of scheduled property is the total of the scheduled limits for those items up to your **Limit of Insurance for All Covered Property**;
3. For Additional Coverages, is the Limit of Insurance applicable to that Additional Coverage;

As shown in this Coverage Form Declarations.

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

DEDUCTIBLES

We will not pay for loss or damage in any one occurrence until the amount of adjusted loss or damage before applying the applicable Limit of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible up to the applicable Limit of Insurance. If no other Deductible is shown in the Declarations, your Deductible is \$500.

If more than one deductible applies in any one occurrence, the largest applicable deductible will be used.

CONDITIONS

This Coverage Form is subject to the Common Policy Conditions, the Commercial Inland Marine Conditions, and the following Additional Conditions:

Valuation

The following is added to the **Valuation** Condition in the Commercial Inland Marine Conditions:

However, when actual cash value would otherwise apply, we will not deduct depreciation on the adjustment of a partial loss or damage to an item when the loss or damage is less than 20% of the actual cash value of the item.

Impairment of Recovery Rights

If by any act or agreement after a loss or damage you impair our right to recover from others liable for the loss or damage, we will not pay you for that loss or damage.

DEFINITIONS

POLLUTANTS

"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.

SINKHOLE COLLAPSE

"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:

- a. The cost of filling sinkholes; or
- b. Sinking or collapse of land into man-made underground cavities.

SPECIFIED CAUSES OF LOSS

"Specified causes of loss" means the following:

Fire; lightning; explosion, windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; **"sinkhole collapse"**; **"volcanic action"**; falling objects; weight of snow, ice or sleet; **"water damage"**; sonic boom and elevator collision.

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.

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

WATER DAMAGE

"Water damage" means 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) containing water or steam.

CRIME COVERAGE PART DECLARATIONS

Form Number:

CR 00 25 11 15

IL 02 50 09 08

IL 09 35 07 02

OB CR 100 06 16

Form Name:

GOVERNMENT CRIME COVERAGE FORM (LOSS
SUSTAINED FORM)

TN CHANGES - CANCELLATION AND NONRENEWAL
EXCLUSION OF CERTAIN COMPUTER - RELATED
LOSSES

CRIME COVERAGE PART DECLARATIONS

CRIME COVERAGE PART DECLARATIONS

THE LIMITS OF INSURANCE SHOWN ARE THE TOTAL COVERAGE LIMITS FOR THAT PARTICULAR COVERAGE AND APPLY IN ANY ONE OCCURRENCE UNLESS OTHERWISE STATED.

Coverage is Written Primary

Cancellation of Prior Insurance Issued by Us:

By acceptance of this crime coverage, you give us notice cancelling prior policies providing crime coverage. The cancellation is effective at the time this Policy becomes effective.

GOVERNMENT CRIME COVERAGE FORM (LOSS SUSTAINED FORM)

Employee Benefit Plan(s) Included as Insureds:

Any "employee benefit plan" subject to the Employee Retirement Income Security Act of 1974 (ERISA) that is owned, controlled or operated by you which you provide solely for the benefit of your "employees".

INSURING AGREEMENT	LIMIT OF INSURANCE Per Occurrence	DEDUCTIBLE Per Occurrence
1. Employee Theft – Per Loss Coverage	\$100,000	\$1,000
2. Employee Theft – Per Employee Coverage	Not Covered	
3. Forgery or Alteration	\$100,000	\$1,000
4. Inside the Premises – Theft of Money and Securities	\$100,000	\$1,000
5. Inside the Premises – Robbery or Safe Burglary of Other Property	Not Covered	
6. Outside the Premises	\$100,000	\$1,000
7. Computer and Funds Transfer Fraud	\$100,000	\$1,000
8. Money Orders and Counterfeit Money	\$100,000	\$1,000

Coverage is provided only if a Limit of Insurance is shown opposite an Insuring Agreement. If the amount is left blank or "Not Covered" is inserted, such Insuring Agreement and any other reference thereto in this Policy are deleted.

GOVERNMENT CRIME COVERAGE FORM (LOSS SUSTAINED FORM)

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

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

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

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit Of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations, except as provided in Condition E.1.j. or E.1.k., which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition E.1.f.:

1. Employee Theft – Per Loss Coverage

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

2. Employee Theft – Per Employee Coverage

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by each "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

3. Forgery Or Alteration

a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you;
or

- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

- b. If you are sued for refusing to pay any instrument covered in Paragraph 3.a., on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay for such legal expenses is in addition to the Limit of Insurance applicable to this Insuring Agreement.

4. Inside The Premises – Theft Of Money And Securities

We will pay for:

- a. Loss of "money" and "securities" inside the "premises" or "financial institution premises":

- (1) Resulting directly from "theft" committed by a person present inside such "premises" or "financial institution premises"; or

- (2) Resulting directly from disappearance or destruction.

- b. Loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

- c. Loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted "theft" of, or unlawful entry into, those containers.

5. Inside The Premises – Robbery Or Safe Burglary Of Other Property

We will pay for:

- a. Loss of or damage to "other property":
 - (1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or
 - (2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".
- b. Loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.
- c. Loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

6. Outside The Premises

We will pay for:

- a. Loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.
- b. Loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

7. Computer And Funds Transfer Fraud

- a. We will pay for:
 - (1) Loss resulting directly from a fraudulent:
 - (a) Entry of "electronic data" or "computer program" into; or
 - (b) Change of "electronic data" or "computer program" within;
any "computer system" owned, leased or operated by you, provided the fraudulent entry or fraudulent change causes, with regard to Paragraphs 7.a.(1)(a) and 7.a.(1)(b):
 - (i) "Money", "securities" or "other property" to be transferred, paid or delivered; or
 - (ii) Your account at a "financial institution" to be debited or deleted.

- (2) Loss resulting directly from a "fraudulent instruction" directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that account.

- b. As used in Paragraph 7.a.(1), fraudulent entry or fraudulent change of "electronic data" or "computer program" shall include such entry or change made by an "employee" acting, in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a "computer system" covered under this Insuring Agreement.

8. Money Orders And Counterfeit Money

We will pay for loss resulting directly from your having, in good faith, accepted in exchange for merchandise, "money" or services:

- a. Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or
- b. "Counterfeit money" that is acquired during the regular course of business.

B. Limit Of Insurance

The most we will pay for all loss resulting directly from an "occurrence" is the applicable Limit Of Insurance shown in the Declarations.

If any loss is covered under more than one Insuring Agreement or coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or coverages.

C. Deductible

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

D. Exclusions

- 1. This insurance does not cover:
 - a. **Acts Committed By You**
Loss resulting from "theft" or any other dishonest act committed by you, whether acting alone or in collusion with other persons.

b. Acts Committed By Your Employees Learned Of By You Prior To The Policy Period

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your officials, not in collusion with the "employee", learned of such "theft" or dishonest act prior to the Policy Period shown in the Declarations.

c. Acts Committed By Your Officials, Employees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of your officials, "employees" or authorized representatives:

- (1) Whether acting alone or in collusion with other persons; or
- (2) While performing services for you or otherwise;

except when covered under Insuring Agreement **A.1.** or **A.2.**

d. Confidential Or Personal Information

Loss resulting from:

- (1) The disclosure or use of another person's or organization's confidential or personal information; or
- (2) The disclosure of your confidential or personal information. However, this Paragraph **1.d.(2)** does not apply to loss otherwise covered under this insurance that results directly from the use of your confidential or personal information.

For the purposes of this exclusion, confidential or personal information includes, but is not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

e. Data Security Breach

Fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

f. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

g. Indirect Loss

Loss that is an indirect result of an "occurrence" covered by this insurance including, but not limited to, loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property";
- (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance; or
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

h. Legal Fees, Costs And Expenses

Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Insuring Agreement **A.3.**

i. Nuclear Hazard

Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

j. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of 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.

k. Virtual Currency

Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

l. War And Similar Action

Loss or damage resulting from:

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
2. Insuring Agreements **A.1.** and **A.2.** do not cover:

a. Bonded Employees

Loss caused by any "employee" required by law to be individually bonded.

b. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

c. Trading

Loss resulting from trading, whether in your name or in a genuine or fictitious account.

d. Treasurers Or Tax Collectors

Loss caused by any treasurer or tax collector by whatever name known.

3. Insuring Agreements **A.4.**, **A.5.** and **A.6.** do not cover:

a. Accounting Or Arithmetical Errors Or Omissions

Loss resulting from accounting or arithmetical errors or omissions.

b. Exchanges Or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

c. Fire

Loss or damage resulting from fire, however caused, except:

- (1) Loss of or damage to "money" and "securities"; and
- (2) Loss from damage to a safe or vault.

d. Money Operated Devices

Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

e. Motor Vehicles Or Equipment And Accessories

Loss of or damage to motor vehicles, trailers or semitrailers or equipment and accessories attached to them.

f. Transfer Or Surrender Of Property

- (1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "financial institution premises":
 - (a) On the basis of unauthorized instructions; or
 - (b) As a result of a threat including, but not limited to:
 - (i) A threat to do bodily harm to any person;
 - (ii) A threat to do damage to any property;
 - (iii) A threat to introduce a denial of service attack into any "computer system";
 - (iv) A threat to introduce a virus or other malicious instruction into any "computer system" which is designed to damage, destroy or corrupt "electronic data" or "computer programs" stored within the "computer system"; or
 - (v) A threat to disseminate, divulge or utilize:
 - i. Your confidential information;
 - ii. Confidential or personal information of another person or organization; or
 - iii. Weaknesses in the source code within any "computer system".
- (2) However, this exclusion does not apply under Insuring Agreement **A.6.** to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:
 - (a) Had no knowledge of any threat at the time the conveyance began; or

- (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

g. Vandalism

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

h. Voluntary Parting Of Title To Or Possession Of Property

Loss resulting from your, or anyone else acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

4. Insuring Agreement A.7. does not cover:

a. Authorized Access

Loss resulting from a fraudulent:

- (1) Entry of "electronic data" or "computer program" into; or
- (2) Change of "electronic data" or "computer program" within;

any "computer system" owned, leased or operated by you by a person or organization with authorized access to that "computer system", except when covered under Insuring Agreement **A.7.b.**

b. Credit Card Transactions

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

c. Exchanges Or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

d. Fraudulent Instructions

Loss resulting from an "employee" or "financial institution" acting upon any instruction to:

- (1) Transfer, pay or deliver "money", "securities" or "other property"; or
- (2) Debit or delete your account;

which instruction proves to be fraudulent, except when covered under Insuring Agreement **A.7.a.(2)** or **A.7.b.**

e. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

E. Conditions

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

1. Conditions Applicable To All Insuring Agreements

a. Additional Premises Or Employees

If, while this insurance is in force, you establish any additional "premises" or hire additional "employees", such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" is not required, and no additional premium will be charged for the remainder of the Policy Period shown in the Declarations.

b. Concealment, Misrepresentation Or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other Insured, at any time, intentionally conceals or misrepresents a material fact concerning:

- (1) This insurance;
- (2) The property covered under this insurance;
- (3) Your interest in the property covered under this insurance; or
- (4) A claim under this insurance.

c. Cooperation

You must cooperate with us in all matters pertaining to this insurance as stated in its terms and conditions.

d. Duties In The Event Of Loss

After you "discover" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property", you must:

- (1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreement **A.1.**, **A.2.** or **A.3.**) involves a violation of law, you must also notify the local law enforcement authorities;

- (2) Give us a detailed, sworn proof of loss within 120 days;
- (3) Cooperate with us in the investigation and settlement of any claim;
- (4) Produce for our examination all pertinent records;
- (5) Submit to examination under oath at our request and give us a signed statement of your answers; and
- (6) Secure all of your rights of recovery against any person or organization responsible for the loss and do nothing to impair those rights.

e. Employee Benefit Plans

The employee benefit plans shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement **A.1.** or **A.2.**, subject to the following:

- (1) Any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (2) The Deductible Amount applicable to Insuring Agreement **A.1.** or **A.2.** does not apply to loss sustained by any Plan.

f. Extended Period To Discover Loss

We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you no later than one year from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

g. Joint Insured

- (1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- (2) If any Insured or official of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

- (3) An "employee" of any Insured is considered to be an "employee" of every Insured.
- (4) If this insurance or any of its coverages are cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you no later than one year from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.
- (6) Payment by us to the first Named Insured for loss sustained by any Insured, or payment by us to any employee benefit plan for loss sustained by that Plan, shall fully release us on account of such loss.

h. Legal Action Against Us

You may not bring any legal action against us involving loss:

- (1) Unless you have complied with all the terms of this insurance;
- (2) Until 90 days after you have filed proof of loss with us; and
- (3) Unless brought within two years from the date you "discovered" the loss.

If any limitation in this condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

i. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this insurance.

j. Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate

(1) Loss Sustained Partly During This Insurance And Partly During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place:

- (a) Partly during the Policy Period shown in the Declarations; and
- (b) Partly during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the policy period(s) of the prior insurance.

(2) Loss Sustained Entirely During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place entirely during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

- (a) This insurance became effective at the time of cancellation of the prior insurance; and
- (b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the policy period(s) of any other prior insurance.

(3) In settling loss under Paragraphs j.(1) and j.(2):

- (a) The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

- (b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under this insurance. If no loss was sustained under this insurance, we will apply the Deductible Amount shown in the Declarations to the amount of loss sustained under the most recent prior insurance.

If the Deductible Amount is larger than the amount of loss sustained under this insurance, or the most recent prior insurance, we will apply the remaining Deductible Amount to the remaining amount of loss sustained during the prior insurance.

We will not apply any other Deductible Amount that may have been applicable to the loss.

- (4) The following examples demonstrate how we will settle losses subject to this condition:

Example Number 1

The Insured sustained a covered loss of \$10,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B**.

Policy A

The current policy. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

Policy B

Issued prior to Policy **A**. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

Settlement Of Loss

The amount of loss sustained under Policy **A** is \$2,500 and under Policy **B**, \$7,500.

The highest single Limit of Insurance applicable to this entire loss is \$50,000 written under Policy **A**. The Policy **A** Deductible Amount of \$5,000 applies. The loss is settled as follows:

- (a) The amount of loss sustained under Policy **A** (\$2,500) is settled first. The amount we will pay is nil (\$0.00) because the amount of loss is less than the Deductible Amount (i.e., \$2,500 loss - \$5,000 deductible = \$0.00).

- (b) The remaining amount of loss sustained under Policy **B** (\$7,500) is settled next. The amount recoverable is \$5,000 after the remaining Deductible Amount from Policy **A** of \$2,500 is applied to the loss (i.e., \$7,500 loss - \$2,500 deductible = \$5,000).

The most we will pay for this loss is \$5,000.

Example Number 2

The Insured sustained a covered loss of \$250,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B**.

Policy A

The current policy. Written at a Limit of Insurance of \$125,000 and a Deductible Amount of \$10,000.

Policy B

Issued prior to Policy **A**. Written at a Limit of Insurance of \$150,000 and a Deductible Amount of \$25,000.

Settlement Of Loss

The amount of loss sustained under Policy **A** is \$175,000 and under Policy **B**, \$75,000.

The highest single Limit of Insurance applicable to this entire loss is \$150,000 written under Policy **B**. The Policy **A** Deductible Amount of \$10,000 applies. The loss is settled as follows:

- (a) The amount of loss sustained under Policy **A** (\$175,000) is settled first. The amount we will pay is the Policy **A** Limit of \$125,000 because \$175,000 loss - \$10,000 deductible = \$165,000, which is greater than the \$125,000 policy limit.
- (b) The remaining amount of loss sustained under Policy **B** (\$75,000) is settled next. The amount we will pay is \$25,000 (i.e., \$150,000 Policy **B** limit - \$125,000 paid under Policy **A** = \$25,000).

The most we will pay for this loss is \$150,000.

Example Number 3

The Insured sustained a covered loss of \$2,000,000 resulting directly from an "occurrence" taking place during the terms of Policies **A**, **B**, **C** and **D**.

Policy A

The current policy. Written at a Limit of Insurance of \$1,000,000 and a Deductible Amount of \$100,000.

Policy B

Issued prior to Policy **A**. Written at a Limit of Insurance of \$750,000 and a Deductible Amount of \$75,000.

Policy C

Issued prior to Policy **B**. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

Policy D

Issued prior to Policy **C**. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

Settlement Of Loss

The amount of loss sustained under Policy **A** is \$350,000; under Policy **B**, \$250,000; under Policy **C**, \$600,000; and under Policy **D**, \$800,000.

The highest single Limit of Insurance applicable to this entire loss is \$1,000,000 written under Policy **A**. The Policy **A** Deductible Amount of \$100,000 applies. The loss is settled as follows:

- (a) The amount of loss sustained under Policy **A** (\$350,000) is settled first. The amount we will pay is \$250,000 (i.e., \$350,000 loss - \$100,000 deductible = \$250,000).
- (b) The amount of loss sustained under Policy **B** (\$250,000) is settled next. The amount we will pay is \$250,000 (no deductible is applied).
- (c) The amount of loss sustained under Policy **C** (\$600,000) is settled next. The amount we will pay is \$500,000, the policy limit (no deductible is applied).
- (d) We will not make any further payment under Policy **D**, as the maximum amount payable under the highest single Limit of Insurance applying to the loss of \$1,000,000 under Policy **A** has been satisfied.

The most we will pay for this loss is \$1,000,000.

k. Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate

- (1) If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place during the policy period of any prior cancelled insurance that was issued to you or a predecessor in interest by another company, and the period of time to discover loss under that insurance had expired, we will pay for the loss under this insurance, provided:
 - (a) This insurance became effective at the time of cancellation of the prior insurance; and
 - (b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".
- (2) In settling loss subject to this condition:
 - (a) The most we will pay for the entire loss is the lesser of the Limits of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior cancelled insurance.
 - (b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under the cancelled insurance.
- (3) The insurance provided under this condition is subject to the following:
 - (a) If loss covered under this condition is also partially covered under Condition **E.1.j.**, the amount recoverable under this condition is part of, not in addition to, the amount recoverable under Condition **E.1.j.**
 - (b) For loss covered under this condition that is not subject to Paragraph **k.(3)(a)**, the amount recoverable under this condition is part of, not in addition to, the Limit of Insurance applicable to the loss covered under this insurance and is limited to the lesser of the amount recoverable under:
 - (i) This insurance as of its effective date; or
 - (ii) The prior cancelled insurance had it remained in effect.

l. Other Insurance

If other valid and collectible insurance is available to you for loss covered under this insurance, our obligations are limited as follows:

(1) Primary Insurance

When this insurance is written as primary insurance, and:

- (a) You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.
- (b) You have other insurance covering the same loss other than that described in Paragraph **l.(1)(a)**, we will only pay for the amount of loss that exceeds:
 - (i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or
 - (ii) The Deductible Amount shown in the Declarations;whichever is greater. Our payment for loss is subject to the terms and conditions of this insurance.

(2) Excess Insurance

- (a) When this insurance is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this insurance.
- (b) However, if loss covered under this insurance is subject to a deductible, we will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

m. Ownership Of Property; Interests Covered

The property covered under this insurance is limited to property:

- (1) That you own or lease;

- (2) That is held by you in any capacity; or
- (3) For which you are legally liable, provided you were liable for the property prior to the time the loss was sustained.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

n. Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

o. Recoveries

- (1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or by you, shall be applied net of the expense of such recovery:
 - (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;
 - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
 - (c) Third, to you in satisfaction of any Deductible Amount; and
 - (d) Fourth, to you in satisfaction of any loss not covered under this insurance.
- (2) Recoveries do not include any recovery:
 - (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - (b) Of original "securities" after duplicates of them have been issued.

p. Territory

This insurance covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions) and Puerto Rico.

q. Transfer Of Your Rights Of Recovery Against Others To Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

r. Valuation – Settlement

The value of any loss for purposes of coverage under this Policy shall be determined as follows:

(1) Money

Loss of "money" but only up to and including its face value.

(2) Securities

Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:

- (a) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
- (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - (i) Market value of the "securities" at the close of business on the day the loss was "discovered"; or
 - (ii) Limit of Insurance applicable to the "securities".

(3) Property Other Than Money And Securities

- (a) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:
 - (i) The Limit of Insurance applicable to the lost or damaged property;
 - (ii) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose; or
 - (iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

(b) We will not pay on a replacement cost basis for any loss or damage to property covered under Paragraph **r.(3)(a)**:

(i) Until the lost or damaged property is actually repaired or replaced; and

(ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

(c) Any property that we pay for or replace becomes our property.

2. Conditions Applicable To Insuring Agreements A.1. And A.2.

a. Indemnification

We will indemnify any of your officials who are required by law to give individual bonds for the faithful performance of their duties against loss through "theft" committed by "employees" who serve under them, subject to the applicable Limit of Insurance.

b. Termination As To Any Employee

These Insuring Agreements terminate as to any "employee":

(1) As soon as:

(a) You; or

(b) Any of your officials or employees authorized to manage, govern or control your "employees" not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you; or

(2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

c. Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in Territory Condition **E.1.p.** for a period of not more than 90 consecutive days.

3. Conditions Applicable To Insuring Agreement A.3.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement **A.3.**

b. Electronic And Mechanical Signatures

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

c. Proof Of Loss

You must include with your proof of loss any instrument involved in that loss or, if that is not possible, an affidavit setting forth the amount and cause of loss.

d. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.3.**

4. Conditions Applicable To Insuring Agreements A.5. And A.6.

a. Armored Motor Vehicle Companies

Under Insuring Agreement **A.6.**, we will only pay for the amount of loss you cannot recover:

(1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. Special Limit Of Insurance For Specified Property

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable To Insuring Agreement A.7.

a. Special Limit Of Insurance For Specified Property

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

b. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.7.**

F. Definitions

1. "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".
2. "Computer system" means:
 - a. Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;
 - b. Systems and applications software; and
 - c. Related communications networks;by which "electronic data" is collected, transmitted, processed, stored or retrieved.
3. "Counterfeit money" means an imitation of "money" which is intended to deceive and to be taken as genuine.
4. "Custodian" means you or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.
5. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.
6. "Electronic data" means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

7. "Employee":

- a. Means:
 - (1) Any natural person:
 - (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";
 - (b) Whom you compensate directly by salary, wages or commissions; and
 - (c) Whom you have the right to direct and control while performing services for you;
 - (2) Any natural person who is furnished temporarily to you:
 - (a) To substitute for a permanent "employee", as defined in Paragraph **7.a.(1)**, who is on leave; or
 - (b) To meet seasonal or short-term workload conditions;
while that person is subject to your direction and control and performing services for you;
 - (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary "employee" as defined in Paragraph **7.a.(2)**;
 - (4) Any natural person who is:
 - (a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any employee benefit plan(s); or
 - (b) Your official while that person is engaged in handling "money", "securities" or "other property" of any employee benefit plan;
 - (5) Any natural person who is a former official, "employee" or trustee retained by you as a consultant while performing services for you; and
 - (6) Any natural person who is a guest student or intern pursuing studies or duties.
- b. Does not mean:

Any agent, independent contractor or representative of the same general character not specified in Paragraph **7.a.**

8. "Financial institution" means:
- a. With regard to Insuring Agreement **A.4.:**
 - (1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or
 - (2) An insurance company.
 - b. With regard to Insuring Agreement **A.7.:**
 - (1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution;
 - (2) An insurance company; or
 - (3) A stock brokerage firm or investment company.
 - c. Other than Insuring Agreements **A.4.** and **A.7.**, any financial institution.
9. "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution" as defined in Paragraph **F.8.a.**
10. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
11. "Fraudulent instruction" means:
- a. With regard to Insuring Agreement **A.7.a.(2):**
 - (1) A computer, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", which instruction purports to have been issued by you, but which in fact was fraudulently issued by someone else without your knowledge or consent; or
 - (2) A written instruction (other than those covered under Insuring Agreement **A.3.**) issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.
 - b. With regard to Insuring Agreement **A.7.b.:**

A computer, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under the Insuring Agreement, which instruction in fact was fraudulently issued by your computer software contractor.
12. "Messenger" means you or any "employee" while having care and custody of property outside the "premises".
13. "Money" means:
- a. Currency, coins and bank notes in current use and having a face value;
 - b. Traveler's checks and money orders held for sale to the public; and
 - c. In addition, includes:
 - (1) Under Insuring Agreements **A.1.**, **A.2.** and **A.3.**, deposits in your account at any "financial institution"; and
 - (2) Under Insuring Agreement **A.7.**, deposits in your account at a "financial institution" as defined in Paragraph **F.8.b.**
14. "Occurrence" means:
- a. Under Insuring Agreement **A.1.:**
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related; committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.j.** or **E.1.k.**
 - b. Under Insuring Agreement **A.2.:**
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related; committed by each "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.j.** or **E.1.k.**
 - c. Under Insuring Agreement **A.3.:**
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related;

committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.j.** or **E.1.k.**

d. Under all other Insuring Agreements:

- (1)** An individual act or event;
- (2)** The combined total of all separate acts or events whether or not related; or
- (3)** A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.j.** or **E.1.k.**

- 15.** "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include "computer programs", "electronic data" or any property specifically excluded under this insurance.
- 16.** "Premises" means the interior of that portion of any building you occupy in conducting your business.
- 17.** "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
 - a.** Caused or threatened to cause that person bodily harm; or
 - b.** Committed an obviously unlawful act witnessed by that person.
- 18.** "Safe burglary" means the unlawful taking of:
 - a.** Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or

b. A safe or vault from inside the "premises".

- 19.** "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
 - a.** Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b.** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
but does not include "money".
- 20.** "Theft" means the unlawful taking of property to the deprivation of the Insured.
- 21.** "Transfer account" means an account maintained by you at a "financial institution" from which you can initiate the transfer, payment or delivery of "money" or "securities":
 - a.** By means of computer, telefacsimile, telephone or other electronic instructions; or
 - b.** By means of written instructions (other than those covered under Insuring Agreement **A.3.**) establishing the conditions under which such transfers are to be initiated by such "financial institutions" through an electronic funds transfer system.
- 22.** "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

SCHEDULE 8

Effective 07/01/2019 , this schedule forms a part of Policy No. 791-00-18-95-0000
(At the time stated in the policy)

issued to
CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS
by Atlantic Specialty Insurance Company

Excess Liability Declarations GRS EL 100 07 07,
Continued:

Forms Applicable to the Excess Liability Coverage:

GRS EL 100 07 07	EXCESS LIABILITY COVERAGE PART DECLARATIONS
GRS EL 101 01 16	EXCESS LIABILITY COVERAGE FORM
OBITRIAEX 002-1OBGR 06 17	EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
ASC 00 11 01 98	Schedule 8 - EXCESS POLICY LIST OF FORMS

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EXCESS LIABILITY COVERAGE PART DECLARATIONS

LIMITS OF INSURANCE

Aggregate Limit: \$1,000,000 All Claims excess of Underlying Insurance
Each Claim Limit: \$1,000,000 Each Claim excess of Underlying Insurance

Schedule of Underlying Insurance

Coverage	Carrier/ Policy Number	Policy Period/ Retroactive Date	Limits of Insurance
Commercial General Liability			See ASC 00 05 01 98
Public Officials Liability			See APR 005 02 99
Business Auto			See ACA 01 03 10
Employers Liability			Not Covered

Forms applicable to the Excess Liability Coverage:

See ASC 00 11 01 98, Schedule 8

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EXCESS LIABILITY COVERAGE FORM

for Government Risks

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. We have no duty to provide coverage unless there has been full compliance with all the **SECTION V – CONDITIONS** contained in this coverage part.

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 the "underlying insurance."

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION VI – DEFINITIONS**.

SECTION I – COVERAGE

Insuring Agreement – Excess Liability

1. We will pay those sums that the insured becomes legally obligated to pay as "damages" in excess of all "underlying insurance", but only after all "underlying insurance" has been exhausted by the actual payment of the Limits of Liability of the "underlying insurance".
2. This excess liability insurance coverage is subject to the insuring agreement terms, exclusions, limitations, conditions and definitions contained within the "underlying insurance", except as otherwise described in this excess liability coverage form and its endorsements.
3. The amount we will pay for "damages" is limited as described in **SECTION IV – LIMITS OF INSURANCE**.

SECTION II – DEFENSE

1. We have no duty to defend or assume charge of any settlement or defense of any "claim" made, "suit" brought, or proceedings instituted against the insured. However, we have the right, but not the duty, and will be provided the opportunity to associate with the insured in the investigation, settlement or defense of any "claim", "suit" or proceeding which in our opinion may create liability under this excess liability policy, whether or not the Limits of Liability of the "underlying insurance" have been exhausted.
2. If the defense expenses are included within the Limit(s) of Liability of any "underlying insurance" by the terms of that "underlying insurance", any defense expenses we incur under this policy in excess of that "underlying insurance" will reduce the applicable Limit of Insurance of this policy.
3. If the defense expenses are not included within the Limit(s) of Liability of any "underlying insurance" by the terms of that "underlying insurance", any defense expenses we incur under this policy in excess of that "underlying insurance" will not reduce the applicable Limit of Insurance of this policy.

SECTION III – EXCLUSIONS

This insurance does not apply to:

1. Automobile Underinsured or Uninsured Motorists Laws

Any "claim", "damages", loss, cost or expense arising directly or indirectly out of, or in any way related to an obligation under an automobile underinsured motorists or uninsured motorists regulation or law.

2. Automobile Medical Payments or No-Fault

Any "claim", "damages", loss, cost or expense arising directly or indirectly out of, or in any way related to an obligation under any first-party automobile medical payments or automobile personal injury protection or other automobile no-fault regulation or law.

3. No Coverage Provided by Underlying Insurance

Any "claim", loss, cost or expense which is not covered for any reason by any "underlying insurance" to this policy.

4. Failure to Supply

Any "claim", "damages", loss, cost or expense arising directly or indirectly out of, or in any way related to the failure to adequately supply electricity, gas, oil, steam, or water service.

This exclusion does not apply if the failure to supply results from the sudden and accidental injury to tangible property owned or used by any insured to obtain, produce, process or transmit such service.

5. Pollution

- a. Any "claim", "damages", loss, cost or expense arising directly or indirectly out of, or in any way related to the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b. Any "claim", "damages", loss, cost or expense arising directly or indirectly out of, or in any way related to any:
 - (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 - (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

6. Sexual Abuse

Any "claim", "damages", loss, cost or expense arising directly or indirectly out of, or in any way related to "sexual abuse" of any person or the negligent:

- a. Employment;
- b. Investigation;
- c. Supervision;
- d. Reporting to the proper authorities, or failing to so report; or
- e. Retention;

of any person who actually or allegedly committed or attempted to commit "sexual abuse" for whom any insured is or ever was legally responsible.

SECTION IV – 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 Aggregate Limit shown in the Declarations is the most we will pay for all "damages" for all "claims" or "suits" in excess of the "underlying insurance".
3. Subject to 2. above, the Each Claim Limit shown in the Declarations is the most we will pay for "damages" in excess of the underlying Each Occurrence, Each Offense, Each Health Care and Social Services Wrongful Act, Each Wrongful Act, Each Employment Practices Offense, Each Administration Offense, Each Law Enforcement Wrongful Act or Each Accident Limits of Insurance that may apply as "underlying insurance".

SECTION V – CONDITIONS

1. Bankruptcy

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

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

- a. You must see to it that we are notified as soon as practicable of an occurrence, offense, wrongful act, or accident which may result in a "claim" or "suit". To the extent possible, notice should include:
 - (1) How, when and where the occurrence, offense, wrongful act or accident 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, offense, wrongful act or accident.
- b. If a "claim" is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
 - (2) Notify us as soon as practicable.You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

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

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

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

4. Other Insurance

The insurance provided by this policy is excess over and shall not contribute with any other insurance.

We will pay only our share of the amount of loss, if any, that exceeds the sum of:

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

If we share the loss, and 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.

Other Insurance means insurance, or the funding of losses, that is provided by or through:

- Another insurance company;
- Any of our affiliated insurance companies;

- Any risk retention group;
- Any self-insurance, group self-insurance, or similar risk transfer approach, other than any funded by you and to which this coverage part applies.

However, other insurance does not mean umbrella or excess insurance issued to you to apply in excess of the limits of this coverage part.

5. Premium Audit

- We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- 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.
- 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.
- We may waive this condition at our option.

6. Representations

By accepting this policy, you agree:

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

The unintentional error or omission in any information provided by you will not be deemed to be a misrepresentation. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or non-renewal.

7. Separation Of Insureds

Except with respect to all exclusions contained within **SECTION III – EXCLUSIONS, SECTION IV – LIMITS OF INSURANCE**, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

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

8. Transfer Of Rights Of Recovery Against Others To Us

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

9. When We Do Not Renew

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

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

10. Maintenance of Underlying Insurance

- This policy is subject to the same representations as are contained in any application for any "underlying insurance" and the same insuring agreement terms, exclusions, limitations, conditions, and definitions as are contained within the "underlying insurance". In no event will this Coverage Part grant broader coverage than would be provided by "underlying insurance".
- "Underlying insurance" must be maintained in full effect during the policy period except for any reduction or exhaustion of any aggregate limits contained within "underlying insurance" due to the payment of "damages".

11. Extended Reporting Periods

When "underlying insurance" provides coverage on a claims-made basis, we will provide an extended reporting period(s) to the extent the "underlying insurance" provides an extended reporting period. An additional premium will apply.

SECTION VI – DEFINITIONS

1. "Claim(s)" has the meaning given to it in the applicable Coverage Part of the "underlying insurance".
2. "Damages" has the meaning given to it in the applicable Coverage Part of the "underlying insurance".
3. "Pollutants" has the meaning given to it in the applicable Coverage Part of the "underlying insurance".
4. "Sexual abuse" means any actual, attempted or alleged sexual conduct by a person, or by persons acting in concert, which causes injury. "Sexual Abuse" includes sexual molestation, sexual assault, sexual exploitation or sexual injury, but does not include "sexual harassment".
5. "Sexual harassment" means any actual, attempted, or alleged unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature by a person, or persons acting in concert, which causes injury. "Sexual harassment" includes:
 - a. The above conduct when submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or
 - b. The above conduct when such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.
6. "Suit" has the meaning given to it in the applicable Coverage Part of the "underlying insurance".
7. "Underlying insurance" means the Schedule of Liability insurance policies, carriers, policy terms and policy limits shown in the Declarations for this Coverage Form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION OF OTHER ACTS OF TERRORISM
COMMITTED OUTSIDE THE UNITED STATES; CAP ON
LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

EXCESS LIABILITY COVERAGE PART

Any endorsement addressing acts of terrorism (however defined) in any "underlying insurance" does not apply to this excess insurance. The following provisions addressing acts of terrorism apply with respect to this excess insurance:

A. The following exclusion is added:

This insurance does not apply to:

Terrorism

Any "claim", "damages", loss, cost or expense arising, directly or indirectly, out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the coverage territory. However, this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25,000,000 (valued in US dollars). In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or
 - c. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs **1.** and **2.** describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

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

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
- b. The act resulted in damage:
 - (1) Within the United States (including its territories and possessions and Puerto Rico); or

(2) Outside of the United States in the case of:

(a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or

(b) The premises of any United States mission; and

c. 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.

"Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism".

Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any "claim", "damages", loss, cost or expense that are otherwise excluded under this Coverage Part.

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

SCHEDULE 9

Effective 07/01/2019 ,this schedule forms a part of Policy No. 791-00-18-95-0000
(At the time stated in the policy)

issued to
CITY OF MANCHESTER

Producer: TENNESSEE RISK MANAGEMENT PARTNERS, LLC
DBA PUBLIC RISK INSURORS
by Atlantic Specialty Insurance Company

Commercial Professional Liability Coverage Part Declarations,
APR 005 02 99, Continued

Forms Applicable to the Professional Liability Coverage Part:

APR 005 02 99	PROFESSIONAL LIAB DECLARATIONS
GRS EO 102 01 16	PUBLIC OFFICIALS ERRORS & OMISSIONS - CLAIMS MADE
GRS EO 204 01 16	EXCL - DESIGNATED PREMISES OR OPERATIONS
GRS EO 206 01 16	EXCL - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY; COMPUTER OR COMPONENTS; NETWORK SECURITY OR HACKING EVENT
GRS LE 101 01 16	LAW ENFORCEMENT LIABILITY COVERAGE FORM
GRS LE 205 01 16	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA -RELATED LIABILITY; COMPUTER OR COMPONENTS; NETWORK SECURITY OR HACKING EVENT
ASC 00 11 01 98	Schedule 9 - PROF LIAB POLICY FORMS LIST

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PROFESSIONAL LIABILITY COVERAGE PART DECLARATIONS

Limits of Insurance

Public Officials Errors & Omissions	\$1,000,000 Each Wrongful Act \$2,000,000 Aggregate \$5,000 Deductible Each Wrongful Act 07/01/1999 Retro Date
Public Officials Employment Practices	\$1,000,000 Each Offense \$2,000,000 Aggregate \$5,000 Deductible Each Offense 07/01/1999 Retro Date
Public Officials Employee Benefits Administration	\$1,000,000 Each Offense \$2,000,000 Aggregate \$1,000 Deductible Each Offense 07/01/1999 Retro Date
Law Enforcement Liability	\$1,000,000 Each Wrongful Act \$2,000,000 Aggregate \$5,000 Deductible Each Wrongful Act

Forms applicable to the Professional Liability Coverage Part:

See ASC 00 11 01 98, Schedule 9

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PUBLIC OFFICIALS ERRORS AND OMISSIONS COVERAGE FORM

CLAIMS-MADE

for Government Risks

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. We have no duty to provide coverage unless there has been full compliance with all the **SECTION VI – CONDITIONS** contained in this coverage part.

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 coverage part. 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 IV – WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION VII – DEFINITIONS**.

SECTION I – COVERAGES

A. Insuring Agreement – Liability for Wrongful Acts

1. We will pay those sums that the insured becomes legally obligated to pay as "damages" for a "claim" resulting from a "wrongful act" to which this insurance applies. This insurance DOES NOT apply to any "claim" resulting from a "wrongful act" which takes place in whole or in part prior to the Retroactive Date shown in the Declarations or subsequent to the termination of this policy.
2. 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 a "wrongful act" to which this insurance does not apply. We may, at our discretion, investigate any "wrongful act" and settle any "claim" that may result.

However:

- a. The amount we will pay for "damages" is limited as described in **SECTION V – LIMITS OF INSURANCE**; and
- b. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments (Section I. D.)**.

3. This insurance applies to "damages" resulting from a "wrongful act" only if:
 - a. The "wrongful act" was first committed:
 - (1) By an insured in the course and scope of his, her or its duties for you; and
 - (2) On or after the Retroactive Date shown in the Declarations and before the end of the policy period; and
 - b. A "claim" for "damages" is first made in writing against any insured during the policy period or any Extended Reporting Period we provide under **SECTION VIII – EXTENDED REPORTING PERIODS**.

A "claim" will be deemed to have been made when written notice of such "claim" is received by any insured or by us, whichever comes first. All "claims" resulting from a "wrongful act" or a series of "related wrongful acts" will be deemed to have been made when the first of those "claims" is made against any insured.

Notice to us that:

- all or part of any insured's acts or omissions may in the future be discovered to be a "wrongful act"; or
 - any insured may in the future receive written notice of a "wrongful act" or "claim";
- is not notice of a "wrongful act".

4. We will consider each "wrongful act" in a series of "related wrongful acts" to have been committed on the date of the first "wrongful act", including any continuation, change or resumption of such "wrongful act".
5. This insurance applies to "damages" arising out of a "wrongful act" committed anywhere in the world, but only if the insured's liability for "damages" is determined in:
 - a. A final judgment or adjudication in a "suit" on the merits brought in the United States of America, including its territories and possessions and Puerto Rico, or Canada; or
 - b. A settlement agreed to by us.

B. Insuring Agreement – Liability for Employment Practices Offense

1. We will pay those sums that the insured becomes legally obligated to pay as "damages" for a "claim" resulting from an "employment practices offense" to which this insurance applies. This insurance DOES NOT apply to any "claim" resulting from an "employment practices offense" which takes place in whole or in part prior to the Retroactive Date shown in the Declarations or subsequent to the termination of this policy.
2. We will have the right and duty to defend the insured against any "suit" seeking those "damages". For the purposes of this Coverage **B**, "suit" shall include an Equal Employment Opportunity Commission (EEOC) hearing or proceeding or equivalent state or local agency hearing or proceeding. However, we will have no duty to defend the insured against any "suit" seeking "damages" for an "employment practices offense" to which this insurance does not apply. We may, at our discretion, investigate any "employment practices offense" and settle any "claim" that may result.

However:

- a. The amount we will pay for "damages" is limited as described in **SECTION V – LIMITS OF INSURANCE**; and
- b. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments (Section I. D)**.

3. This insurance applies to "damages" resulting from an "employment practices offense" only if:
 - a. The "employment practices offense" was committed:
 - (1) By an insured in the course and scope of his, her or its duties for you; and
 - (2) On or after the Retroactive Date shown in the Declarations and before the end of the policy period; and
 - b. A "claim" for "damages" is first made in writing against any insured during the policy period or any Extended Reporting Period we provide under **SECTION VIII – EXTENDED REPORTING PERIODS**.
A "claim" will be deemed to have been made when written notice of such "claim" is received by any insured or by us, whichever comes first. All "claims" resulting from an "employment practices offense" or a series of "related employment practices offenses" will be deemed to have been made when the first of those "claims" is made against any insured.

Notice to us that:

- all or part of any insured's acts or omissions may in the future be discovered to be an "employment practices offense"; or
- any insured may in the future receive written notice of an "employment practices offense" or "claim";

is not notice of an "employment practices offense".

4. We will consider each "employment practices offense" in a series of "related employment practices offenses" to have been committed on the date of the first "employment practices offense", including any continuation, change or resumption of such "employment practices offense".
5. This insurance applies to "damages" arising out of an "employment practices offense" committed anywhere in the world, but only if the insured's liability for "damages" is determined in:
 - a. A final judgment or adjudication in a "suit" on the merits brought in the United States of America, including its territories and possessions and Puerto Rico, or Canada; or

- b. A settlement agreed to by us.

C. Insuring Agreement – Liability for Employee Benefit Administration Offenses

1. We will pay those sums that the insured becomes legally obligated to pay as "damages" for a "claim" resulting from an offense in the "administration" of your "employee benefit plans" to which this insurance applies. This insurance DOES NOT apply to any "claim" resulting from an offense in the "administration" of "employee benefit plans" which takes place in whole or in part prior to the Retroactive Date shown in the Declarations or subsequent to the termination of this policy.
2. 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 an offense in the "administration" of "employee benefit plans" to which this insurance does not apply. We may, at our discretion, investigate any offense in the "administration" of "employee benefit plans" and settle any "claim" that may result.

However:

- a. The amount we will pay for "damages" is limited as described in **SECTION V – LIMITS OF INSURANCE**; and
- b. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments (Section I. D.)**.

3. This insurance applies to "damages" resulting from an offense in the "administration" of "employee benefit plans" only if:
 - a. The offense in the "administration" of "employee benefit plans" was committed on or after the Retroactive Date shown in the Declarations and before the end of the policy period; and
 - b. A "claim" for "damages" is first made in writing against any insured during the policy period or any Extended Reporting Period we provide under **SECTION VIII – EXTENDED REPORTING PERIODS**.

A "claim" will be deemed to have been made when written notice of such "claim" is received by any insured or by us, whichever comes first. All "claims" resulting from an offense in the "administration" of your "employee benefit plans" or a series of related offenses will be deemed to have been made when the first of those "claims" is made against any insured.

Notice to us that:

- all or part of any insured's acts or omissions may in the future be discovered to be an offense; or
 - any insured may in the future receive written notice of an offense or "claim";
- is not notice of an offense in the "administration" of your "employee benefit plans".

4. We will consider each offense in the "administration" of "employee benefit plans" in a series of related offenses to have been committed on the date of the first such offense including any continuation, change or resumption of such offense.
5. This insurance applies to "damages" arising out of an offense in the "administration" of "employee benefit plans" committed anywhere in the world, but only if the insured's liability for "damages" is determined in:
 - a. A final judgment or adjudication in a "suit" on the merits brought in the United States of America, including its territories and possessions and Puerto Rico, or Canada; or
 - b. A settlement agreed to by us.

D. Supplementary Payments

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

1. All "loss adjustment expenses".
2. 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, nor will we be a principal under these bonds.
3. Up to \$1,000 a day for loss of earnings (but not other income) because of attendance at hearings or trials at our request.

4. All court costs taxed against the insured in the "suit", but only for that portion of the judgment we are obligated to pay. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured. Instead, those costs, if awarded or paid in a settlement for a covered "claim", will be subject to **SECTION V – LIMITS OF INSURANCE**.
5. 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.
6. 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.
7. The costs of any required appeal bond, but only for bond amounts for that portion of the judgment that is for "damages" that we are obligated to pay and which are within the applicable limit of insurance. We will pay or reimburse you for the cost of higher appeal bond amounts if we are required to do so. We do not have to furnish these bonds, nor will we be a principal under these bonds.

These payments will not reduce the limits of insurance. However, our duty to make such payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

SECTION II – Your Deductible

Our obligation to pay "damages" and Supplementary Payments on your behalf applies only to the amount of "damages" and Supplementary Payments, including "loss adjustment expenses", in excess of any Deductible Amount shown in the policy Declarations for Coverage **A**, Coverage **B** or Coverage **C**.

1. Limits of Insurance applicable to each "wrongful act", "employment practices offense", or an offense in the "administration" of your "employee benefit plans" will not be reduced by the Deductible Amount. The aggregate limit applicable to Coverage **A**, Coverage **B** or Coverage **C** will not be reduced by the application of the Deductible Amount.
2. The Deductible Amount applies to all "damages" and Supplementary Payments, including "loss adjustment expenses", for each "wrongful act", for each "employment practices offense", or for each offense in the "administration" of your "employee benefit plans" regardless of the number of insureds, persons, or organizations making "claims" or "claims" made because of such "wrongful act", "employment practices offense", or offense in the "administration" of your "employee benefit plans".
3. The terms of this insurance, including those with respect to:
 - a. Our right and duty to defend any "suits" seeking those "damages"; and
 - b. Your duties in the event of a "wrongful act", "employment practices offense", offense in the "administration" of your "employee benefit plans" or "claim";apply irrespective of the application of the Deductible Amount.
4. We may pay any part or all of the Deductible Amount to effect settlement of any "claim" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount paid by us.

SECTION III – EXCLUSIONS

This insurance does not apply to:

1. Asbestos, Fungi or Bacteria, Nuclear

Any "claim" arising directly or indirectly out of, or in any way related to:

- a. Asbestos or asbestos-containing materials;
- b. Any radioactive matter or nuclear material; or
- c. "Fungi" or bacteria.

2. Bodily Injury, Property Damage, Personal and Advertising Injury

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

This exclusion does not apply to "personal and advertising injury" when resulting from a covered "employment practices offense" under Coverage **B** of this Coverage Part.

This exclusion does not apply to loss of use or value of tangible property that is not physically impaired as a result of a land use approval process or permitting process associated with land use or building.

3. Claims Against Other Insureds

Any "claim" against any insured by any other insured.

This exclusion does not apply to Coverage **B** of this Coverage Part.

4. Contracts

Any "claim" arising directly or indirectly out of, or in any way related to:

- a. Liability assumed under any contract or agreement;
- b. Breach of contract or agreement to which any insured is a party or a third-party beneficiary;
- c. Any representations made in connection with a contract or agreement; or
- d. Tortious interference with a contract, agreement or business relations.

5. Dishonest, Malicious, Fraudulent Or Criminal Acts Or Willful Violations

Any "claim" arising directly or indirectly out of, or in any way related to any dishonest, malicious, fraudulent or criminal act or the willful violation of any statute, ordinance or regulation committed by or with the knowledge of the insured.

However, we will defend the insured for a "suit", subject to the other terms of this coverage part, until either a final judgment or adjudication establishes such an act or willful violation, or the insured confirms such act or willful violation.

6. Debt Financing

Any "claim" arising directly or indirectly out of, or in any way related to debt financing issued by or for you.

7. Declaratory & Injunctive Relief

Any "claim" or any part of any "claim" seeking injunctive, declaratory or equitable relief and related costs inclusive of any attorneys' fees or attorneys' expenses. This includes any amount required to comply with a court or administrative order, judgment, ruling, or decree that results from any action or demand, including, but not limited to, costs of physical alterations required to comply with the Americans with Disabilities Act or similar laws.

This exclusion does not apply to our duty to defend an EEOC or similar state or local agency administrative hearing or proceeding under Coverage **B** of this Coverage Part.

8. Eminent Domain or Condemnation

Any "claim" arising directly or indirectly out of, or in any way related to any impairment, deprivation or destruction of property, including loss of use or diminution in value thereof, resulting from proceedings in eminent domain or from inverse condemnation, by whatever name called.

9. Employment Practices

Any "claim" arising directly or indirectly out of, or in any way related to your "employment practices offenses". This exclusion does not apply to Coverage **B** of this Coverage Part.

10. ERISA, COBRA, OSHA, WARN and NLRA Act Liability

Any "claim" arising directly or indirectly out of, or in any way related to an insured's obligations under:

- a. The Employee Retirement Income Security Act of 1974 (ERISA);
- b. The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA);
- c. Fair Labor Standards Act of 1938 (except Equal Pay Act);
- d. The Worker Adjustment and Retraining Notification Act, Public Law 100-379 (1988) (WARN);
- e. Occupational Safety and Health Act (OSHA);
- f. National Labor Relations Act of 1947 (NLRA); or
- g. Any similar federal, state, or local laws or regulations;

including subsequent amendments or any regulations promulgated thereunder.

This exclusion does not apply to a retaliation offense under Coverage **B** of this Coverage Part.

11. Failure to Maintain Insurance

The failure to effect or maintain:

- a. Insurance of any kind, including adequate limits of insurance; or
- b. Suretyship or bonds.

This exclusion does not apply to Coverage **C** of this Coverage Part.

12. Governmental Enforcement Action

Any "claim" by any federal, state or local government arising directly or indirectly out of, or in any way related to an insured's willful violation of any federal, state, or local law, rule, or regulation.

13. Health Care and Social Services

Any "claim" arising directly or indirectly out of, or in any way related to a "health care and social services wrongful act", or services provided by any medical doctor, wherever provided, or any services provided by a nurse at a nursing home, hospice or similar residential facility.

This exclusion does not apply to:

- a. An "employment practices offense" involving your health care or social service agency under Coverage **B** of this Coverage Part; or
- b. An offense in the "administration" of "employee benefit plans" involving your health care or social service agency under Coverage **C** of this Coverage Part.

14. Known Prior Acts

Any "claim" arising directly or indirectly out of, or in any way related to any "wrongful act", "employment practices offense" or any offense in the "administration" of "employee benefit plans" which takes place prior to the inception date of this Coverage Part or any continuous Coverage Part issued by us or any affiliated insurance company, if any of your officers, your legal department or an "employee" you designate to give or receive notice of a "wrongful act", "employment practices offense" or offense in the "administration" of "employee benefit plans" knew or reasonably should have foreseen that such "wrongful act", "employment practices offense" or offense in the "administration" of "employee benefit plans" might give rise to a "claim".

A "wrongful act", "employment practices offense" or offense in the "administration" of "employee benefit plans" will be considered known to have taken place at the earliest time when any of your officers, your legal department or an "employee" you designate to give or receive notice of a "wrongful act", "employment practices offense" or offense in the "administration" of "employee benefit plans" or "claim":

- a. Reports all, or any part, of the "wrongful act", "employment practices offense" or any offense in the "administration" of "employee benefit plans" to us or any other insurer;
- b. Receives a written or verbal demand or "claim" for damages; or
- c. Becomes aware by any other means that a "wrongful act", "employment practices offense" or offense in the "administration" of "employee benefit plans" has taken place or has begun to take place.

15. Law Enforcement

Any "claim" arising directly or indirectly out of, or in any way related to any "law enforcement activity". This exclusion does not apply to:

- a. An "employment practices offense" committed by your law enforcement agency under Coverage **B** of this Coverage Part; or
- b. An offense in the "administration" of "employee benefit plans" committed by your law enforcement agency under Coverage **C** of this Coverage Part.

16. Performance of Employee Benefit Plans

Any "employment practices offense" or any offense in the "administration" of "employee benefit plans" arising directly or indirectly out of, or in any way related to:

- a. Failure of any investment program, individual securities or savings program to perform as held forth by or represented by an insured;
- b. Advice given by an insured in connection with participation or non-participation in stock subscription plans, savings programs or any other "employee benefit plan";

- c. Errors in providing information or failing to provide information on past performance of investment vehicles;
- d. Failure of any insured or any insurer, fiduciary, trustee or fiscal agent to perform any of their duties or obligations or to fulfill any of their guarantees with respect to the payment of benefits under "employee benefit plans" or the providing, handling or investment of funds;
- e. The liability of others which is assumed by any insured under a contract or agreement, except to the extent the insured would have been liable in the absence of the contract or agreement;
- f. Any "claim" for the return of compensation paid by any insured if a court determines that the payment was illegal; or
- g. Any "claim" for benefits that are lawfully paid or payable to a beneficiary from the funds of an "employee benefit plan".

17. Pollution

- a. Any "claim" arising directly or indirectly out of, or in any way related to the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b. Any "claim" arising directly or indirectly or in any way related to 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) Any "claim" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

18. Profit, Advantage or Remuneration

Any "claim" arising directly or indirectly out of, or in any way related to any insured gaining any profit, advantage or remuneration to which that insured is not legally entitled.

19. Sexual Abuse

Any "claim" arising directly or indirectly out of, or in any way related to "sexual abuse" of any person or the negligent:

- a. Employment;
- b. Investigation;
- c. Supervision;
- d. Reporting to the proper authorities, or failing to so report; or
- e. Retention;

of any person who actually or allegedly committed or attempted to commit "sexual abuse" for whom any insured is or ever was legally responsible.

20. Strikes, Riot, Civil Commotion or Mob Action

Any "claim" arising directly or indirectly out of, or in any way related to any lockout, strike, picket line, replacement or other similar actions resulting from labor disputes or labor negotiations or any act or omission in connection with the prevention or suppression of a riot, civil commotion or mob action.

21. Tax Assessments

Any "claim" arising directly or indirectly out of, or in any way related to any tax assessments or adjustments, or the collection, refund, disbursement or application of any taxes. This exclusion does not apply to the use or prioritization of your operating funds.

22. War

Any "claim", however caused, arising directly or indirectly out of, or in any way related to:

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in

hindering or defending against any of these.

23. Workers' Compensation and Similar Laws

Any "claim" arising directly or indirectly out of, or in any way related to any obligation of any insured under a workers' compensation, disability benefits or unemployment compensation law, or any similar law.

24. Employee Benefits, Perquisites and Perks

Any "claim" for benefits, perquisites or perks of any kind, including benefits under "employee benefits plans".

This exclusion does not apply to Coverage **A** or **C** of this Coverage Part.

SECTION IV – WHO IS AN INSURED

If you are designated in the Declarations as a governmental unit, you are an insured. Each of the following is also an insured:

1. Your current or previously elected or appointed officials, but only for the conduct of their duties as your elected or appointed officials.
2. Any of your authorities, boards, commissions, councils, districts or other governmental units and their employees, which you control and which are funded and operated as part of your total operating budget, and for which no other similar insurance is available.
3. Your "employees" or "volunteer workers" but only for acts within the course and scope of their employment or volunteer activities by or for you.
4. Any person or organization providing services to you under any mutual aid or similar agreement, but only within the scope of the mutual aid or agreement
5. If a person qualifies as an insured under Paragraphs **1.**, **2.** or **3.** above, his or her spouse is also an insured.
6. Upon death of an insured, his or her legal representative, but only with respect to duties as such. That representative will have all the rights and duties of such insured.

SECTION V – 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
 - c. Persons or organizations making "claims".
2. The most we will pay for the sum of all "damages" resulting from the same "wrongful act" or "related wrongful acts" is the Each Wrongful Act Limit shown in the Declarations.
3. The most we will pay for the sum of all "damages" resulting from the same "employment practices offense" or "related employment practices offenses" is the Each Employment Practices Offense Limit shown in the Declarations.
4. The most we will pay for the sum of all "damages" resulting from the same offense or series of related offenses in Employee Benefit Administration is the Each Employee Benefit Administration Offense Limit shown in the Declarations.
5. The most we will pay for all "damages", "claims", "suits" or actions under Coverage **A** is the Wrongful Act Aggregate Limit shown in the Declarations.
6. The most we will pay for all "damages", "claims", "suits" or actions under Coverage **B** is the Employment Practices Offense Aggregate Limit shown in the Declarations.
7. The most we will pay for all "damages", "claims", "suits" or actions under Coverage **C** is the Each Employee Benefit Administration Aggregate Limit shown in the Declarations.

SECTION VI – CONDITIONS

1. Bankruptcy

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

2. Duties In The Event Of A Wrongful Act, Employment Practices Offense, Employee Benefit Administration Offense, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of a "wrongful act", "employment practices offense", an offense in the "administration" of your "employee benefit plans", or an offense which may result in a "claim". To the extent possible, notice should include:

- (1) How, when and where the "wrongful act", "employment practices offense", or an offense in the "administration" of your "employee benefit plans", took place;
- (2) The names and addresses of any injured persons and witnesses;
- (3) The nature and location of any injury or "damage" arising out of the "wrongful act", "employment practices offense", or an offense in the "administration" of your "employee benefit plans"; and
- (4) The manner in which each insured first became aware of the circumstances involved.

Notice of a "wrongful act", "employment practices offense" or an offense in the "administration" of "employee benefit plans" is not notice of a "claim".

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

- (1) Immediately record the specifics of the "claim" and the date received; and
- (2) Notify us as soon as practicable.

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

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
- (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 "damages" to which this insurance may also apply.

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

3. Legal Action Against Us

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

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

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

4. Other Insurance

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

Other Insurance means insurance, or the funding of losses, that is provided by or through:

- Another insurance company;
- Any of our affiliated insurance companies;
- Any risk retention group;
- Any self-insurance, group self-insurance, or similar risk transfer approach, other than any funded by you and to which this coverage part applies.

However, other insurance does not mean umbrella or excess insurance issued to you to apply in excess of the limits of this coverage part.

a. Primary Insurance

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

b. Excess Insurance

- (1) This insurance is excess over any other insurance available to you covering liability for "damages" arising out of "wrongful acts", "employment practices offense" or an offense in the "administration" of "employee benefit plans".
- (2) This insurance is excess over any other insurance that is available during any applicable Supplemental Reporting Period, whether on a primary, excess, contingent, or any other basis.
- (3) When this insurance is excess, we will have no duty under Coverages **A, B** or **C** to defend any 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.
- (4) 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.
- (5) 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. Risk Transfer

Whenever you enter into an agreement with another party requiring the other party to provide liability insurance to you, this Coverage Part will be excess over any other valid and collectible insurance that has been provided to you, except insurance specifically arranged to be excess of this Coverage Part.

When this insurance is excess, we will have no duty under Coverages **A, B** or **C** to defend any 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.

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.
- d. We may waive this condition at our option.

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 error or omission in any information provided by you will not be deemed to be a misrepresentation. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or non-renewal.

7. Separation Of Insureds

Except with respect to all exclusions contained within **SECTION I – COVERAGES**, **SECTION V – 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.

8. Transfer Of Rights Of Recovery Against Others To Us

If any 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 VII – DEFINITIONS

1. "Administration" means any of the following acts that you do or authorize a person to do:
 - a. Counseling "employees", "volunteer workers" or elected or appointed officials, other than giving legal advice, on "employee benefit plans";
 - b. Interpreting your "employee benefit plans";
 - c. Handling records for your "employee benefit plans"; and
 - d. Effecting enrollment, termination or cancellation of "employees", "volunteer workers" or elected or appointed officials under your "employee benefit plans".
2. "Bodily injury" means physical harm, sickness or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" also includes mental anguish, emotional distress or illness if the mental anguish, emotional distress or illness results from such physical harm, sickness or disease at any time. "Bodily injury" also includes loss of care or services resulting from such physical harm, sickness or disease at any time.
3. "Claim(s)" means an oral or written demand for payment of money "damages", including a "suit".
4. "Damages" means money damages.

"Damages" does not include:

 - a. Amounts awarded as liquidated damages pursuant to any federal or state statute;
 - b. The multiple portion of any multiplied damage award;
 - c. Fines, penalties, taxes, sanctions or assessments;
 - d. Non-monetary relief;
 - e. Payment, restitution, return or disgorgement of any fees, profits, commissions, charges, or any funds allegedly wrongfully or unjustly held or obtained;
 - f. Amounts payable under **Supplementary Payments (Section I. D)**;
 - g. Punitive or exemplary damages, unless insurable under applicable law; or

- h.** Any matter uninsurable under applicable law.
- 5.** "Discrimination" means violation of a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.
- 6.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- 7.** "Employee benefit plans" means group life insurance, group accident or health insurance, profit sharing plans, pension plans, employee stock subscription plans, employee travel, vacation, or savings plans, workers compensation, unemployment insurance, social security and disability benefits insurance, and any other similar benefit program applying to "employees", "volunteer workers" or elected or appointed officials.
- 8.** "Employment practices offense(s)" means any of the following involving an actual, prospective, or former "employee", "volunteer worker" or elected or appointed official:
- a.** Demotion or failure to promote, negative evaluation, reassignment or discipline of your current "employee", "volunteer worker" or elected or appointed official or wrongful refusal to employ;
 - b.** Wrongful termination, meaning the actual or constructive termination of an "employee", "volunteer worker" or elected or appointed official;
 - c.** Negligent hiring or supervision which results in any of the other offenses listed in this definition;
 - d.** Retaliatory action against an "employee", "volunteer worker" or elected or appointed official;
 - e.** Coercing an "employee", "volunteer worker" or elected or appointed official to commit an unlawful act or omission within the scope of that person's employment;
 - f.** Work-related harassment or "sexual harassment";
 - g.** Employment-related libel, slander, invasion of privacy, defamation, humiliation or misrepresentation; or
 - h.** Other work-related verbal, mental or emotional abuse arising from "discrimination", including physical symptoms resulting from such abuse.
- 9.** "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by "fungi".
- 10.** "Health care and social services wrongful act" means a negligent error, omission or act:
- a.** In the performance of or failure to perform health care services by your "employee" or "volunteer worker" who is a first responder, nurse, emergency medical technician or paramedic, but only while acting within the scope of his or her duties to you and while handling a patient:
 - (1)** At the place where the patient is accepted for movement into or onto a means of transport to a medical facility;
 - (2)** During transport to a medical facility; or
 - (3)** During movement from the means of transport into the medical facility where the patient is delivered.
 - b.** In the performance of or failure to perform social services by your "employee" or "volunteer worker" who is any licensed, certified or trained to perform social services, including counseling, advice and instruction, but only while acting within the scope of his or her duties to you and while handling a patient or client at your:
 - (1)** Social services department;
 - (2)** Department of health and human services;
 - (3)** Health clinic; or
 - (4)** Substantially similar department or operation.
 - c.** Relating to the dispatching of, including the failure or refusal to dispatch, personnel to provide any of the services in **a.** above.
- 11.** "Law enforcement activity(ies)" means:
- a.** Any official activity conducted in the course of your law enforcement operations;
 - b.** Any officially sanctioned off-duty activity conducted in the course of law enforcement operations;

- c. Ownership, maintenance, operation or use of any premises by your law enforcement operations;
 - d. Any criminal prosecution activity by judicial officers, prosecution attorneys and their staff, other than public defenders, criminal defense attorneys and their staff; or
 - e. Emergency services dispatch operations conducted by you.
12. "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".
13. "Loss adjustment expenses" means our expenses incurred to adjust a "claim" and include fees paid to attorneys, experts, and investigators used to defend a "suit". "Loss adjustment expenses" does not include the cost of our salaried claims staff and their office expenses or independent adjusters
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. "Publication" of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. "Publication" of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your advertisement; or
 - g. Infringing upon another's copyright, trade dress or slogan in your advertisement.
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
16. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

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

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

17. "Publication" means any method of announcing or disseminating any material to any third party.
18. "Related employment practices offenses" means any multiple, repeated or continuous "employment practices offense" that is logically or causally connected by facts or circumstances or a series of any "employment practices offenses" logically or causally connected by facts or circumstances
19. "Related wrongful acts" means any multiple, repeated or continuous "wrongful act" that is logically or causally connected by facts or circumstances or a series of any "wrongful acts" logically or causally connected by facts or circumstances.
20. "Sexual abuse" means any actual, attempted or alleged sexual conduct by a person, or by persons acting in concert, which causes injury. "Sexual abuse" includes sexual molestation, sexual assault, sexual exploitation or sexual injury, but does not include "sexual harassment".
21. "Sexual harassment" means any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature by a person, or by persons acting in concert, which causes injury. "Sexual harassment" includes:
- a. The above conduct when submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or

- b. The above conduct when such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.
22. "Suit" means a civil proceeding alleging "damages" to which this insurance applies. "Suit" includes:
 - a. An arbitration proceeding in which "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 "damages" are claimed and to which the insured submits with our consent.
 23. "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.
 24. "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.
 25. "Wrongful act(s)" means any actual or alleged act, error, misstatement, misleading statement, omission, neglect or breach of duty by an insured.

SECTION VIII – EXTENDED REPORTING PERIODS

1. We will provide one or more Extended Reporting Periods, as described below, if:
 - a. This Coverage Part is cancelled or not renewed; or
 - b. We renew or replace this Coverage Part with insurance that:
 - (1) Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
 - (2) Does not apply to a "wrongful act", "employment practices offense" or offense in the "administration" of "employee benefit plans" on a claims-made basis.
2. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" for a "Wrongful act", "employment practices offense" or offense in the "administration" of "employee benefit plans" that take place before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations.
Once in effect, Extended Reporting Periods may not be cancelled and the entire premium shall be deemed fully earned and non-refundable upon payment.
3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for sixty days. During this period, you will have the right, subject to Paragraph 2. of this section, to report "claims" made and consistent and in accordance with paragraph 2.a. of SECTION VI – CONDITIONS, any "wrongful act", "employment practices offense" or offense in the "administration" of "employee benefit plans" which may later result in a "claim".
The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".
4. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.
5. A Supplemental Extended Reporting Period is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in paragraph 3. above, ends.
You must give us a written request for the endorsement within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due and you have fulfilled all other duties, and complied with all other conditions and requirements, under this Coverage Part.
We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:
 - a. The exposures insured;
 - b. Previous types and amounts of insurance;
 - c. Limits of Insurance available under this Coverage Part for future payment of "damages"; and
 - d. Other related factors.

The additional premium will not exceed 200% of the annual premium for this Coverage Part

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

6. If the Supplemental Extended Reporting Period is in effect, we will provide the supplemental aggregate limits of insurance described below, but only for "claims" first received and recorded during the Supplemental Extended Reporting Period.

The supplemental aggregate limits of insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period for such of the following limits of insurance for which a dollar amount has been entered:

Each Wrongful Act

Each Employment Practices Offense

Each Employee Benefit Administration

Wrongful Act Aggregate Limit

Employment Practices Offense Aggregate Limit

Employee Benefit Administration Aggregate Limit

SECTION V – LIMITS OF INSURANCE of this coverage part will be amended accordingly.

LAW ENFORCEMENT LIABILITY COVERAGE FORM

for Government Risks

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. We have no duty to provide coverage unless there has been full compliance with all the **SECTION VI – CONDITIONS** contained in this coverage part.

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 IV – WHO IS AN INSURED**. Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION VII – DEFINITIONS**.

SECTION I – COVERAGES

A. Insuring Agreement – Liability for Law Enforcement Wrongful Acts

1. We will pay those sums that the insured becomes legally obligated to pay as "damages" for a "claim" resulting from a "law enforcement wrongful act" to which this insurance applies.
2. 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 a "law enforcement wrongful act" to which this insurance does not apply. We may, at our discretion, investigate any "law enforcement wrongful act" and settle any "claim" that may result.

However:

- a. The amount we will pay for "damages" is limited as described in **SECTION V – LIMITS OF INSURANCE**; and
- b. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments (Section I.B.)**.

3. This insurance applies to "damages" resulting from a "law enforcement wrongful act" only if the "law enforcement wrongful act" was first committed:
 - a. By an insured in the course and scope of his, her or its "law enforcement activities" for you; and
 - b. During the policy period.
4. We will consider each "law enforcement wrongful act" in a series of "related law enforcement wrongful acts" to have been committed on the date of the first "law enforcement wrongful act", including any continuation, change or resumption of such "law enforcement wrongful act".
5. This insurance applies to "damages" arising out of a "law enforcement wrongful act" committed anywhere in the world, but only if the insured's liability for "damages" is determined in:
 - a. A final judgment or adjudication in a "suit" on the merits brought in the United States of America, including its territories and possessions and Puerto Rico, or Canada; or
 - b. A settlement agreed to by us.

B. Supplementary Payments

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

1. All expenses we incur.
2. 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, nor will we be a principal under these bonds.

3. Up to \$1,000 a day for loss of earnings (but not other income) because of attendance at hearings or trials at our request.
4. Up to \$25,000 for each "law enforcement wrongful act" for property damage to personal property of others in your care, custody, or control.
5. All court costs taxed against the insured in the "suit", but only for that portion of the judgment we are obligated to pay. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured. Instead, those costs, if awarded or paid in a settlement for a covered "claim", will be subject to **SECTION V – LIMITS OF INSURANCE**.
6. 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.
7. 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.
8. The costs of any required appeal bond, but only for bond amounts for that portion of the judgment that is for "damages" that we are obligated to pay and which are within the applicable limit of insurance. We will pay or reimburse you for the cost of higher appeal bond amounts if we are required to do so. We do not have to furnish these bonds, nor will we be a principal under these bonds.

These payments will not reduce the limits of insurance. However, our duty to make such payments ends when we have used up the limit of coverage that applies with the payment of judgments or settlements.

SECTION II – Your Deductible

Our obligation to pay "damages" and Supplementary Payments on your behalf applies only to the amount of "damages" and Supplementary Payments, including "loss adjustment expenses", in excess of any Deductible Amount shown in the policy declarations.

1. Limits of Insurance applicable to each "law enforcement wrongful act" will not be reduced by the Deductible Amount. The aggregate limits will not be reduced by the application of the Deductible Amount.
2. The Deductible Amount applies to all "damages" and Supplementary Payments, including "loss adjustment expenses", for each "law enforcement wrongful act" regardless of the number of insureds, persons, or organizations making "claims" or "claims" made because of such "law enforcement wrongful act".
3. The terms of this insurance, including those with respect to:
 - a. Our right and duty to defend any "suits" seeking those "damages"; and
 - b. Your duties in the event of a "law enforcement wrongful act", or "claim";apply irrespective of the application of the Deductible Amount.
4. We may pay any part or all of the Deductible Amount to effect settlement of any "claim" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount paid by us.

SECTION III – EXCLUSIONS

This insurance does not apply to:

1. Asbestos, Fungi or Bacteria, Nuclear

Any "claim" arising directly or indirectly out of, or in any way related to:

- a. Asbestos or asbestos-containing materials;
- b. Any radioactive matter or nuclear material; or
- c. "Fungi" or bacteria.

2. Aircraft, Auto Or Watercraft

a. Unmanned Aircraft

Any "claim" arising directly or indirectly out of, or in any way related to the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **2.a.** applies even if the "claim" against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "law enforcement wrongful act" which caused the "damages" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

b. Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

Any "claim" arising directly or indirectly out of, or in any way related to the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **2.b.** applies even if the "claim" against any insured alleges any act, error, or omission related to the policies, practices, procedures, supervision, hiring, employment, training or monitoring of others by that insured, if the "law enforcement wrongful act" which resulted in damages involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **2.b.** does not apply to:

- (1) A watercraft you do not own that is used in your "law enforcement activity";
- (2) A watercraft you own that is not powered by a motor, or powered by a motor or a combination of motors of 300 horsepower or less, or a personal watercraft that is used in your "law enforcement activity";
- (3) An aircraft chartered with crew and pilot. This exception does not apply if the aircraft is owned or the aircraft is being used to carry any person or property for a charge.

3. Contracts

Any "claim" arising directly or indirectly out of, or in any way related to:

- a. Liability assumed under any contract or agreement;
- b. Breach of contract or agreement to which any insured is a party or a third-party beneficiary;
- c. Any representations made in connection with a contract or agreement; or
- d. Tortious interference with a contract, agreement or business relations.

4. Dishonest, Malicious, Fraudulent Or Criminal Acts Or Willful Violations

Any "claim" arising directly or indirectly out of, or in any way related to any dishonest, malicious, fraudulent or criminal act or the willful violation of any statute, ordinance or regulation committed by or with the knowledge of the insured.

However, we will defend the insured for a "suit", subject to the other terms of this coverage part, until either a final judgment or adjudication establishes such an act or willful violation, or the insured confirms such act or willful violation.

This exclusion does not apply to "claims" of malicious prosecution.

5. Declaratory & Injunctive Relief

Any "claim" or any part of any "claim" seeking injunctive, declaratory or equitable relief, and related costs inclusive of any attorneys' fees or attorneys' expenses. This includes any amount required to comply with a court or administrative order, judgment, ruling, or decree that results from any action or demand, including, but not limited to, costs of physical alterations required to comply with the Americans with Disabilities Act or similar laws.

6. Employer's Liability

Any "claim" by:

- a. An "employee", "volunteer worker" or elected or appointed official of any insured arising out of and in the course of:

- (1) Employment by any insured; or
- (2) Performing duties related to the conduct of any insured's business; or
- b. The spouse, child, parent, brother or sister of that "employee", "volunteer worker" or official as a consequence of Paragraph a. above.

This exclusion applies whether any 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.

7. Employment Related Practices

Any "claim" arising directly or indirectly out of, or in any way related to an actual or alleged improper employment related practice, policy, act, omission or supervision involving an actual, prospective or former "volunteer worker", "employee" or elected or appointed official.

8. Health Care and Social Services

Any "claim" arising directly or indirectly out of, or in any way related to a "health care and social services wrongful act", or services provided by any medical doctor, wherever provided or any services provided by a nurse at a nursing home, hospice or similar residential facility.

This exclusion does not apply to your "law enforcement activity" of a first responder who is not a nurse, jail nurse, emergency medical technician, or paramedic.

9. Pollution

- a. Any "claim" arising directly or indirectly out of, or in any way related to the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b. Any "claim" arising directly or indirectly or in any way related to 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) Any "claim" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

This exclusion does not apply to the use of mace, pepper spray or tear gas.

10. Property Damage

Damage to property you own, rent, or occupy and damage to personal property in your care, custody or control, except as specifically provided under **Supplementary Payments (Section I.B.)**.

11. Volunteers & Others

Any "claim" by any of your "volunteer workers", "leased workers", "temporary workers" or independent contractors.

12. War

Any "claim", however caused, arising directly or indirectly out of, or in any way related to:

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

13. Workers Compensation and Similar Laws

Any "claim" arising directly or indirectly out of, or in any way related to any obligation of any insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

14. Jail Nurses or Other Medical Worker at a Jail

Any "claim" arising directly or indirectly out of, or in any way related to the performance of or failure to perform any services by a jail nurse or other medical worker at a jail.

SECTION IV – WHO IS AN INSURED

If you are designated in the Declarations as a governmental unit, you are an insured. Each of the following is also an insured but only with respect to your "law enforcement activity":

1. Your current or previously elected or appointed officials, but only for the conduct of their duties as your elected or appointed officials.
2. Your "employees" or "volunteer workers" but only for acts within the course and scope of their employment or volunteer activities by or for you;
3. Any person or organization providing services to you under any mutual aid or similar agreement, but only within the scope of the mutual aid or agreement
4. Owners of commandeered equipment other than an "auto" while the equipment is in your temporary custody and control.
5. If a person qualifies as an insured under Paragraphs 1. or 2. above, his or her spouse is also an insured.
6. Upon death of an insured, his or her legal representative, but only with respect to duties as such. That representative will have all the rights and duties of such insured.

SECTION V – 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
 - c. Persons or organizations making "claims".
2. The most we will pay for all "damages", "claims" or "suits" is the Aggregate Limit shown in the Declarations.
3. The most we will pay for the sum of all "damages" resulting from the same "law enforcement wrongful act" or "related law enforcement wrongful acts" is the Each Wrongful Act Limit shown in the Declarations.

SECTION VI – CONDITIONS

1. Bankruptcy

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

2. Duties In The Event Of A Law Enforcement Wrongful Act, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of a "law enforcement wrongful act" which may result in a "claim". To the extent possible, notice should include:

- (1) How, when and where the "law enforcement wrongful act" 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 "law enforcement wrongful act".

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

- (1) Immediately record the specifics of the "claim" and the date received; and
- (2) Notify us as soon as practicable.

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

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
- (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 "damages" to which this insurance may also apply.

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

3. Legal Action Against Us

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

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

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

4. Other Insurance

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

Other Insurance means insurance, or the funding of losses, that is provided by or through:

- Another insurance company;
- Any of our affiliated insurance companies;
- Any risk retention group;
- Any self-insurance, group self-insurance, or similar risk transfer approach, other than any funded by you and to which this coverage part applies.

However, other insurance does not mean umbrella or excess insurance issued to you to apply in excess of the limits of this coverage part.

a. Primary Insurance

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

b. Excess Insurance

- (1) This insurance is excess over any other primary insurance available to you covering liability for "damages" arising out of "law enforcement wrongful acts".
- (2) When this insurance is excess, we will have no duty under this Coverage Part to defend any 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. Risk Transfer

Whenever you enter into an agreement with another party requiring the other party to provide liability insurance to you, this Coverage Part will be excess over any other valid and collectible insurance that has been provided to you, except insurance specifically arranged to be excess of this Coverage Part.

When this insurance is excess, we will have no duty under this Coverage Part to defend any 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.

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.
- d. We may waive this condition at our option.

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 error or omission in any information provided by you will not be deemed to be a misrepresentation. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or non-renewal.

7. Separation Of Insureds

Except with respect to all exclusions contained within **SECTION I – COVERAGES, SECTION V – 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.

8. Transfer Of Rights Of Recovery Against Others To Us

If any 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 VII – DEFINITIONS

1. "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 in the state where it is licensed or principally garaged.However, "auto" does not include "mobile equipment".
2. "Claim(s)" means an oral or written demand for payment of money "damages", including a "suit".
3. "Damages" means money damages. "Damages" does not include:
 - a. Amounts awarded as liquidated damages pursuant to any federal or state statute;
 - b. The multiple portion of any multiplied damage award;
 - c. Fines, penalties, taxes, sanctions or assessments;
 - d. Non-monetary relief;
 - e. Payment, restitution, return or disgorgement of any fees, profits, commissions, charges, or any funds allegedly wrongfully or unjustly held or obtained;
 - f. Amounts payable under **Supplementary Payments (Section I. B)**;
 - g. Punitive or exemplary damages, unless insurable under applicable law; or
 - h. Any matter uninsurable under applicable law.
4. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
5. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by "fungi".
6. "Health care and social services wrongful act" means a negligent error, omission or act:
 - a. In the performance of or failure to perform health care services by your "employee" or "volunteer worker" who is a first responder, nurse, emergency medical technician or paramedic, but only while acting within the scope of his or her duties to you and while handling a patient:
 - (1) At the place where the patient is accepted for movement into or onto a means of transport to a medical facility;
 - (2) During transport to a medical facility; or
 - (3) During movement from the means of transport into the medical facility where the patient is delivered.
 - b. In the performance of or failure to perform social services by your "employee" or "volunteer worker" who is licensed, certified or trained to perform social services, including counseling, advice and instruction, but only while acting within the scope of his or her duties to you and while handling a patient or client at your:
 - (1) Social services department;
 - (2) Department of health and human services;
 - (3) Health clinic; or
 - (4) Substantially similar department or operation.
 - c. Relating to the dispatching of, including the failure or refusal to dispatch, personnel to provide any of the services in a. above.
7. "Law enforcement activity(ies)" means:
 - a. Any official activity conducted in the course of your law enforcement operations;
 - b. Any officially sanctioned off-duty activity conducted in the course of law enforcement operations;
 - c. Ownership, maintenance, operation or use of any premises by your law enforcement operations;
 - d. Any criminal prosecution activity by judicial officers, prosecuting attorneys and their staff, other than public defenders, criminal defense attorneys and their staff; or
 - e. Emergency services dispatch operations conducted by you.

8. "Law enforcement wrongful act(s)" means any actual or alleged act, error, misstatement, misleading statement, omission, neglect or breach of duty by an insured arising from a "law enforcement activity".
9. "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".
10. "Loading or unloading" means the handling of property:
 - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
 but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
11. "Loss adjustment expenses" means our expenses incurred to adjust a "claim" and include fees paid to attorneys, experts, and investigators used to defend a "suit". "Loss adjustment expenses" does not include the cost of our salaried claims staff and their office expenses or independent adjusters.
12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.
 However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
 However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".
13. "Related law enforcement wrongful acts" means any multiple, repeated or continuous "law enforcement wrongful act" that is logically or causally connected by facts or circumstances or a series of any "law enforcement wrongful acts" logically or causally connected by facts or circumstances.

14. "Suit" means a civil proceeding alleging "damages" to which this insurance applies. "Suit" includes:
- a. An arbitration proceeding in which "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 "damages" are claimed and to which the insured submits with our consent.
15. "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.
16. "Unmanned aircraft" means an aircraft that is not:
- a. Designed;
 - b. Manufactured; or
 - c. Modified after manufacture;
- to be controlled directly by a person from within or on the aircraft.
17. "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.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
EXCLUSION – DESIGNATED PREMISES, PROJECT OR OPERATION**

This endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY COVERAGE PART
PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY COVERAGE PART (CLAIMS-MADE)

SCHEDULE

Premises:

All Locations

Project or Operation:

City of Manchester School System

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

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The following exclusion is added to **SECTION III – EXCLUSIONS:**

Designated Premises Or Operations

Any "wrongful acts", "employment practices offense" or an offense in the "administration" of "employee benefit plans" arising directly or indirectly out of, or in any way related to the premises, project or operation shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
**EXCLUSION – ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY; COMPUTER OR COMPONENTS; NETWORK
SECURITY OR HACKING EVENT**

This endorsement modifies insurance provided under the following:

PUBLIC OFFICIAL ERRORS & OMISSIONS COVERAGE PART
PUBLIC OFFICIAL ERRORS & OMISSIONS COVERAGE PART (CLAIMS-MADE)

1. The following exclusion is added to **SECTION III – EXCLUSIONS:**

Access Or Disclosure Of Confidential Or Personal Information

Any "claim" arising directly or indirectly out of, or in any way related to any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

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

2. The following exclusion is added to **SECTION III – EXCLUSIONS:**

Computer Or Computer Components

Any "claim" arising directly or indirectly out of, or in any way related to the creation, development, design, manufacture, programming, leasing, licensing, distribution, assembly, installation, alteration, modification or sale of any:

- (1) Computer;
- (2) Computer component, including any hardware, network, terminal device, data storage device, input and output device or back-up facility;
- (3) System, including an application, program, software, code or script; or
- (4) "Electronic data".

3. The following exclusion is added to **SECTION III – EXCLUSIONS:**

Network Security or Hacking Event

Any "claim" arising directly or indirectly out of, or in any way related to any "network security or hacking event".

4. The following is added to the **DEFINITIONS SECTION:**

"Network security or hacking event" means the failure or inability of any:

- a. Computer;
- b. Computer component, including any hardware, network, terminal device, data storage device, input and output device or back-up facility; or
- c. System, including an application, program, software, code or script;

to perform or function as planned or intended, including the failure or inability of any system to prevent any hack, virus, contaminant, worm, trojan horse, logic bomb or unauthorized or unintended access or use of any such system.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
**EXCLUSION – ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY; COMPUTER OR COMPONENTS; NETWORK
SECURITY OR HACKING EVENT**

This endorsement modifies insurance provided under the following:

LAW ENFORCEMENT LIABILITY COVERAGE PART
LAW ENFORCEMENT LIABILITY COVERAGE PART (CLAIMS-MADE)

A. The following exclusion is added to SECTION III – EXCLUSIONS:

Access Or Disclosure Of Confidential Or Personal Information

Any "claim" arising directly or indirectly out of, or in any way related to any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

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

B. The following exclusion is added to SECTION III – EXCLUSIONS:

Computer Or Computer Components

Any "claim" arising directly or indirectly out of, or in any way related to the creation, development, design, manufacture, programming, leasing, licensing, distribution, assembly, installation, alteration, modification or sale of any:

- (1) Computer;
- (2) Computer component, including any hardware, network, terminal device, data storage device, input and output device or back-up facility;
- (3) System, including an application, program, software, code or script; or
- (4) "Electronic data".

C. The following exclusion is added to SECTION III – EXCLUSIONS:

Network Security or Hacking Event

Any "claim" arising directly or indirectly out of, or in any way related to any "network security or hacking event".

D. The following is added to the DEFINITIONS SECTION:

"Network security or hacking event" means the failure or inability of any:

- a. Computer;
- b. Computer component, including any hardware, network, terminal device, data storage device, input and output device or back-up facility; or
- c. System, including an application, program, software, code or script;

to perform or function as planned or intended, including the failure or inability of any system to prevent any hack, virus, contaminant, worm, trojan horse, logic bomb or unauthorized or unintended access or use of any such system.