Allianz Global Corporate & Specialty®

Allianz Insurance Policy

Allianz

March 7, 2022

Dear: #4 South Cornet Creek Condos, Inc

Re: Policy Number: USC013473220
Issuing Company: Fireman's Fund Insurance Company (AN ALLIANZ COMPANY)

Thank you for choosing Allianz as your insurance company. We appreciate the trust you've placed in us. A copy of your commercial insurance policy is enclosed. Be sure to keep it in a secure place that you can easily access if you have a question or claim.

As a valued policyholder, you can count on Allianz for:

Trust and financial stability – Rated A+ by A.M. Best and AA by Standard and Poor's, Allianz Global Corporate & Specialty earns one of the highest financial ratings of the leading global property and casualty insurers.

Exceptional claim service – Allianz has a 125-year reputation for outstanding claim service built on our commitment to honesty, integrity, and partnership with our clients. The company is ranked as "One of the world's most admired companies" by *Fortune*® and "One of the top global brands in the world" by Interbrand.

The ability to keep pace as your business evolves – Your business needs are continually changing. Whether you are adopting new technologies or expanding into new geographic markets, Allianz has the expertise and resources to grow with you.

We truly look forward to serving you and supporting your business. In the interim, please know that we deeply appreciate your business.

Best regards,

Bill Scaldaferri

President & CEO
Allianz Global Corporate & Specialty, North America

386516 01 17
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Fireman's Fund Insurance Company
A Stock Company
225 W. Washington Street, Suite 1800
Chicago, IL 60606-3484

COMMON POLICY DECLARATIONS

Policy No: USC013473220
Previous Policy No: Renewal of USC013473210

Policy Period: **From:** 03/21/2022 **To:** 03/21/2023

Beginning and ending at 12:01 a.m., standard time at the mailing address of the Named Insured shown below.

Named Insured and Mailing Address:
#4 South Cornet Creek Condos, Inc
P.O.BOX 3071
Telluride, CO 81435
USA
(Refer to Named Insured Schedule)

Producer Name and Mailing Address:
Mountain West Insurance & Financial Services, LLC
201 Centennial Dr., Ste. 400,4th Floor
Glenwood Springs, CO 81601
USA

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.

Premium Summary

Property	$ 7,111
General Liability	$ 344
Business Auto	$ 244
Surcharges, Taxes & Fees	
CO Natural Disaster Mitigation Enterprise Fee	$ 2.00
Total Amount Payable by the Insured	**$ 7,701.00**

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Named Insured Schedule

Named Insured	Legal Entity
#4 South Cornet Creek Condos, Inc	Corporation

Business or Operations of the Named Insured: Condominiums Association

Location Schedule

Location	Address	City	County	State	Zip Code	Description
1	627 West Pacific Avenue	Telluride	San Miguel	CO	81435	Location 1

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Forms Schedule

The following policy forms and endorsements have been attached to and made a part of the policy at Inception:

Form Title	Form Number
Signature Page	145990 08 17
Policyholder Messages	
Reporting a Claim	05GE0002 08 21
Important Disclosure Notice Regarding Terrorism Coverage	386360 01 15
Policyholder Message	386636 03 21
Allianz Global Risks US Insurance Company Privacy and Security Statement	PVCYVGLB 03 21
General Liability	
Policyholder Message - Silica Particles Exclusion	386396 05 04
Policyholder Notification - General Liability Access or Disclosure of Confidential or Personal Information Exclusion	386629 05 14
Property	
Certified Acts of Terrorism Exclusion	145913 01 15
Property Coverage Section - Declarations	
Property-Gard Pinnacle Coverage Form	250000 01 13
Property-Gard Pinnacle - Combined Dollar Deductible	250033 01 13
Property-Gard Pinnacle - Hospitality Extension Endorsement	250040 01 13
Property-Gard Pinnacle - Equipment Breakdown Coverage Endorsement	250048 01 13
Property-Gard Pinnacle - Conditional Vacancy Exclusion	250050 01 13
Property-Gard Pinnacle - Real Estate Owners and Managers Endorsement	250051 01 13
Property-Gard Pinnacle - Condominium Endorsement	250059 01 13
Property-Gard Pinnacle - Crisis Management Coverage	250062 01 13
Property-Gard Pinnacle - Colorado State Exception Endorsement	250071 01 13

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Forms Schedule, *Continued*

Form Title	Form Number
General Liability	
Economic or Trade Sanctions Compliance	145985 06 14
Calculation of Premium	IL 00 03 09 08
Common Policy Conditions	IL 00 17 11 98
Nuclear Energy Liability Exclusion Endorsement (Broad Form)	IL 00 21 09 08
Colorado Changes - Civil Union	IL 01 25 11 13
Colorado Changes - Cancellation and Nonrenewal	IL 02 28 09 07
Exclusion of Certified Acts of Terrorism	145912 01 15
Silica Particles Exclusion	145917 03 19
Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism	145921 01 06
Civil Union Amendatory Endorsement	145983 10 13
General Liability Coverage Section - Declarations	
Commercial General Liability Coverage Form	CG 00 01 04 13
Additional Insured - Condominium Unit Owners	CG 20 04 11 85
Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception	CG 21 06 05 14
Communicable Disease Exclusion	CG 21 32 05 09
Employment - Related Practices Exclusion	CG 21 47 12 07
Designated Location(s) General Aggregate Limit	CG 25 04 05 09
Designated Premises or Project Coverage Limitation	CG 70 83 07 98
Complete Lead Poisoning and Lead Contamination Exclusion	CG 70 92 03 19
Complete Asbestos Exclusion	CG 70 93 03 19
Multicover - Without Medical Payments	CG 71 93 03 19
Personal and Advertising Injury Hazard Redefined	CG 72 75 03 19
Fungi or Bacteria Exclusion	CG 72 77 03 19
Emergency First Aid Endorsement	CG 72 86 12 08
Exclusion - Development, Construction or Reconstruction	CG 72 98 03 19

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Forms Schedule, *Continued*

Form Title	Form Number
Business Auto	
Economic or Trade Sanctions Compliance	145985 06 14
Calculation of Premium	IL 00 03 09 08
Common Policy Conditions	IL 00 17 11 98
Nuclear Energy Liability Exclusion Endorsement (Broad Form)	IL 00 21 09 08
Colorado Changes - Civil Union	IL 01 25 11 13
Colorado Changes - Cancellation and Nonrenewal	IL 02 28 09 07
Colorado Changes - Concealment, Misrepresentation or Fraud	IL 01 69 09 07
Business Auto Coverage Section - Declarations	
Business Auto Coverage Form	CA 00 01 10 13
Colorado Changes	CA 01 13 10 13
Explanation of Premium Basis	CA 70 03 10 01
Exclusion of Terrorism	CA 70 77 01 06

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SIGNATURE PAGE

IN WITNESS WHEREOF, the Company indicated on the Declarations Page of the policy has caused the policy to be signed by its President and Secretary.

Secretary

President

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Reporting a Claim

Allianz Global Corporate & Specialty is committed to providing insureds and clients with effective claim service.

In the event of an incident which may result in a claim, an actual claim, or your receipt of suit papers, please follow the procedures outlined below.

PROCEDURES FOR REPORTING CLAIMS

NOTICE OF EACH INCIDENT, CLAIM OR SUIT SHOULD IMMEDIATELY BE REPORTED TO:

Allianz Global Corporate & Specialty
Phone Number: 1-888-347-3428

Please fill out the online claim reporting form which is available at www.agcs.allianz.com/usclaims or send an email to NewLoss@agcs.allianz.com. For assistance contact your agent or broker.

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Important Disclosure Notice Regarding Terrorism Coverage - 386360 01 15

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, as amended ("The Act"). You are hereby notified that under The Act, you have a right to purchase insurance coverage for losses arising out of **certified acts of terrorism**, as defined in Section 102(1) of The Act: The term **certified act of terrorism** means any act or acts that are certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, as amended, 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 WHEN 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 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 $100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURER'S 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 EXCEEDS $100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Our records indicate that you previously rejected coverage for losses arising out of **certified acts of terrorism**, as defined by The Act, when we provided you a quote for insurance. Accordingly, your policy does not currently provide this coverage. However, The Act requires that we again make an offer at this time. If you wish to change your decision and purchase terrorism coverage, you must contact your agent or broker representing the Allianz Global Risks US Companies and request coverage so we can provide you with a new quote. If you do not do so, it will be presumed that you have rejected this offer of terrorism coverage.

Please note that any coverage mandated by applicable Standard Fire Policy Laws or Workers Compensation laws in your state will not be affected by your rejection of terrorism coverage.

This offer of coverage for losses due to terrorist acts, as defined by The Act, if accepted, will be subject to the limit(s), terms and conditions of any policy or endorsement subsequently issued.

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Allianz Global Risks US Companies.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Allianz Global Risks US Companies** as named in the policy.

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Policyholder Message - 386636 03 21

Important Information for Policyholders

If you have questions about your policy, please contact your independent agent or broker. If you have additional questions, you can contact the company issuing the policy listed on your Declarations page at the following address:

Allianz Global Risks US Insurance Company
225 W. Washington Street, Suite 1800
Chicago, IL 60606-3484

Toll Free Telephone: 1-(888) 466-7883

Website: https://www.agcs.allianz.com/global-offices/united-states.html

Email address for First Notice of Loss: NewLoss@agcs.allianz.com
Toll Free Number for Claims First Notice of Loss: 1-(800) 347-3428
Toll Free Number for Existing Claims: 1-(800) 870-8857

The information above supersedes any other Company contact information you may have received with your policy.

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Allianz Global Risks US Insurance Companies
Privacy and Security Statement

Protecting you and your family from loss is important to Allianz Global Risks US. Just as important to us is protecting your privacy and the personal information we use to provide you with superior products and service.

At Allianz Global Risks US, and its subsidiaries, our policy is to maintain appropriate confidentiality with regard to all personal information obtained in the course of doing business with you. Our pledge to protect your privacy is reflected in this Privacy Statement which outlines our principles in collecting, using and safeguarding your personal information and information about your relationship with us.

Personal Information Allianz Global Risks US Collects
Allianz Global Risks US only collects personal information about you when it is necessary to conduct the business of insurance. We limit the collection of personal information to what we reasonably believe is needed to administer your account. As a result, we collect personal information from the following sources:

- Personal information you share with us either directly or through your agent, such as the information on your insurance application, requested policy change information or other forms you may complete.
- Personal information you provide or which is obtained through the process of handling a claim, including medical information, such as from an accident report.
- Personal information about you from your transactions with us, our affiliates or others such as the number of years you have been a policyholder with Allianz Global Risks US or the types of coverage you purchase.
- Personal information about you from a consumer reporting agency, such as a credit report or a Motor Vehicle Report.

If you visit or use the Allianz Global Risks US website, or one of our subsidiaries, we may use “cookies” (small text files transferred from our website to your hard drive) to recognize repeat users, track usage and facilitate your access to and use of the site. We do not use “cookies” to gather personal information, and we do not link cookies to identifiable information, such as your policy number. The “cookies” only enable you to use our website more easily.

Personal Information Allianz Global Risks US Discloses
Allianz Global Risks US does not disclose any personal information about current or former customers to anyone, except as permitted by law.

When possible, we advise our vendors and other nonaffiliated third parties, to whom we legally provide your personal information in the course of conducting our insurance business, of our privacy policy. We make every effort to use vendors whose approach to customer privacy reflects our own.

Allianz Global Risks US’s Policies and Practices With Respect to Security of Personal Information
Allianz Global Risks US uses a variety of computer hardware and software tools to maintain physical, electronic and procedural safeguards that comply with applicable federal and state regulations to guard your personal information. We restrict access to personal information about you to only those employees who need that information to provide products or services to you.

Allianz Global Risks US, and its subsidiaries, also works hard to ensure that our websites are secure. We employ firewalls, encryption technology, user authentication systems and access control mechanisms to control access to the personal information that may be shared over these sites.

Notification of Change
At Allianz Global Risks US, your trust is one of our most important assets. We will continually work to protect the privacy of our individual customers and will continually review our privacy policy. If at some point in the future we revise our privacy practices that affect your personal information, we will notify you prior to introducing any changes. This Privacy Statement is also displayed on our website.
(https://www.agcs.allianz.com/global-offices/united-states/)

For More Information or if You have Questions

Should you have further questions regarding our privacy policy, you can contact us in a number of ways. You may email us at nacorpcompliance@agcs.allianz.com or you can write to us at:

Allianz Global Risks US
Corporate Compliance Department
225 W. Washington Street, Suite 1800
Chicago, IL 60606

Allianz Global Risks US's Family of Companies
The following lists the issuing companies Allianz Global Risks US uses to issue insurance policies nationwide:

AGCS Marine Insurance Company
Allianz Global Risks US Insurance Company
Allianz Underwriters Insurance Company
American Automobile Insurance Company
Associated Indemnity Corporation
Chicago Insurance Company
Fireman's Fund Insurance Company
Fireman's Fund Indemnity Corporation
Interstate Fire & Casualty Company
National Surety Corporation
The American Insurance Company

Policyholder Message - Silica Particles Exclusion - 386396 05 04

THIS MESSAGE IS INTENDED TO ALERT YOU OF CHANGES TO YOUR POLICY. THIS MESSAGE DOES NOT REPLACE ANY PROVISION OF YOUR POLICY OR ANY ENDORSEMENT TO YOUR POLICY. PLEASE REVIEW YOUR POLICY AND THE ENDORSEMENTS FOR COMPLETE COVERAGE INFORMATION.

Silica Particles Exclusion

Your policy contains a silica particles exclusion.

If you have any questions, please contact your Allianz Global Risks US Companies® insurance representative.

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Policyholder Notification - General Liability Access or Disclosure of Confidential or Personal Information Exclusion - 386629 05 14

This Notice does not form part of your policy. No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this Notice, **THE PROVISIONS OF THE POLICY SHALL PREVAIL .**

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

This Notice provides information concerning the following new endorsements, which applies to your renewal policy being issued by us:

CG 21 06 05 14 - Exclusion - Access or Disclosure of Confidential or Personal Information and Data-related Liability - With Limited Bodily Injury Exception (For Use With the Commercial General Liability Coverage Part)

When this endorsement is attached to your policy:

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

CG 21 07 05 14 - Exclusion - Access or Disclosure of Confidential or Personal Information and Data-related Liability - Limited Bodily Injury Exception Not Included (For Use With the Commercial General Liability Coverage Part)

When this endorsement is attached to your policy:

- Under Coverage A - Bodily Injury And Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage. However, when this endorsement is attached, it will result in a reduction of coverage due to the deletion of an exception with respect to damages because of bodily injury arising out of loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.
- Under Coverage B - Personal And Advertising Injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

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

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

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Cross-Product Endorsements

(See Forms Schedule on Common Declarations for applicability)

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Economic or Trade Sanctions Compliance - 145985 06 14

Policy Amendment

The following is added to the Policy and replaces any other provision in the Policy addressing economic or trade sanctions:

This insurance does not apply to the extent that economic or trade sanctions or other laws or regulations prohibit us (the Company) from providing insurance.

All other terms and conditions of the policy remain unchanged.

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IL 00 03 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMON POLICY CONDITIONS

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

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:

a. Make inspections and surveys at any time;

b. Give you reports on the conditions we find; and

c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

a. Are safe or healthful; or

b. Comply with laws, regulations, codes or standards.

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

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

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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

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IL 00 21 09 08

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”.

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“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.

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IL 01 25 11 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES - CIVIL UNION

This endorsement modifies insurance provided under the following:

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

A. The term “spouse” is replaced by the following:

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

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

“Family member” means a person related to:

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

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

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

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

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

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

2. If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

b. 30 days before the effective date of cancellation if we cancel for any other reason.

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

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

a. If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy by mailing through first-class mail to the first Named Insured written notice of cancellation:

(1) Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or

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

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

(1) Nonpayment of premium;

(2) A false statement knowingly made by the insured on the application for insurance; or

(3) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

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

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

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

D. The following condition is added:

INCREASE IN PREMIUM OR DECREASE IN COVERAGE

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

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

1. Nonpayment of premium;

2. A false statement knowingly made by the insured on the application for insurance; or

3. A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

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

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PROPERTY

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Certified Acts of Terrorism Exclusion - 145913 01 15

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under the following:

Commercial Crime Coverage Part(s)
Commercial Inland marine Coverage Part(s)
Commercial Property Coverage Part(s)
Farm Coverage Part(s)
Standard Property Policy
American Business Coverage Policy - Section I

I. Certified Acts of Terrorism Exclusion

We will not pay for loss, damage, or any liability caused directly or indirectly by a **certified act of terrorism**. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

II. Coverage for Certain Fire Losses

A. 1. If the location of your Covered Property or Property Insured is within a jurisdiction that has a Standard Fire Policy law that does not exempt Commercial Inland Marine, item II.B. (below) further modifies insurance under the following coverage parts:

Commercial Inland Marine Coverage Part(s)
Commercial Property Coverage Part(s)
Farm Coverage Part(s)
Standard Property Policy
American Business Coverage Policy - Section I

2. If the location of your Covered Property or Property Insured is within a jurisdiction that has a Standard Fire Policy law that exempts Commercial Inland Marine, item II.B. (below) further modifies insurance under the following coverage parts:

Commercial Property Coverage Part(s)
Farm Coverage Part(s)
Standard Property Policy
American Business Coverage Policy - Section I

B. If a **certified act of terrorism** results in fire, then we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property or Property Insured. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form, or the Leasehold Interest Coverage Form, or the Net Leasehold Coverage Form.

C. Notwithstanding II.B. above, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, as amended, then 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.

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III. Application of Other 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, Coverage Section, or Policy, such as losses excluded by the Nuclear Hazard Exclsion or the War And Military Action Exclusion.

IV. Definitions

The following definition is added with respect to the provisions of this endorsement:

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, as amended, to be an act of terrorism pursuant to such Act, as amended. The criteria contained in that 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, as amended; and

B. 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.

V. All other terms and conditions of the policy remain unchanged.

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PROPERTY COVERAGE SECTION - DECLARATIONS

- These Declarations, together with the Common Policy Declarations and Policy Conditions, Coverage Form(s) and any Endorsement(s), complete this policy.
- If a coverage shown in the Declarations does not show a corresponding Limit of Insurance, then no insurance is provided for such coverage.
- If “0”, “N/A”, or “not covered” appears as a Limit of Insurance in the Declarations for a described coverage, then no insurance is provided for such described coverage.
- If the term “included” appears as a Limit of Insurance in the Declarations for a described coverage, then the Limit of Insurance for such coverage is included within, not in addition to, the applicable Limit of Insurance shown in the Declarations for Business Real Property, Business Personal Property, or Business Income and Extra Expense.
- If one or more numbers are shown in the Location(s) column of these Declarations, then each number represents that specific location(s) as displayed on the Common Policy Declarations. If the word **"ALL"** is shown in the Location(s) column shown in these Declarations, then such word means **Locations 1** as displayed on the Common Policy Declarations

Property–Gard Pinnacle Coverage Form (250000 01 13)

Limits of Insurance

Location(s)	Subject(s) of Insurance	Limit of Insurance	Limit Type	Actual Cash Value
ALL	Business Real Property	$ 3,234,000	Blanket	No
ALL	Business Income, Extra Expense	$ 75,000	Blanket	No

Business Income and Extra Expense Coverage Includes Ordinary Payroll unless limited or excluded below:

Business Personal Property Subject to Sublimits of Insurance

Subject of Insurance	Location(s)	Sublimits
Accounts Receivable	ALL	$ 1,000,000
Data, Media, Software	ALL	$ 1,000,000
Personal Effects	ALL	$ 500,000
Personal Property of Others	ALL	$ 500,000
Prototypes	ALL	$ 250,000
Research and Development Documentation	ALL	$ 250,000
Valuable Papers and Records	ALL	$ 250,000

Deductibles

Property-Gard Pinnacle - Combined Dollar Deductible (250033 01 13)

The Combined Dollar Deductible shown below Applies to the following Location(s)	
Location(s)	Combined Dollar Deductible
ALL	$ 5,000

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Extensions of Coverage

Property Damage	Location(s)	Limit of Insurance	Deductible
Consequential Loss Assumption Coverage	ALL	$ 100,000	Policy Deductible
Contract Penalty Clause Coverage	ALL	$ 100,000	Policy Deductible
Debris Removal Coverage			
Debris of Property Insured	ALL	$ 5,000,000	No Deductible
Debris of Property Owned by Others	ALL	$ 100,000	Policy Deductible
Extended Warranty Coverage	ALL	$ 100,000	Policy Deductible
Fine Arts Coverage			
Miscellaneous Unscheduled Fine Arts			
Any One Item, Pair or Set	ALL	$ 10,000	Policy Deductible
Per Occurrence or Loss Event	ALL	$ 250,000	Policy Deductible
Fine Arts while at an Exhibition, Exposition, Fair, or Trade Show	ALL	$ 25,000	Policy Deductible
Fire Department Service Charge Coverage	ALL	$ 100,000	Policy Deductible
Fire Equipment Protection Coverage	ALL	$ 100,000	No Deductible
Installation Coverage	ALL	$ 100,000	Policy Deductible
Loss Avoidance or Mitigation Coverage	ALL	$ 100,000	No Deductible
Mobile Communication Equipment Coverage	ALL	$ 100,000	Policy Deductible
Money and Securities Coverage	ALL	$ 100,000	Policy Deductible
Money Orders and Counterfeit Currency Coverage	ALL	$ 100,000	Policy Deductible
Realty Tax Coverage	ALL	$ 100,000	Policy Deductible
Removal of Property Coverage	ALL	$ 100,000	No Deductible
Reward Coverage			
Any One Person	ALL	$ 10,000	No Deductible
Per Occurrence or Loss Event	ALL	$ 50,000	No Deductible
Salesperson's Samples Coverage	ALL	$ 100,000	Policy Deductible
Tenant's Lease Agreement Coverage	ALL	$ 100,000	Policy Deductible
Theft of Precious Commodities Coverage	ALL	$ 25,000	Policy Deductible

Business Income and Extra Expenses	Location(s)	Limit of Insurance	Deductible	Miles or Days
Business Access Coverage	ALL	$ 100,000	168 Hour(s)	1 Mile(s)
Civil Authority Coverage	ALL	$ 100,000	168 Hour(s)	1 Mile(s)
Delayed Occupancy Coverage	ALL	$ 100,000	Policy Deductible	
Expediting Expense Coverage	ALL	$ 100,000	No Deductible	

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Extensions of Coverage, *Continued*

Business Income and Extra Expenses	Location(s)	Limit of Insurance	Deductible	Miles or Days
Extended Business Income and Extra Expense Coverage				
Business Income Coverage	ALL		No Deductible	180 Day(s)
Extra Expense Coverage	ALL		No Deductible	180 Day(s)
Leasehold Interest Coverage	ALL	$ 250,000	Policy Deductible	
Research and Development Operations Coverage	ALL	$ 250,000	Policy Deductible	
Tenant Moving Coverage	ALL	$ 250,000	Policy Deductible	

Property, Business Income and Extra Expenses	Location(s)	Limit of Insurance	Deductible
Communicable Disease Coverage			
Per Occurrence or Loss Event	ALL	$ 50,000	Policy Deductible
Annual Aggregate	ALL	$ 100,000	
Fungus Remediation Coverage	ALL	$ 100,000	Policy Deductible
Loss Adjustment Expense Coverage	ALL	$ 100,000	Policy Deductible
Newly Acquired Location Coverage	ALL	$ 1,000,000	Policy Deductible
Ordinance or Law Coverage - Coverage A through E		See Below	See Below
Outdoor Trees, Shrubs, Plants, and Lawn Coverage			
Any One Tree, Shrub, Plant, or Lawn	ALL	$ 1,000	No Deductible
Per Occurrence or Loss Event	ALL	$ 100,000	Policy Deductible
Pollutant Cleanup Coverage			
Per Occurrence or Loss Event	ALL	$ 100,000	Policy Deductible
Annual Aggregate	ALL	$ 100,000	
Trade Show Coverage	ALL	$ 250,000	Policy Deductible
Transit Coverage			
Your Vehicles	ALL	$ 100,000	Policy Deductible
Carriers for Hire	ALL	$ 100,000	Policy Deductible
International Air Shipments	ALL	$ 100,000	Policy Deductible
Unintentional Property Errors and Omissions Coverage	ALL	$ 1,000,000	Policy Deductible
Unnamed Location Coverage	ALL	$ 1,000,000	Policy Deductible
Utility Services Coverage	ALL	$ 500,000	
Business Income Deductible			24 Hours
Overhead Transmission Lines and Equipment: Excluded			

Ordinance or Law Coverage

Location(s)	Coverage A	Coverage B	Coverage C	Coverage D	Coverage E
ALL	$ 1,617,000	$ 462,000	$ 462,000		

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Endorsements

Property-Gard Pinnacle - Hospitality Extension Endorsement (250040 01 13)

Extensions of Coverage Applicable only to Property Coverage		
Coverage Description	Limit of Insurance	Deductible Property Damage Loss
Guest Property Coverage		
Any One Guest	$ 1,000	
Per Occurrence or Loss Event	$ 50,000	
Annual Aggregate	$ 50,000	
Lost Key Coverage	$ 10,000	No Deductible

Extensions of Coverage Applicable only to Business Income and Extra Expense Coverage			
Coverage Description	Limit of Insurance	Deductible Time Element Loss	Minimum Time Element Deductible
Customer Reimbursement Coverage			
Any One Guest	$ 500		
Per Occurrence or Loss Event	$ 50,000	No Deductible	
Emergency Vacating Expense Coverage			
Per Occurrence or Loss Event	$ 50,000	No Deductible	
Annual Aggregate	$ 50,000		
Off Premises Special Event Cancellation Coverage	$ 50,000	24 Hours	$ 5,000

Extensions of Coverage Applicable only to Property, Business Income and Extra Expense Coverage				
Coverage Description	Limit of Insurance	Deductible Property Damage Loss	Deductible Time Element Loss	Minimum Time Element Deductible
Contaminated Food Coverage				
Per Occurrence or Loss Event	$ 50,000		24 Hours	$ 5,000
Annual Aggregate	$ 50,000			
Refrigerant Contamination Coverage	$ 25,000		24 Hours	$ 5,000

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Property-Gard Pinnacle - Equipment Breakdown Coverage Endorsement (250048 01 13)
Equipment Breakdown Coverage is subject to the Limits of Insurance shown in the Property-Gard Pinnacle - Equipment Breakdown Coverage Endorsement - 250048, except as specifically shown below. If no limit is shown below, then the limit shown in the Property-Gard Pinnacle - Equipment Breakdown Coverage Endorsement - 250048 will apply.

Equipment Breakdown Coverage Limits of Insurance	
Coverage Description	Limit of Insurance Per Accident
Property Insured	Follows Applicable Limit
Business Income Coverage	Follows Applicable Limit
Extra Expense Coverage	Follows Applicable Limit
Expediting Expense Coverage	$ 250,000
Hazardous Substance Coverage	$ 250,000
Perishable Stock Coverage	$ 250,000
Data Restoration Coverage	$ 250,000
Service Interruption Coverage	$ 50,000
Fungus Remediation Coverage	$ 50,000

Equipment Breakdown Coverage Deductibles	
Deductible Description	Deductible Per Accident
Property Insured	Follows Applicable Deductible
Time Element Loss	Follows Applicable Deductible

Property-Gard Pinnacle - Real Estate Owners and Managers Endorsement (250051 01 13)

Extensions of Coverage Applicable only to Property Coverage		
Coverage Description	Limit of Insurance	Deductible Property Damage Loss
Lost Key Coverage	$ 10,000	No Deductible

Extensions of Coverage Applicable only to Business Income and Extra Expense Coverage		
Coverage Description	Limit of Insurance	Deductible Time Element Loss
Emergency Vacating Expense Coverage		
Per Occurrence or Loss Event	$ 100,000	No Deductible
Annual Aggregate	$ 100,000	
Newly Tenanted Property Additional Limits Coverage	$ 250,000	

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Property-Gard Pinnacle - Real Estate Owners and Managers Endorsement (250051 01 13), *Continued*

Coverage Description	Limit of Insurance	Deductible Time Element Loss
Impaired Tenantability Under Contract of Sale Coverage	$ 250,000	

Property-Gard Pinnacle - Crisis Management Coverage (250062 01 13)

Extensions of Coverage Applicable only to Business Income and Extra Expense Coverage			
Coverage Description	Limit of Insurance	Deductible Time Element Loss	Minimum Time Element Deductible
Crisis Event Response Communication Cost			
Per Occurrence or Loss Event	$ 25,000	No Deductible	
Annual Aggregate	$ 25,000		
Crisis Event Business Income and Extra Expense Coverage			
Per Occurrence or Loss Event	$ 25,000	24 Hours	$ 5,000
Annual Aggregate	$ 25,000		
Post Crisis Event Expense Coverage			
Per Occurrence or Loss Event	$ 25,000	No Deductible	
Annual Aggregate	$ 25,000		

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Property-Gard - Pinnacle® Coverage Form - 250000 01 13

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Property-Gard Pinnacle® Coverage Form - 250000 01 13

Commercial Property Coverage Section

This Property-Gard Pinnacle Coverage Form - 250000 (hereinafter referred to as "Coverage Form"), together with its Declarations and endorsements, complete the coverage provided under the Commercial Property Coverage Section of this Policy.

- Insurance is provided only for those coverages for which an entry is shown by an X on the applicable line and for which Limits of Insurance are shown in the place provided in the Declarations attached to this Policy. Such Declarations are issued with and are a part of this Coverage Form.
- If the Declarations do not show a Limit of Insurance providing a specific Coverage or Coverage Extension, then such Coverage or Coverage Extension is not provided by this Policy even though the language for such Coverage or Coverage Extension may appear within the Policy.
- Various provisions in this Coverage Form restrict coverage, such as but not limited to the following sections: Property Not Insured, Exclusions, Limitations of Coverage, and Limits of Insurance.
- Section XII. Loss Conditions describe your duties in the event of a loss and other provisions which apply to loss settlement under the Commercial Property Coverage Section.
- Section XIII. General Conditions describe the conditions that apply in common to all coverage provided within the Commercial Property Coverage Section.
- Endorsements describe enhancements in coverage or restrictions in coverage which may amend this Coverage Form or the Declarations.
- State Exception or State Amendatory Endorsements alter coverage provided under the Commercial Property Coverage Section in accordance with state law.

The titles of paragraphs contained in this Coverage Form and the subsequent endorsements that make up the Commercial Property Coverage Section are inserted solely for the convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

Throughout the Commercial Property Coverage Section the words you and your refer to the Named Insured shown on the Declarations. The words we, us and our, refer to the Company providing this insurance.

Other words and phrases that appear in **bold face** have special meaning. Refer to the Definitions Section of this Coverage Form or the Additional Definitions Section located within any endorsements that may be attached which make up the Commercial Property Coverage Section.

Read the entire Policy carefully to determine rights, duties and what is and is not covered.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Allianz Global Risks US Companies** as named in the policy.

Secretary

President

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I. Property Coverage

A. If a Limit of Insurance for Business Real Property or Business Personal Property is shown in the Declarations, then we will pay for direct physical loss or damage to **Property Insured** while at a **location**, including such property in the open (or in a **vehicle** in the open) within 1,000 feet of such **location**, caused by or resulting from a **covered cause of loss** during the Policy Period.

B. We insure **Property Insured**:

1. Which you own;
2. In which you have an insurable interest; or
3. Which you lease or rent from others under a written agreement.

For coverage to apply to property leased or rented from others, you must be legally or contractually required to provide property insurance covering such property.

C. The following types of **business personal property** are subject to Sublimits of Insurance shown in the Declarations:

1. **Accounts receivable;**
2. **Data, media**, and **software**;
3. **Personal effects**;
4. **Personal property of others**;
5. **Prototypes**;
6. **Research and development documentation**; and
7. **Valuable papers and records**.

The Sublimits of Insurance applicable to the types of **business personal property** shown above are the most we will pay for loss or damage to such property. If more than one Sublimit of Insurance applies to the lost or damaged property shown above, then the Sublimit of Insurance most specifically applicable to such property will apply.

II. Business Income and Extra Expense Coverage

A If a Limit of Insurance for Business Income and Extra Expense is shown in the Declarations, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of your **operations** during the **period of restoration** arising from direct physical loss or damage to property at a **location**, or within 1,000 feet of such **location,** caused by or resulting from a **covered cause of loss**.

B. If a Sublimit of Insurance is shown in the Declarations applicable to a type of **business personal property** listed in Item I.C. above, then any payments under Business Income and Extra Expense, made necessary due to the loss or damage of such types of **business personal property**, are included within and not in addition to such Sublimit of Insurance.

III. Property Not Insured

This Coverage Form does not insure any of the following property:

A. Land or land values; destabilization of land; or the cost of stabilizing, restoring, or remediating of land; air; or water; except **processing water**.

B. Digging, excavating, backfilling, filling, compaction, or grading of land not directly related to the repair, rebuilding, or replacement of **business real property**.

C. Growing crops; standing timber; or outdoor trees, shrubs, plants, or lawns; except to the extent such coverage may be specifically provided by Item V.F.6. Outdoor Trees, Shrubs, Plants, and Lawn Coverage in this Coverage Form, if the Declarations show that you have such coverage.

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D. Live eggs, embryos, or animals; except animals owned by others while in your care, custody, or control; or animals you sell as **stock**.

E. Bullion; accounts, notes, bills, evidences of debt or title, letters of credit, or deeds; except to the extent such coverage may be specifically provided by **business personal property** for **valuable papers and records** in this Coverage Form, if the Declarations show that you have such coverage

F. **Fine arts**, **money**, **securities**, or **salesperson's samples** except to the extent such coverage may be specifically provided by:

1. Item V.D.5. Fine Arts Coverage;
2. Item V.D.11. Money and Securities Coverage; or
3. Item V.D.16. Salespersons Samples Coverage;

in this Coverage Form, if the Declarations show that you have such coverage(s).

G. Aircraft, spacecraft, satellites, watercraft while afloat, and any property contained therein.

H. **Vehicles** including **vehicles** held for sale.

I. Dams, dikes, tunnels, trestles, air-supported structures, underground mines, mine shafts, caverns, caves, and any property contained therein.

J. Property which you have sold under conditional sale, trust agreement, installment payment or other deferred payment plan, or property which you have retained a security interest after delivery to customers.

K. Contraband or property in the course of illegal transportation or trade.

L. Confidential information of another person or entity which is held by you including, financial information, medical information, personal information, credit card information, or other similar non-public information.

M. Property which is more specifically described and covered under another Coverage Section of this Policy or under any other Policy.

IV. Exclusions

A. Exclusions Applicable to all Coverages: We will not pay under Property Coverage, Business Income and Extra Expense Coverage, or any Extensions of Coverage, for any loss, damage, or expense caused directly or indirectly by or resulting from any of the following excluded causes of loss; such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

1. Regardless of how the cause of loss occurs, we will not pay for direct physical loss, damage, or expense caused by or resulting from the following causes of loss:

a. Boiler Explosion

Explosion, implosion, bursting, burning, bulging, or cracking of boilers, turbines, engines, or any unfired vessel normally subject to vacuum or internal pressure, including piping, or apparatus attached to and forming a part thereof; or any other internal condition or event occurring inside such equipment. This exclusion does not apply to 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. Collapse

Collapse. This Collapse exclusion only applies if **collapse** is caused by or results from **flood** or **earth movement**.

c. Consequential Loss, Loss of Market, and Other Indirect Losses

(1) Delay, loss of use, loss of market, loss of occupancy;

(2) Suspension, lapse, or cancellation of any contract;

(3) Delay in completion of contract terms or noncompliance with contract terms or conditions;

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(4) Any guarantee or warranty (express or implied);

(5) Loss of bonuses, fines, penalties, or liquidated damages; or

(6) Any other consequential, indirect, or remote loss of any kind.

d. Detrimental Code

Detrimental Code. This Detrimental Code exclusion applies regardless of how the **Detrimental Code** was introduced or acquired.

e. Disappearance or Shortages

(1) The disappearance of covered property ("covered property" here and hereinafter refers to property not excluded or limited from coverage in this Coverage Form) where there is no physical evidence to show what happened to such property; or the only evidence of loss is an audit, an inventory computation, or a profit and loss computation; or any combination thereof.

(2) Where you have independently established that you have sustained an otherwise insurable loss under this Coverage Form, then you may offer your audit, inventory computation, profit and loss computation, or any combination thereof in support of the amount of loss claimed.

f. Dishonesty

(1) Dishonest, fraudulent, or criminal acts or omissions by you, any of your partners, **members**, **managers**, officers, directors, trustees, employees (including leased employees), authorized representatives, or anyone to whom you entrust property for any purpose:

(a) Acting alone or in collusion with others; or

(b) Whether or not occurring during the hours of employment.

(2) This Dishonesty exclusion does not apply to:

(a) Covered property that is entrusted to others who are bailees or carriers for hire; or

(b) Acts of vandalism or destruction by any of your employees (including leased employees), but theft by any of your employees (including leased employees) is not covered.

g. Fungus

Fungus. This Fungus exclusion does not apply to **fungus** caused by or resulting from fire, explosion, or lightning, provided that such causes of loss are **covered causes of loss** under this Coverage Form.

h. Mortality and Disease

Mortality, death by natural causes, disease, sickness, any condition of health, bacteria, or virus.

i. Ordinance or Law

The enforcement of any **ordinance or law**, except to the extent such coverage may be specifically provided by Item V.F.5. Ordinance or Law Coverage in this Coverage Form, if the Declarations show that you have such coverage.

j. Testing

(1) Hydrostatic, pneumatic, or gas pressure testing; or

(2) Electrical insulation breakdown testing of any type of electrical equipment.

k. 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; or unauthorized instructions to transfer property to any person or any place.

l. War and Military Action

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(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 or military authority, whether de jure or de facto, in hindering or defending against any of these.

2. If a cause of loss which is excluded below causes or results in a **covered cause of loss**, then we will pay for the direct physical loss or damage caused by or resulting from such **covered cause of loss** up to the Limits of Insurance stated in the Declarations:

a. Computer Fraud

Theft of any property, regardless of ownership, arising from the use of any computer.

b. Errors, Omissions, Acts, or Decisions

Errors or omissions in, or faulty, inadequate, or defective:

(1) Manufacturing, processing, installation, research or development, or testing operations;

(2) Accounting, bookkeeping, calibrating, copying, developing, distributing, math, record-keeping, billing, erasure, or the alteration of such errors or omissions;

(3) Development of, programming of, or instructions to: **Data**, **media**, **or software**; **electronic data processing equipment**; **mobile communication equipment; voice communications systems**; or any other machinery or equipment;

(4) Specifications; design; planning; zoning; development; surveying; siting; grading; compaction; maintenance; workmanship; repair; or materials used in repair, construction, renovation, or remodeling except if **collapse** is caused by or results from this cause of loss, but only if such cause of loss is hidden or is not known by you prior to such **collapse**; or

(5) Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body other than you;

which results in loss or damage to **Property Insured** under this Coverage Form.

c. Mechanical Breakdown

Mechanical breakdown however caused, including any malfunction of machinery or equipment caused by or resulting from any:

(1) Rupture or bursting caused by centrifugal force; or

(2) Condition or event within machinery or equipment.

d. Insects, Animals, or Other Vermin

Insects, animals, or other vermin including any:

(1) Nesting or infestation; or

(2) Discharge or release of any secretions or waste products.

This exclusion does not apply if **collapse** is caused by or results from this cause of loss, but only if such cause of loss is hidden or is not known by you prior to such **collapse**.

e. Pollution

(1) The actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of **pollutants**.

(2) If the discharge, dispersal, seepage, migration, release, or escape of **pollutants** is caused by or results from a **covered cause of loss**, then we will pay for the direct physical loss or

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damage caused by the actual contact of the **pollutant** with covered property up to the Limits of Insurance stated in the Declarations.

f. Theft of Precious Commodities

Theft of jewelry comprised of precious or semi-precious stones, metals, or alloys; precious or semi-precious stones, metals or alloys; watches or watch movements; furs, fur garments, or garments trimmed with fur.

g. Utility Supply Failure

The reduction, interruption, or failure of **utility services**, however caused.

h. Wear and Tear, Deterioration, Latent Defect, or Other Developing Losses

The action or effects of:

(1) Smog, smoke, fumes, vapors, dust, or other developing losses such as **pollutants** from agricultural smudging or industrial operations;

(2) Wear and tear, deterioration, decomposition, inherent vice, hidden or latent defect, any quality in property that causes it to damage or destroy itself, erosion, rust, oxidation, corrosion, decay, wet or dry rot, except if **collapse** is caused by or results from this cause of loss, but only if such cause of loss is hidden or is not known by you prior to such **collapse**;

(3) Depletion, leakage of contents, or spillage;

(4) Cracking, settling, sagging, bending, bulging, shifting, or leaning;

(5) The pressure or impact of ice forming under floors or foundations;

(6) Water, ice, or impact of watercraft on retaining walls, bulkheads, docks, piers, pilings, wharves and property located thereon;

(7) Spoilage or contamination;

(8) Exposure to light;

(9) Change in color, flavor, texture, or finish;

(10) Evaporation or dissipation;

(11) Shrinkage or expansion;

(12) Any refrigerant including ammonia; or

(13) Condensation, vapor, moisture, humidity, changes in humidity, dampness or dryness of atmosphere, changes in or extremes of temperature, all whether atmospheric or not.

3. If fire or explosion is a **covered cause of loss** under this Coverage Form, and fire or explosion results from the causes of loss excluded below, then we will pay for the direct physical loss or damage caused by such fire or explosion up to the Limits of Insurance stated in the Declarations:

a. Earth Movement

Any **earth movement**. This Earth Movement exclusion does not apply to Transit Coverage.

b. Flood

Flood. This Flood exclusion does not apply to Transit Coverage.

4. If fire is a **covered cause of loss** under this Coverage Form, and fire results from the cause of loss excluded below, then we will pay for the direct physical loss or damage caused by such fire up to the Limits of Insurance stated in the Declarations:

Electrical Arcing

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

(1) Electrical or electronic wire, device, appliance, system, or network; or

(2) Device, appliance, system, or network utilizing cellular or satellite technology.

b. For the purpose of this exclusion, electrical, magnetic, or electromagnetic energy includes but is not limited to:

(1) Electrical current, including arcing;

(2) Electrical charge produced or conducted by a magnetic or electromagnetic field;

(3) Pulse of electromagnetic energy; or

(4) Electromagnetic waves or microwaves.

5. Nuclear Hazard

Nuclear reaction, nuclear radiation, or radioactive contamination, however caused. If nuclear reaction, nuclear radiation, or radioactive contamination results in fire, then we will pay for the direct physical loss or damage caused by or resulting from such fire up to the Limits of Insurance stated in the Declarations but only if there is a statute in effect in the jurisdiction where the loss or damage occurs that expressly prohibits us from excluding such ensuing loss or damage caused by fire.

6. Government Action

Actions or orders of any governmental agency or military authority, whether de jure or de facto, that result in:

a. You incurring expenses you would not otherwise have incurred;

b. You paying taxes, fines, or penalties; or

c. Seizure or destruction of covered property.

If fire is a **covered cause of loss** under this Coverage Form, and acts of destruction are ordered by a governmental or military authority in order to prevent the spread of a fire, then we will pay for the direct physical loss or damage to covered property caused by or resulting from such acts of destruction up to the applicable Limits of Insurance stated in the Declarations.

B. Exclusions Applicable to Business Income and Extra Expense Coverage: We will not pay for any loss or expense under Business Income and Extra Expense Coverage or any Extensions of Coverage, caused by or resulting from:

1. Damage to or destruction of **finished stock** or the time required to reproduce **finished stock**. This exclusion does not apply to **extra expense**.

2. Any increase in loss caused by or resulting from:

a. Delay in rebuilding, repairing, or replacing property or resuming **operations** due to interference at the location of loss by strikers or other persons.

b. (1) Suspension, lapse, or cancellation of any license, lease, rental agreement, or contract.

(2) However, if the suspension, lapse, or cancellation is directly caused by a **suspension** of **operations** which is caused by or resulting from a covered loss, then we will cover your loss of **business income** and **extra expense** incurred during the **period of restoration**. If Extended Business Income and Extra Expense Coverage applies, then we will also cover the **period of restoration** in accordance with the terms of such coverage provided below under Item V.E.6.

c. The **extra expense** you incur for the demolition or removal of debris.

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d. Any period of time during which your **operations** could not have been conducted or were not expected to have been conducted had no loss or damage occurred.

V. Extensions of Coverage

A. The Extensions of Coverage are subject to the terms and conditions of this Coverage Form and the Policy to which it is attached. If the Declarations do not show a Limit of Insurance providing a specific Coverage Extension, then such Coverage Extension is not provided by this Policy even though the language for such Coverage Extension may appear within the Policy.

B. We will not pay under Business Income and Extra Expense Coverage or consequential loss of any kind or nature following a covered loss sustained under the Extensions of Coverage unless specifically provided within an Extension of Coverage. If an Extension of Coverage does grant Business Income and Extra Expense Coverage, then such coverage will be governed by the terms and conditions of Business Income and Extra Expense Coverage provided under this Coverage Form.

C. Unless otherwise specifically stated, the Limits of Insurance or Sublimits of Insurance provided under the Extensions of Coverage are in addition to any Limit of Insurance stated in the Declarations applicable to **Property Insured** or Business Income and Extra Expense Coverage.

D. Extensions of Coverage Applicable only to Property Coverage:

1. Consequential Loss Assumption Coverage

a. We will pay the reduction in **fair market value** of the undamaged parts of **stock**, which are part of a pair or set, when the reduction in **fair market value** is caused by direct physical loss or damage by a **covered cause of loss** to other parts of the pair or set at a location and the undamaged parts cannot be used in conjunction with other **stock**.

b. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Consequential Loss Assumption Coverage.

2. Contract Penalty Clause Coverage

a. (1) We will pay the contractual penalties you are required to pay to your customers, as a result of any clause in contracts you enter into prior to a loss, for failure to timely deliver your product according to the contract terms.

(2) Such penalties must solely result from direct physical loss or damage to **Property Insured** caused by or resulting from a **covered cause of loss** at a location.

b. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of contracts affected, is the Limit of Insurance shown in the Declarations applicable to Contract Penalty Clause Coverage.

3. Debris Removal Coverage

a. Debris of Property Insured

If direct physical loss or damage occurs to **Property Insured** caused by or resulting from a **covered cause of loss** at a location, then we will pay the necessary expense you incur to remove the debris from such location. Necessary debris removal expense includes:

(1) Planning, testing, monitoring, and debris classification related to the process of debris removal;

(2) Demolition of damaged property; and

(3) Clean up, removal, and disposal of debris.

b. Debris of Property Owned by Others

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We will also pay the necessary expense you incur at a location to remove the debris of property owned by others, not covered under this Policy, but only if such debris is caused by or resulting from a **covered cause of loss**.

c. We will not pay under Debris Removal Coverage for:

(1) Any expense to:

(a) Demolish and clear the site of the undamaged portion of **Property Insured**;

(b) Extract **pollutants** from land, water or air;

(c) Remove, restore, or replace polluted land, water, or air; or

(d) Otherwise test for, monitor, mitigate, clean up, remove, contain, treat, remediate, detoxify, neutralize, or in any way respond to or assess the effects of **pollutants**.

(2) A claim that has been reported to us in writing after one hundred eighty (180) consecutive calendar days from the date that covered loss or damage occurred.

d. Subject to the applicable Limit of Insurance shown in the Declarations for **Property Insured**, the most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations for Debris Removal Coverage - Debris of Property Insured, or Debris Removal Coverage - Debris of Property Owned by Others, or both, as may be applicable.

4. Extended Warranty Coverage

a. If a **covered cause of loss** results in a direct total physical loss to an item of **Property Insured** at a location, then we will pay the unused pro-rata portion of the non-refundable purchase price for extended warranties or service contracts which you purchased for such destroyed property. An extended warranty does not include the basic warranty that is provided by the manufacturer of the destroyed property.

b. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Extended Warranty Coverage.

5. Fine Arts Coverage

a. We will pay for direct physical loss or damage to **fine arts** caused by or resulting from a **covered cause of loss**, but only while located within the interior portion of a **premises** at a **location**.

b. We will also pay for direct physical loss or damage to **fine arts** caused by or resulting from a **covered cause of loss** while such property is away from a **location** and:

(1) In transit to;

(2) Situated at; and

(3) In transit back from;

an exhibition, exposition, fair, or trade show, but only while within the Coverage Territory.

c. We will not pay under Fine Arts Coverage for any loss, damage, or expense caused by or resulting from:

(1) Any **fine arts** while leased, rented, or loaned to others.

(2) Any **fine arts** while in the possession of others under an agreement of sale.

(3) Any repairing, restoration, refinishing, or retouching processes.

(4) Any waterborne shipments except when **fine arts** are being transported on a **vehicle** aboard a licensed ferry on an inland waterway. If property covered under Fine Arts Coverage suffers loss or damage while being transported on such **vehicle**, then we will pay for general average and salvage charges that may be assessed against such **vehicle.**

(5) Shipments covered by ocean marine or cargo insurance.

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d. Miscellaneous Unscheduled Fine Arts

(1) The most we will pay under this Extension of Coverage for any one item, pair of items, or set of related items, in any one occurrence or **loss event**, is the Limit of Insurance shown in the Declarations applicable to Miscellaneous Unscheduled Fine Arts under Fine Arts Coverage.

(2) The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of **fine arts** lost or damaged, is the Per Occurrence Limit of Insurance shown in the Declarations applicable to Miscellaneous Unscheduled Fine Arts under Fine Arts Coverage.

e. Individually Scheduled Fine Arts

The most we will pay under this Extension of Coverage for each individually scheduled item of **fine art** in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to such item of **fine art**.

f. Fine Arts at an Exhibition, Exposition, Fair, or Trade Show

The most we will pay under Item 5.b. of this Extension of Coverage for **fine art**, whether individually scheduled or not, in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Fine Arts at an Exhibition, Exposition, Fair, or Trade Show.

6. Fire Department Service Charge Coverage

a. If a fire department or other government agency charged with preserving public safety is called to save or protect **Property Insured** against direct physical loss or damage from a **covered cause of loss** at a location, then we will pay the fire department service charges you incur and are legally required to pay.

b. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Fire Department Service Charge Coverage.

7. Fire Protection Equipment Coverage

a. (1) We will pay the necessary costs to recharge or refill **fire protection equipment**, and clean up and remove the fire extinguishing agent, caused by or resulting from the discharge of a fire extinguishing agent from **fire protection equipment** at a location.

(2) No deductible applies to Fire Protection Equipment Coverage

b. We will not pay under Fire Protection Equipment Coverage for any loss, damage, or expense caused by or resulting from your failure to use reasonable care to maintain the **fire protection equipment** in proper operating condition prior to the loss.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Fire Protection Equipment Coverage.

8. Installation Coverage

a. (1) We will pay for direct physical loss or damage to **business personal property** destined to become a permanent part of an installation or erection that you have contracted to perform at a location not specifically described in the Declarations caused by or resulting from a **covered cause of loss**:

(a) While awaiting installation at a temporary warehouse;

(b) During installation or testing at a job site; or

(c) While awaiting acceptance by the buyer.

b. (2) Installation Coverage terminates the earlier of the following events:

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(a) Your interest in the property that you have contracted to install or erect ceases;

(b) The installation or erection of the property is completed and accepted by the buyer;

(c) The property you have contracted to install or erect is put to use for its intended purpose; or

(d) This Policy expires or is cancelled.

b. We will not pay under Installation Coverage for any loss, damage, or expense caused by or resulting from:

(1) **Business personal property** destined to become a permanent part of the installation or erection while at a location that you own, lease, or operate;

(2) **Business personal property** while at the location of a manufacturer or supplier, whether or not such property is designated for a specific installation covered under Installation Coverage; or

(3) Interest on money loaned, advances for installation projects, or **soft costs**.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of locations involved, is the Limit of Insurance shown in the Declarations applicable to Installation Coverage.

9. Loss Avoidance or Mitigation Coverage

a. We will pay the necessary expense you incur to protect, avoid, or significantly mitigate potential covered loss or damage that is actually and imminently threatening **Property Insured**, including:

(1) Removal of ice or snow from the roof or balconies of **business real property** that has accumulated during and due to a **storm**;

(2) Pumping of standing water away from **business real property** that has accumulated during and due to a **flood**, **hurricane**, **named storm**, or **storm**;

(3) Application of fire retardant foam or similar fire suppression or extinguishing material to **business real property** as protection against an approaching fire; and

(4) Boarding up or sandbagging of doors, windows, or other external openings in **business real property** as protection against an approaching **flood**, **hurricane**, **named storm**, or **storm**.

However, we will not pay for any loss, damage, or expense caused by or resulting from such loss prevention actions.

b. No Deductible applies to Loss Avoidance or Mitigation Coverage.

c. To the extent possible, you must promptly notify us that you intend to incur necessary loss prevention expense.

d. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Loss Avoidance or Mitigation Coverage.

10. Mobile Communication Equipment Coverage

a. We will pay for direct physical loss or damage to your **mobile communication equipment** caused by or resulting from a **covered cause of loss** while away from a location and situated in anywhere the world.

b. We will not pay under Mobile Communications Equipment Coverage for any loss or damage to **data**, **research and development documentation, or valuable records and papers**.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Mobile Communication Equipment Coverage.

11. Money and Securities Coverage

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a. We will pay for direct physical loss or damage to **money**, **securities**, or both as shown by your records, caused by or resulting from a **covered cause of loss** while:

(1) Located within the interior portions of a **premises**; or

(2) Being carried to or from such **premises** while in the care, custody, or control of a **messenger** or an armored motor vehicle company.

b. We will not pay under Money and Securities Coverage for any loss, damage, or expense caused by or resulting from **forgery**, alterations, or the giving or surrendering of **money**, **securities,** or both in exchange or purchase.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Money and Securities Coverage.

12. Money Orders and Counterfeit Currency Coverage

a. We will pay for your loss which directly results from you accepting:

(1) **Counterfeit** United States or Canadian currency not accepted upon presentation; or

(2) **Counterfeit** money orders purporting to have been issued by any United States or Canadian post office, express company, or bank not paid upon presentation;

in good faith and in exchange for merchandise, **money**, or services.

b. The most we will pay under this Extension of Coverage in any one occurrence, regardless of the number of items contributing to the loss, is the Limit of Insurance shown in the Declarations applicable to Money Orders and Counterfeit Currency Coverage.

13. Realty Tax Coverage

a. If direct physical loss or damage to **Property Insured** is caused by or results from a **covered cause of loss** at a location, then we will reimburse you for the increased realty tax liability attributable to the repair or rebuilding of such damaged property.

b. We will pay for such increased realty tax liability if it is assessed within two (2) years of a covered loss. However, we will only pay the first such increased assessment following any realty tax assessment increase that is insured under this Extension of Coverage.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Realty Tax Coverage.

14. Removal of Property Coverage

a. (1) If you must move **Property Insured** from a location in order to protect such property from imminent or further direct physical loss or damage caused by or resulting from a **covered cause of loss**, then we will pay for direct physical loss or damage caused by a **covered cause of loss** to **Property Insured** while such property is:

(a) Being moved to a safe temporary storage location;

(b) Situated at a safe temporary storage location;

(c) Being returned from a safe temporary storage location to its original **location**; or

(d) In the due course of **transit** between such locations.

(2) We will also pay the necessary expense associated with moving **Property Insured** to a safe temporary storage location in order to avoid loss or damage. Such expense includes transportation and renting storage space at a safe temporary storage location.

(3) Removal of Property Coverage applies for one hundred and twenty (120) consecutive calendar days from the date **Property Insured** is removed from a **location**.

(4) No Deductible applies to Removal of Property Coverage.

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b. We will not pay under Removal of Property Coverage for any loss, damage, or expense while **Property Insured** is removed from a **location** for normal storage.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, including any **Property Insured** while in the due course of **transit**, is the Limit of Insurance shown in the Declarations applicable to Removal of Property Coverage.

15. Reward Coverage

a. (1) We will reimburse you the rewards you pay for information leading to the arrest and subsequent conviction of the person or persons responsible for a covered loss under this Coverage Form caused by or resulting from an unlawful act.

(2) No deductible applies to Reward Coverage.

b. (1) The most we will pay under this Extension of Coverage in any one occurrence or **loss event** for any one person is the Any One Person Limit of Insurance shown in the Declarations applicable to Reward Coverage.

(2) The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of people being rewarded, is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Reward Coverage.

16. Salesperson's Samples Coverage

a. We will pay for direct physical loss or damage to **salesperson's samples** caused by or resulting from a **covered cause of loss** while located anywhere within the Coverage Territory.

b. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Salesperson's Samples Coverage.

17. Tenant's Lease Agreement Coverage

a. If a Limit of Insurance for Business Real Property is not shown in the Declarations, then we cover **business real property** at a **location** you have leased or rented and is occupied by you, if your lease or rental agreement specifically requires you to insure such property or makes you responsible for loss or damage to such property. We cover such **business real property** against direct physical loss or damage caused by or resulting from a **covered cause of loss**.

b. Item XIII.P. Other Insurance does not apply to Tenant's Lease Agreement Coverage if your lease or rental agreement specifically requires you to provide primary insurance on the property described above in Item V.D.17.a. or makes you responsible for loss or damage to such property.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of property items lost or damaged, is the Limit of Insurance shown in the Declarations applicable to Tenant's Lease Agreement Coverage.

18. Theft of Precious Commodities Coverage

a. We will pay for direct physical loss or damage to the following property at a **location** caused by or resulting from **theft**: Jewelry comprised of precious or semi-precious stones, metals, or alloys; precious or semi-precious stones, metals or alloys; watches or watch movements; furs, fur garments, or garments trimmed with fur.

b. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of items lost or damaged, is the Limit of Insurance shown in the Declarations applicable to Theft of Precious Commodities Coverage.

E. Extensions of Coverage Applicable only to Business Income and Extra Expense Coverage:

If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then the following Extensions of Coverage apply, but only if the Declarations also show that you have such Extensions of Coverage:

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1. Business Access Coverage
   a. We will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** at a **location** if access to such **location** is impaired or obstructed. Such impairment or obstruction must:
      (1) Arise from direct physical loss or damage to property other than at such **location**; and
      (2) Be caused by or result from a **covered cause of loss**; and
      (3) Occur within the number of miles stated in the Declarations from such **location**.
   b. We will not pay under Business Access Coverage for **business income** loss or **extra expense** incurred caused by or resulting from action of civil authority or military authority.
   c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Business Access Coverage.
2. Civil Authority Coverage
   a. We will pay for the actual loss of **business** income and necessary **extra expense** you sustain due to the necessary **suspension** of your **operations** caused by action of civil authority that prohibits access to a **location**. Such prohibition of access to such **location** by a civil authority must:
      (1) Arise from direct physical loss or damage to property other than at such **location**; and
      (2) Be caused by or result from a **covered cause of loss**; and
      (3) Occur within the number of miles stated in the Declarations from such **location**.
   b. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Civil Authority Coverage.
   c. Actions of civil authority do not include actions of military authority.
3. Delayed Occupancy Coverage
   a. We will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary delay in starting **operations** during the **period of restoration** arising from direct physical loss or damage to property at a **location** caused by or resulting from a **covered cause of loss**. The **period of restoration** begins immediately after the time that **operations** would have begun if the covered loss or damage had not occurred.
   b. If a covered loss occurs under Delayed Occupancy Coverage, then we will also pay for the necessary **soft costs** you incur which are over and above such expense that you would have incurred during the **period of restoration** had there been no loss.
   c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Delayed Occupancy Coverage.
4. Dependent Property Coverage
   a. Dependent Property Coverage
      (1) We will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration** at a **location**.
      (2) The **suspension** must be due to direct physical loss or damage at the **location** of a **dependent property**, situated inside or outside of the Coverage Territory, caused by or resulting from a **covered cause of loss**.
   b. Dependent Property Coverage does not insure any loss or damage caused by or resulting from **earth movement**, **fire protection equipment leakage from earth movement**, **flood, hurricane, named storm**, or **storm** causes of loss unless:

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(1) Such causes of loss are included as **covered causes of loss** in this Coverage Form or an endorsement attached to this Coverage Form which comprises a part of the Commercial Property Coverage Section; and

(2) Such causes of loss are also shown as included in the Declarations applicable to Dependent Property Coverage.

c. We will reduce the amount of your:

(1) **Business income loss**, other than **extra expense**, to the extent you can resume **operations**, in whole or in part, by using any other available source of materials, or outlet for your products; and

(2) **Extra expense** loss to the extent you can return **operations** to normal and discontinue such **extra expense**.

d. With respect to Dependent Property Coverage the **period of restoration** begins immediately after the time that direct physical loss or damage occurs at the **location** of the **dependent property** caused by or resulting from a **covered cause of loss**.

e. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of **locations** or **dependent properties** involved, is the Limit of Insurance shown in the Declarations applicable to Dependent Property Coverage.

5. Expediting Expense Coverage

a. (1) We will pay the necessary **expediting expense** you sustain due to direct physical loss or damage to property at a **location** caused by or resulting from a **covered cause of loss**.

(2) No Deductible applies to Expediting Expense Coverage.

b. We will not pay under Expediting Expense Coverage for:

(1) Expenses recoverable elsewhere under this Coverage Form or the Commercial Property Coverage Section of this Policy, such as but not limited to Extra Expense Coverage; or

(2) Your costs incurred for the temporary rental of property or temporary replacement of damaged property.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Expediting Expense Coverage.

6. Extended Business Income and Extra Expense Coverage

a. If a **business income** and **extra expense** loss is covered under this Coverage Form, then subject to the Limit of Insurance for Business Income and Extra Expense Coverage:

(1) We will pay for the actual loss of **business income** you sustain during the period that begins on the date property (except **finished stock**) is actually repaired, rebuilt, or replaced, and **operations** are resumed and 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 occurred; or

(b) The number of consecutive calendar days, stated in the Declarations, after the date **operations** are resumed.

(2) We will pay the necessary **extra expense** you incur for advertising, direct mail, discount coupons, or other promotional expense you incur to attract customers back to **your business** during the period that begins on the date property (except **finished stock**) is actually repaired, rebuilt, or replaced, and **operations** are resumed and ends on the earlier of:

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(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 occurred; or

(b) The number of consecutive calendar days, stated in the Declarations, after the date **operations** are resumed.

b. We will not pay for the loss of **business income** or **extra expense** sustained as a result of unfavorable business conditions caused by the impact of the **covered cause of loss** in the area where the **location** is situated.

7. Leasehold Interest Coverage

a. We will pay for the actual loss of the following Leasehold Interest Coverages you sustain due to the cancellation of your lease which results from direct physical loss or damage to property at a location caused by or resulting from a **covered cause of loss**:

(1) Lessee's Leasehold Interest Coverage

(a) If you are a lessee and your lease or rental agreement is cancelled pursuant to the terms of the lease agreement due to a covered loss, then we will pay you for your Gross Lessee's Leasehold Interest for the first twelve (12) months following covered loss and for your **net leasehold interest** for the remaining unexpired term of the lease or rental agreement.

(b) Gross Lessee's Leasehold Interest means the difference between the actual rent you currently pay for the same or similar replacement property and the rent you would have otherwise paid at the location had there been no covered loss for each month during the unexpired term of your lease or rental agreement.

(c) Rent means the actual monthly rent including taxes, insurance, janitorial, or other services that you pay for as part of the rent and does not change whether you occupy all or part of the location or if you sublet the location.

(2) Lessor's Leasehold Interest Coverage

(a) If you are a lessor and your lease or rental agreement is cancelled pursuant to the terms of the lease agreement due to a covered loss, then we will pay you for your Gross Lessor's Leasehold Interest for the first twelve (12) months following covered loss and for your **net leasehold interest** for the remaining unexpired term of the lease or rental agreement.

(b) Gross Lessor's Leasehold Interest means the difference between the actual rent paid by a tenant for your property and the rent you would have otherwise received at the location had there been no covered loss for each month during the unexpired term of your lease or rental agreement.

(c) Rent means the actual monthly rent including taxes, insurance, janitorial, or other services that you charge as part of the rent for the location.

(3) Bonus Payments Coverage
We will pay you for the unamortized portion of a bonus payment that will not be refunded to you due to a covered loss. A bonus payment is a sum of money you paid to acquire your lease. Bonus payments do not include rent, whether or not prepaid, or security deposits.

(4) Prepaid Rent Coverage
We will pay you for the unamortized portion of prepaid rent that will not be refunded to you due to a covered loss. Prepaid rent is a sum of money you paid as advance rent. Prepaid rent does not include the customary rent due at the beginning of each month or any other rental period.

(5) Tenant's Improvements and Betterments Coverage
We will pay you for the unamortized portion of payments made by you for **tenant's improvements and betterments** that will not be refunded to you due to a covered loss.

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Tenant's Improvements and Betterments Coverage does not include the value of such improvements and betterments recoverable under any other insurance, but only to the extent of such other insurance.

b. If you suffer a loss under this Additional Coverage, then you must use any suitable property or service owned or controlled by you or obtainable from another source in order to reduce any loss sustained under Leasehold Interest Coverage.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Leasehold Interest Coverage.

8. Research and Development Operations Coverage

a. We will pay for the actual loss of **business income** and necessary **extra expense** you sustain during the **period of restoration**, due to a necessary **suspension** of your **research and development operations**, which in turn causes a delay in the introduction of a new product or the enhancement of an existing product.

b. The **suspension** must be caused by direct physical loss or damage by a **covered cause of loss** to property directly related to your **research and development operations** at a **location.**

c. Payment will be made only:

(1) After the new product or the enhanced product is made available in the marketplace; and

(2) If you discover the **business income** loss within two years after the date of loss or damage.

d. If a competitor introduces a similar product prior to the date you scheduled the introduction of your new or enhanced product, then we will reduce the amount of such actual **business income** loss to the extent attributable to the competitor's product.

e. We will not pay under this Extension of Coverage for the loss of **business income** or **extra expense** you incur solely due to loss or damage to **research and development documentation**.

f. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Research and Development Operations Coverage.

9. Tenant Moving Coverage

a. We will pay the necessary **tenant moving costs** incurred by tenants who temporarily vacate a portion of your **premises** that is rendered untenable due to direct physical loss or damage to property at such location caused by or resulting from a **covered cause of loss**.

b. The tenant who has moved out of the **premises** must move back to such **premises** within 60 days after the damaged portion of the covered **business real property** rented by the tenant has been repaired or rebuilt and is ready for occupancy or we will not pay the **tenant moving costs** related to such tenant move-back.

c. We will pay for **tenant moving costs** related to moving out of and moving back to the **premises** whether or not the tenants have moved back before the expiration date of this Policy.

d. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of tenants requiring relocation, is the Limit of Insurance shown in the Declarations applicable to Tenant Moving Coverage.

F. Extensions of Coverage Applicable to Property, Business Income, and Extra Expense Coverages:

1. Communicable Disease Coverage

a. (1) We will pay for direct physical loss or damage to **Property Insured** caused by or resulting from a covered **communicable disease event** at a location including the following necessary costs incurred to:

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(a) Tear out and replace any part of **Property Insured** in order to gain access to the **communicable disease**;

(b) Repair or rebuild **Property Insured** which has been damaged or destroyed by the **communicable disease**; and

(c) Mitigate, contain, remediate, treat, clean, detoxify, disinfect, neutralize, cleanup, remove, dispose of, test for, monitor, and assess the effects the **communicable disease**.

(2) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to he necessary **suspension** of **operations** during the **period of restoration** The **suspension** must be due to direct physical loss or damage to property at a location caused by or resulting from a covered **communicable disease event**.

b. (1) We will not pay under Communicable Disease Coverage for any loss, damage, or expense caused by or resulting from:

(a) A loss incurred prior to the Policy Period shown in the Declarations;

(b) Testing or monitoring to assess the existence, concentration, or effects of a **communicable disease** or **pollutants** beyond ninety (90) consecutive calendar days following the date when damaged property is remediated, repaired, rebuilt, or any combination thereof; or

(c) A claim that has been reported to us in writing after thirty (30) consecutive calendar days from the date the **public health authority** ordered the location to be evacuated, decontaminated, or disinfected due to the **communicable disease event**.

(d) A covered loss under Communicable Disease Coverage does not create, nor will it invoke coverage for Debris Removal Coverage, as described above under Item V.D.3. of this Coverage Form, except as provided by Communicable Disease Coverage.

c. (1) The most we will pay under this Extension of Coverage in any one occurrence or **loss event** including **business income, extra expense**, and debris removal, is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Communicable Disease Coverage.

(2) The most we will pay under this Extension of Coverage in all occurrences or **loss events** during any one Policy Period is the **Annual Aggregate** Limit of Insurance shown in the Declarations applicable to Communicable Disease Coverage.

2. Fungus Remediation Coverage

a. (1) If **fungus** is caused by or results from a **covered cause of loss** other than fire, explosion, or lightning at a location, then we will pay for the necessary expense incurred to:

(a) Tear out and replace any part of **Property Insured** in order to gain access to **fungus;**

(b) Repair or rebuild **Property Insured** which has been damaged or destroyed by **fungus;** and

(c) Mitigate, contain, remediate, treat, clean, detoxify, disinfect, neutralize, cleanup, remove, dispose of, test for, monitor, and assess the effects of **fungus.**

(2) (a) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain during the increased **period of restoration** due to the presence of **fungus.**

(b) Such increased **period of restoration** caused by the presence of **fungus** includes any increased period of time beyond the **period of restoration** required to remediate **fungus.**

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(c) The expiration date of this Policy will not cut short the increased **period of restoration**

b. (1) We will not pay under Fungus Remediation Coverage for any loss, damage, or expense caused by or resulting from:

(a) A loss incurred prior to the Policy Period shown in the Declarations;

(b) Testing or monitoring to assess the existence, concentration, or effects of **fungus** beyond ninety (90) consecutive calendar days following the date when damaged property is remediated, repaired, rebuilt, or any combination thereof; or

(c) A claim that has been reported to us in writing after thirty (30) consecutive calendar days from the date that covered loss or damage occurred.

(2) A covered loss under Fungus Remediation Coverage does not create, nor will it invoke coverage for Debris Removal Coverage, as described above under Item V.D.3. of this Coverage Form, except as provided by Fungus Remediation Coverage.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** including **business income, extra expense**, and debris removal, is the Limit of Insurance shown in the Declarations applicable to Fungus Remediation Coverage.

3. Loss Adjustment Expense Coverage

a. If covered loss or damage occurs under this Coverage Form, then we will pay the necessary loss adjustment expenses you incur that would not have been incurred had there not been a covered loss. Loss adjustment expenses include but are not limited to:

(1) Extra wages paid to your employees for preparing inventories;

(2) Expenses incurred to document your **business income** loss or **extra expense** sustained;

(3) Public Accountant or Certified Public Accountant fees;

(4) The cost of appraisals; or

(5) Other expenses incurred to obtain loss data in support your claim or to complete your proof of loss.

b. We will not pay under Loss Adjustment Expense for:

(1) Any expenses or fees paid to legal counsel, public adjusters, insurance agents or brokers, property managers, consultants, or any of their employees, representatives or consultants; any of your subsidiaries or affiliates; or

(2) Costs you incur to prove if a loss is a covered loss under this Policy.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Loss Adjustment Expense.

4. Newly Acquired Location Coverage

a. (1) We will pay for direct physical loss or damage to **Property Insured** caused by or resulting from a **covered cause of loss** occurring at a newly acquired location not specifically described in the Declarations.

(2) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration.** The **suspension** must be due to direct physical loss or damage to property at a newly acquired location not specifically described in the Declarations caused by or resulting from a **covered cause of loss**.

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b. (1) For each newly acquired location, Newly Acquired Location Coverage ends one hundred and twenty (120) consecutive calendar days from the date you acquire the location, on the date you report the values of the property to us, or on the date this Policy expires, whichever occurs first..

(2) When you report the values of the property to us, you will owe us additional premium from the date of acquisition or the date construction begins.

c. We will not pay under Newly Acquired Location Coverage for:

(1) Any loss or damage to:

(a) **Property Insured** while in **transit;**

(b) **Buildings while in the course of construction** for which separate insurance coverage has been obtained and such separate insurance covers your interest;

(c) Property acquired through any foreclosure process that you have initiated; or

(2) Any loss, damage, or expense caused by or resulting from **earth movement** or **flood,** even if such causes of loss are insured by endorsement to this Policy.

d. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** including **business income** and **extra expense** is the Limit of Insurance shown in the Declarations applicable to Newly Acquired Location Coverage.

5. Ordinance or Law Coverage

a. We will pay under Ordinance or Law Coverage A through E described below if:

(1) **Property Insured** at a **location** sustains direct physical loss or damage caused by or resulting from a **covered cause of loss**; and

(2) Such covered loss or damage results in the enforcement of a covered **ordinance or law.**

b. Coverage A - Loss of Value

(1) Loss in Value to the Undamaged Portion of Property Insured

We will pay under Coverage A for the loss in **value** to the undamaged portion of **Property Insured** that is a consequence of the enforcement of an **ordinance or law** which requires the demolition of undamaged parts of such **Property Insured.**

(2) Loss in Value of Non-conforming Property

(a) We will pay under Coverage A for the loss in value of **non-conforming property**, a portion of which is not repaired or rebuilt as a consequence of the enforcement of any **ordinance or law** that does not permit the repair or rebuilding of **non-conforming property**.

(b) If the enforcement of an **ordinance or law** does not permit you to repair or rebuild **Property Insured** to the same height, floor area, number of units, leasable square footage, occupancy, or style that existed immediately preceding covered loss, then Replacement Cost Item VI.A.2.b.(2) will not prohibit coverage for the loss in **value** of the portion of **Property Insured** that is not rebuilt which is provided by Ordinance or Law Coverage A.

c. Coverage B - Demolition Cost: We will pay under Coverage B for the amount you actually spend to demolish and clear the site of undamaged parts of **Property Insured** caused by the enforcement of an **ordinance or law** at a **location.**

d. Coverage C - Increased Cost of Construction: We will pay the necessary increased costs to repair or rebuild **Property Insured** caused by the enforcement of an **ordinance or law.**

e. Coverage D - Increased Period of Restoration:

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(1) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay under Coverage D for the actual loss of **business income** and necessary **extra expense** you sustain during the increased **period of restoration**.

(2) With respect only to insurance provided under Coverage D, the **period of restoration** includes any increased period of time beyond the **period of restoration** required to demolish, repair, or rebuild **Property Insured** in order to comply with the minimum standards of any **ordinance or law** in force at the time of loss. The expiration date of this Policy will not cut short the increased **period of restoration**.

f. Coverage E - Loss of Business Income from Non-Conforming Property

(1) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay under Coverage E for the actual loss of **business income** and necessary **extra expense** you sustain beyond the **period of restoration** due to the reduction in leasable square footage caused by or resulting from the inability to repair or rebuild a portion of **non-conforming property** at a **location** due to the enforcement of an **ordinance or law**.

(2) We will not pay under Coverage E for the same **business income** loss or **extra expense** incurred that is payable under Coverage D - Increased Period of Restoration.

(3) The expiration date of this Policy will not cut short the duration of the coverage provided by this Extension of Coverage.

g. We will not pay under Ordinance or Law Coverage A through E for any loss, damage, or expense caused by or resulting from:

(1) Compliance with any recommended actions or standards that exceed the actual minimum requirements of a covered **ordinance or law**.

(2) The enforcement of any **ordinance or law** which requires:

(a) The demolition, repair, rebuilding or remediation of any property due to contamination by **pollutants**; or

(b) Any insured or others to test for, monitor, mitigate, clean up, remove, contain, treat, remediate, detoxify, neutralize, or in any way respond to, or assess the effects of **pollutants**.

(3) (a) The enforcement of any **ordinance or law** that is attributable to an excluded cause of loss. However, if **Property Insured**:

1) Sustains loss or damage that is covered under this Coverage Form; and

2) Sustains loss or damage that is excluded under this Coverage Form; and

3) Such loss or damage results in the enforcement an **ordinance or law**;

then we will pay that portion of such loss under Ordinance or Law Coverage equal to the proportion that the covered loss or damage bears to the total loss or damage sustained, not including costs that are a consequence of the enforcement of any **ordinance or law**.

(b) If the covered loss or damage, alone, would have resulted in enforcement of the covered ordinance or law, then we will pay the full amount of Ordinance or Law Coverage payable under this Extension of Coverage.

(4) Any **ordinance or law** that you were required to comply with before the loss but you failed to comply.

(5) The enforcement of any **ordinance or law** which requires alteration, remediation, repair, or rebuilding of any **Property Insured** which has not sustained direct physical loss or damage caused by or resulting from a **covered cause of loss**.

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h. We will not pay under Ordinance or Law Coverage C for any loss, damage, or expense caused by or resulting from increased cost of construction:

(1) If the **actual cash value** method of valuation applies to **Property Insured**;

(2) If the repair or rebuilding is not intended for similar height, floor area, number of units, leasable square footage, occupancy, style, and like kind and quality of the original **Property Insured** which existed immediately preceding the covered loss or damage, unless such construction characteristic or occupancy is not permitted by an **ordinance or law**;

(3) Until the property is actually repaired or rebuilt at the same **location** or another site; or

(4) Unless the damaged property is repaired or rebuilt as soon as reasonably possible after the loss or damage, not to exceed two years.

i. (1) Coverage A through E: The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of **locations** involved, is the Blanket Limit of Insurance shown in the Declarations applicable to Ordinance or Law Coverage. However, the most we will pay under this Extension of Coverage in any one occurrence or **loss event** with respect to a **location** that has been assigned a Sublimit of Insurance applicable to Ordinance or Law Coverage is the applicable Sublimit of Insurance shown in the Declarations.

(2) If the Declarations applicable to Ordinance or Law Coverage show a Blanket Limit of Insurance in conjunction with a Sublimit of Insurance, then such sublimit is included within, not in addition to, the corresponding Blanket Limit of Insurance.

(3) Coverage A: If the Limit of Insurance for Coverage A is shown as "included" or a dollar amount is shown in the Declarations, then Coverage A is included within, not in addition to, the Limit of Insurance shown in the Declarations for **Property Insured**.

(4) Coverage B - Demolition Cost Coverage: Unless Item V.F.5.i.(6) applies, the most we will pay in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Coverage B.

(5) Coverage C - Increased Cost of Construction Coverage: Unless Item V.F.5.i.(6) applies, the most we will pay in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Coverage C.

(6) Coverage B and C Blanket:

(a) If a Limit of Insurance is shown in the Declarations for Coverage B and C Blanket, then Items V.F.5.i.(4) and (5) described above do not apply. Instead, the most we will pay in any one occurrence or **loss event** under Coverage B and C Blanket is the least of:

1) Any combination of covered losses under Coverage B or Coverage C; or

2) The Limit of Insurance shown in the Declarations applicable to Coverage B and C Blanket.

(b) If the Declarations show a Limit of Insurance for Coverage B and C Blanket, in addition to a Limit of Insurance for Coverage B or Coverage C, then only the Coverage B and C Blanket applies.

(7) Coverage D - Increased Period of Restoration: The most we will pay in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Coverage D - Increased Period of Restoration.

(8) Coverage E - Loss of Business Income from Non-Conforming Property: The most we will pay in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Coverage E - Loss of Business Income from Non-Conforming Property.

6. Outdoor Trees, Shrubs, Plants, and Lawn Coverage

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a. (1) We will pay for direct physical loss or damage to your trees, shrubs, plants, and lawns growing and situated outside of covered **business real property** at a location caused by or resulting from any of the following causes of loss: Aircraft; explosion; fire; lightning; riot or civil commotion; smoke; vandalism or malicious mischief; or **vehicles**.

(2) Outdoor Trees, Shrubs, Plants, and Lawn Coverage includes the necessary expense incurred to:

(a) Trim, remove, replace, replant, or reposition trees, shrubs, plants, or lawns; and

(b) Cleanup, remove, and dispose of the debris of covered trees, shrubs, plants, and lawns;

anywhere at your location which have suffered covered loss or damage.

(3) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration**. The **suspension** must be due to direct physical loss or damage to your trees, shrubs, plants, and lawns growing and situated at a location caused by or resulting from a **covered cause of loss** described above in Item V.F.6.a.(1).

b. We will not pay under Outdoor Trees, Shrubs, Plants, and Lawn Coverage:

(1) To replace or repair trees, shrubs, plants, or lawns under this Extension of Coverage until such property has been repaired or replaced. However, this restriction does not apply to the cost to remove such property from a location; or

(2) For any loss, damage, or expense caused by or resulting from:

(a) Outdoor trees, shrubs, plants, or lawn that you hold for sale; or

(b) Growing crops.

c. A covered loss under this Extension of Coverage does not create, nor will it invoke coverage for Debris Removal Coverage, as described above under Section V.D.3. of this Coverage Form, except as provided by Outdoor Trees, Shrubs, Plants, and Lawn Coverage.

d. (1) The most we will pay under this Extension of Coverage for any one tree, shrub, plant, or lawn, in any one occurrence or **loss event**, is the Limit of Insurance shown in the Declarations applicable to Any One Tree, Shrub, Plant, or Lawn shown under Outdoor Trees, Shrubs, Plants, and Lawn Coverage.

(2) The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, including **business income**, **extra expense**, and debris removal, is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Outdoor Trees, Shrubs, Plants, and Lawn Coverage.

7. Pollutant Cleanup Coverage

a. (1) We will pay the necessary expense you incur to cleanup, remove, extract, and dispose of **pollutants** from land, water, or air, at a **location**, if the discharge, dispersal, seepage, migration, release, or escape of such **pollutants** is the result of direct physical loss or damage to **Property Insured** caused by or resulting from a **covered cause of loss** during the Policy Period at a **location**.

(2) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain during the increased **period of restoration** due to the cleanup, removal, extraction, and disposal of **pollutants**

(a) Such increased **period of restoration** caused by a covered loss under Pollutant Cleanup Coverage includes any increased period of time beyond the **period of restoration** required to cleanup, remove, extract, and dispose of **pollutants**.

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(b) The expiration date of this Policy will not cut short the increased **period of restoration**.

b. We will not pay under Pollutant Cleanup Coverage for:

(1) Any expense caused by or resulting from testing or monitoring to assess the existence, concentration, or effects of **pollutants** beyond ninety (90) consecutive calendar days following the date that **pollutants** have been cleaned up, removed, and extracted from land, water, or air; or

(2) A claim that has been reported to us in writing after one hundred and eighty (180) consecutive calendar days from the date that an actual discharge, dispersal, seepage, migration, release, or escape of **pollutants** has occurred.

c. (1) Suspension, lapse, or cancellation of any license, lease, rental The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, including **business income** and **extra expense**, is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Pollutant Cleanup Coverage.

(2) The most we will pay under this Extension of Coverage in all occurrences or **loss events** during any one Policy Period is the **Annual Aggregate** Limit of Insurance shown in the Declarations applicable to Pollutant Cleanup Coverage.

8. Trade Show Coverage

a. (1) We will pay for direct physical loss or damage to **Property Insured** caused by or resulting from a **covered cause of loss** while such property is away from a location within the Coverage Territory and located at an exhibition, exposition, fair, or trade show.

(2) Trade Show Coverage includes the necessary expense incurred to cleanup, remove, and dispose of the debris of **Property Insured** which is caused by a covered loss.

b. If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration**. The **suspension** must be due to direct physical loss or damage to **Property Insured** while located at an exhibition, exposition, fair, or trade show not specifically described in the Declarations caused by or resulting from a **covered cause of loss**.

c. We will not pay under Trade Show Coverage for any:

(1) Loss or damage to **fine arts** or **mobile communication equipment**; or

(2) Loss, damage, or expense caused by or resulting from **earth movement** or **flood**, even if such causes of loss are insured by endorsement to this Policy.

d. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** including **business income**, **extra expense**, and debris removal, is the Limit of Insurance shown in the Declarations applicable to Trade Show Coverage.

9. Transit Coverage

a. (1) Domestic Shipments

We will pay for direct physical loss or damage to **Property Insured** caused by or resulting from a **covered cause of loss** while in the due course of **transit** by the following modes of transportation anywhere within the Coverage Territory:

(a) Your Vehicles: This mode of transportation covers **Property Insured** while being transported by a **vehicle** which you own, lease, rent, or operate; and

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(b) Carriers for Hire: This mode of transportation covers **Property Insured** while in the care, custody, or control of a carrier for hire including any **vehicle**, rail, or licensed air transportation delivery service.

(2) International Air Shipments

We will pay for direct physical loss or damage to **Property Insured** caused by or resulting from a **covered cause of loss** while in the care, custody, or control of a licensed air transportation delivery service and being shipped:

(a) By you from any location within the Coverage Territory to anywhere in the world; and

(b) To you from anywhere in the world to any location within the Coverage Territory.

Coverage applies from the delivery of **Property Insured** at the point of origin shown in the air waybill until it is discharged at the destination shown in the air waybill.

(3) Transit Coverage includes loss or damage to such property caused by or resulting from:

(a) **Loading** and **unloading** of **Property Insured** from a transporting conveyance provided such loss or damage is caused by or results from a **covered cause of loss**;

(b) Your interest in property shipped Free on Board (F.O.B.) after the title of a shipment passes to the consignee;

(c) Your interest in property shipments which have been refused by the consignee, ending the earlier of:

1) Fifteen (15) consecutive calendar days after such property has been refused; or

2) The time that the returned shipment of property arrives at a location that you own, lease, or operate;

(d) Fraud or deceit perpetrated by any person or persons who may represent themselves to be the proper party or parties to receive or accept goods for shipment; or

(e) The necessary additional expense you incur to inspect, repackage and reship **Property Insured** which has been damaged by a **covered cause of loss**.

(4) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration**. The **suspension** must be due to direct physical loss or damage to **Property Insured** while in the due course of **transit** caused by or resulting from a **covered cause of loss**.

b. We will not pay under Transit Coverage for any loss, damage, or expense caused by or resulting from:

(1) Shipments by mail from the time **Property Insured** passes into the custody of a public or private mail delivery service.

(2) Any waterborne shipments except when on a **vehicle** aboard a licensed ferry on an inland waterway. If property covered under Transit Coverage suffers loss or damage while on such **vehicle**, then we will pay for general average and salvage charges that may be assessed against such **vehicle**.

(3) Shipments covered by ocean marine or cargo insurance.

(4) Property owned by others while you are acting as a carrier for hire, such as but not limited to a common carrier, contract carrier, broker, or freight forwarder.

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(5) Jewelry comprised of precious or semi-precious stones, metals, or alloys; precious or semi-precious stones, metals or alloys; watches or watch movements; furs, fur garments, or garments trimmed with fur; **fine arts**; **money**; **securities**; or **salespersons samples**.

(6) Concealed damage to **Property Insured** or expenses you incur to recalibrate or adjust **Property Insured**, unless there are visible marks on the container or packing material surrounding the damaged item, evidencing that direct physical loss or damage was caused by or resulting from an external **covered cause of loss**.

c. Expiration or cancellation of this Policy will not interrupt the insurance provided by Transit Coverage until the property being shipped:

(1) Is accepted by or on behalf of the consignee or receiver at the intended destination; or

(2) Arrives at a location that you own, lease, or operate;

but for no longer than 30 days after the date of shipment from the point of origination.

d. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, including **business income** and **extra expense**, regardless of the number of **vehicles**, railroad cars, or aircraft involved, are the Limits of Insurance shown in the Declarations applicable to Transit Coverage.

10. Unintentional Property Errors and Omissions Coverage

a. We will pay for:

(1) Direct physical loss or damage to property; and

(2) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the resulting actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration**.

b. We will only pay under Item V.F.10.a. described above if the loss or damage is caused by or results from a **covered cause of loss** which is not payable under this Policy because of an unintentional error or omission at the time of Policy inception in:

(1) Determining or reporting values; or

(2) Describing or including the address of a location to be included as **Property Insured**.

Such error or omission shall not void or impair coverage by this Coverage Form to the extent we would have provided coverage had the unintentional error or omission not been made.

c. You must report such errors or omissions to us in writing as soon as you discover them and you will pay such additional premium as may be appropriate.

d. We will not pay under Unintentional Property Errors and Omissions Coverage for any loss, damage, or expense caused by or resulting from **earth movement** or **flood**, even if such causes of loss are insured by endorsement to this Policy.

e. This coverage does not apply if there is coverage available under Newly Acquired Location Coverage, Unnamed Location Coverage, or any other provision in this Policy.

f. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, including **business income** and **extra expense**, is the Limit of Insurance shown in the Declarations applicable to Unintentional Property Errors and Omissions Coverage.

11. Unnamed Location Coverage

a. (1) If the Declarations show a Limit of Insurance for Business Real Property or Business Personal Property, then we will pay for direct physical loss or damage to such property for which a limit

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of insurance is shown and is insured under this Coverage Form while situated at a location not specifically described in the Declarations caused by or resulting from a **covered cause of loss**

(2) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration**. The **suspension** must be due to direct physical loss or damage to property at a location not specifically described in the Declarations caused by or resulting from a **covered cause of loss**.

b. We will not pay under Unnamed Location Coverage for:

(1) Any loss or damage to **Property Insured**:

(a) Insured under Newly Acquired Location Coverage;

(b) While at an exhibition, exposition, fair, or trade show;

(c) While in **transit**;

(d) Insured under Installation Coverage;

(e) Insured under Mobile Communication Equipment Coverage;

(f) That is **mobile equipment**;

(g) Acquired through any foreclosure process that you have initiated; or

(2) Any loss, damage, or expense caused by or resulting from **earth movement** or **flood**, even if such causes of loss are insured by endorsement to this Policy.

c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** including **business income** and **extra expense** is the Limit of Insurance shown in the Declarations applicable to Unnamed Location Coverage.

12. Utility Services Coverage

a. (1) We will pay for direct physical loss or damage to **Property Insured** at a **location** caused by the interruption of **utility services**. The interruption of **utility services** must result from direct physical loss or damage by a **covered cause of loss** to **utility services** property not owned by you

(2) If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration** caused by the interruption of **utility services**. The interruption of **utility services** and subsequent **suspension** of **operations** must be due to direct physical loss or damage to **utility services** property not owned by you and be caused by or result from a **covered cause of loss**.

b. We will not pay under Utility Services Coverage for any loss, damage, or expense caused by or resulting from:

(1) An interruption of **utility services** due to direct physical loss or damage to:

(a) Satellites; or

(b) Any type of **overhead transmission lines and equipment**, unless shown as included in the Declarations; or

(2) An interruption of **cloud computing** services.

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c. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** including **business income** and **extra expense** is the Limit of Insurance shown in the Declarations applicable to Utility Services Coverage.

VI. Valuation

A. The valuation provisions described below apply to **property damage loss** insured under this Coverage Form:

1. a. Subject to the applicable Limit of Insurance and the valuation provisions described below, if covered loss or damage occurs, then we will either:

(1) Pay the **value** of covered property which has sustained loss or damage in exchange for such property; or

(2) Repair, rebuild, or replace covered property which has sustained loss or damage with other such property of like kind and quality for the same use or occupancy.

b. The cost of repair or replacement under any of the valuation provisions described below does not include the increased cost attributable to the enforcement of any **ordinance or law**.

2. Replacement Cost

a. If covered loss or damage occurs, then we will determine the **value** of covered property which has sustained loss or damage on a **replacement cost** basis at the time of loss or damage unless:

(1) A different valuation basis is shown in the Declarations; or

(2) A different valuation method applies under Section VI. Valuation.

b. We will not pay more for covered property which has sustained loss or damage than the least of the following dollar amounts:

(1) The **replacement cost** of the covered property;

(2) The amount you actually spend to repair or replace the covered property; or

(3) The Limit of Insurance shown in the Declarations applicable to covered property.

c. You may make a claim for loss or damage covered by this insurance on an **actual cash value** basis instead of a **replacement cost** basis. In the event you elect to have loss or damage settled on an **actual cash value** basis, you may still make a claim for the additional coverage which **replacement cost** provides if you notify us of your intent to do so within 180 days after the loss or damage and you comply with Item VI.A.2.d. described below.

d. We will not pay on a **replacement cost** basis until you actually repair or replace the lost or damaged property. The repair or replacement of damaged property must be made as soon as reasonably possible, but in no event later than two years after the date that you sustained covered loss or damage.

e. Until the lost or damaged property is actually repaired or replaced, we will only pay the **value** of such property on an **actual cash value** basis as of the time of the loss or damage.

f. If there is a total loss to a building that is **business real property**, then you may voluntarily elect to purchase another existing building or rebuild on another site but we will not pay more than the amount of loss or damage that we would have otherwise paid to rebuild at the current location.

g. With respect to **tenant's improvements and betterments:**

(1) If **tenant's improvements and betterments** have not been repaired or replaced within two years of the covered loss or damage, then we will pay the unamortized portion of your original cost of **tenant's improvements and betterments.** We will determine the unamortized portion of such cost as follows:

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(a) Multiply the original cost of **tenant's improvements and betterments** by the number of days from the loss or damage to the expiration of the lease or rental agreement; and

(b) Divide the amount determined above in Item VI.A.2.g.(1)(a) by the number of days from the installation of **tenant's improvements and betterments** to the expiration of the lease or rental agreement.

(2) If your lease or rental agreement contains a renewal option, then the expiration of the renewal option period will replace the expiration of the lease or rental agreement in this procedure.

(3) We will deduct from the total amount of covered loss or damage insured under **tenant's improvements and betterments** any dollar amounts that are paid by others, or covered elsewhere under any other insurance Policy, whether collectible or not.

3. Actual Cash Value

a. If covered loss or damage occurs and the valuation basis for covered property shown in the Declarations is designated as **actual cash value**, then we will determine the **value** of such property which has sustained loss or damage on an **actual cash value** basis at the time of loss or damage.

b. We will not pay more for covered property which has sustained loss or damage than the least of the following dollar amounts:

(1) The **actual cash value** of the covered property;

(2) The amount you actually spend to repair or replace the covered property; or

(3) The Limit of Insurance shown in the Declarations applicable to covered property.

c. **Actual cash value** valuation applies to covered property regardless of whether such property has sustained partial or total loss or damage and may be significantly less than its **value** on a **replacement cost** basis.

4. Accounts Receivable

Subject to the applicable Limit of Insurance shown in the Declarations, if covered loss or damage occurs to **accounts receivable**, then we will determine the **value** of such property at the time of loss or damage as follows:

a. We will **value** accounts receivable at:

(1) The necessary expenses that you incur to re-establish your records of **accounts receivable;**

(2) All amounts due from your customers on current accounts that you are unable to collect;

(3) Interest charges on any loan required to offset amounts you are unable to collect; and

(4) Collection expenses in excess of your normal collection expenses that directly result from the loss.

b. When a covered loss has occurred but you cannot accurately establish the amount of **accounts receivable** outstanding at the time of the loss, the following method will be used:

(1) Determine the total of the average monthly amounts of **accounts receivable** for the 12 months immediately preceding the month in which the loss occurs; and

(2) Adjust that total for any normal fluctuations in the amount of **accounts receivable** for the month(s) in which the loss occurred or for any demonstrated variance from the average for that month.

c. The following will be deducted from the total amount of **accounts receivable,** however that amount is established:

(1) The amount of any accounts from which there is no loss;

(2) The amount of any accounts that you are able to establish or collect;

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(3) The amount normally allowed for probable bad debts that you are unable to collect; and

(4) All unearned interest and service charges.

d. You will pay us the amount of all recoveries you receive for a loss paid by us. Any recoveries in excess of the amount we have paid belong to you.

5. Animals

If covered loss or damage occurs to an animal, then we will determine the **value** of such animal at the time of loss or damage as follows:

a. We will not pay more for a covered animal which has sustained loss or damage than the least of the following dollar amounts:

(1) The cost to purchase a replacement animal of comparable species, age, and quality;

(2) The amount you actually spend to replace the animal; or

(3) The applicable Limit of Insurance shown in the Declarations.

b. We will not pay the cost to replace an animal until you actually replace such animal. The replacement of the animal must be made as soon as reasonably possible, but in no event later than two years after the date that you sustained covered loss or damage.

6. Brands, Labels, and Trademarks

a. (1) If covered loss or damage occurs to your **stock** or similar **personal property of others** and such damaged property has a brand, label, trademark, or other similar identification, then at your option, we will pay for the cost of removing brands, labels, trademarks, or other similar identification from your **stock**. You may:

(a) Remove the brand, label, trademark, or other similar identification from the damaged property;

(b) Re-label or stamp the damaged property as salvage; or

(c) Dispose of the damaged property in a manner you deem appropriate.

(2) Under any option described above, the re-labeling or disposal of damaged property must be accomplished in accordance with applicable law or regulations and we will not pay for any further loss or damage during the process of removing, re-labeling, or stamping damaged property.

b. We will deduct from the amount of loss otherwise payable, the **fair market value** of the salvage which could have been obtained by the sale or other disposition of damaged property through customary insurance industry salvage practices. The salvage value of damaged property will be determined after the removal or relabeling of brands, labels, trademarks, or other similar identification.

c. Payments under Brand, Label, and Trademark Coverage are included within, not in addition to, the Limits of Insurance for **business personal property** shown in the Declarations.

7. Fine Arts

If covered loss or damage occurs to **fine arts**, then we will determine the **value** of such property which has sustained loss or damage at the time of loss or damage in the following manner:

a. Subject to the applicable Limit(s) of Insurance shown in the Declarations, for partial losses we will pay:

(1) The cost to restore the article to its condition immediately before the loss or damage; or

(2) If we agree that such restoration cannot fully restore the article to its condition immediately before the loss or damage, then we will pay the difference between the article's **fair market**

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value immediately before and after the loss or damage. We will pay this amount in addition to the cost incurred in attempting to restore the article.

b. Subject to the applicable Limit(s) of Insurance shown in the Declarations, for total losses, we will pay:

(1) The **fair market value** of each article of **fine art** that would have applied immediately before the loss or damage if the article of **fine art** is not specifically declared and individually described in the Declarations under the Schedule of Individual **Fine Arts**.

(2) The Limit of Insurance applicable to the article of **fine art** which is lost or damaged if such article is specifically declared and individually described in the Declarations under the Schedule of Individual **Fine Arts**.

8. Gold, Silver, and Platinum Commodities

Subject to the applicable Limit of Insurance shown in the Declarations, if covered loss or damage occurs to the following metals or metal salts held as **stock** that are not already incorporated into other **business personal property**, then we will determine the **value** of such property which has sustained loss or damage based upon the applicable closing price at the Chicago Board of Trade on the day the covered loss occurred, less all applicable discounts and un-incurred expenses:

a. Gold;

b. Silver; and

c. Platinum.

9. Information Restoration Cost

a. If covered loss or damage occurs to the following covered property, then we will determine the **value** of such property which has sustained loss or damage on an **information restoration cost** basis at the time of loss or damage:

(1) **Data** or **software**;

(2) **Research and development documentation**; and

(3) **Valuable papers and records**.

b. We will not pay more for covered property described above in Item VI.A.9.a. than the applicable Limit of Insurance shown in the Declarations for:

(1) **Data, media** or **software**;

(2) **Research and development documentation**; or

(3) **Valuable papers and records**.

c. We will only pay under Information Restoration Cost if you actually research, repair, restore, recreate, and replace the covered property described above in Item VI.A.9.a. as soon as reasonably possible, but in no event later than two years after the date such covered loss or damage occurs.

10. Installation Coverage

If covered loss or damage occurs to **business personal property** that you have contracted to install or erect, then we will determine the **value** of such property which has sustained loss or damage at the time of loss or damage as follows:

a. We will not pay more for covered property which has sustained loss or damage than the least of the following dollar amounts:

(1) The **replacement cost** of covered property plus your interest in labor, materials, or services furnished or arranged by you and other expenses accrued; or

(2) The amount you actually spend to repair or replace the covered property; or

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(3) The Limit of Insurance shown in the Declarations applicable to Installation Coverage.

b. You may make a claim for loss or damage covered by this insurance on an **actual cash value** basis instead of a **replacement cost** basis. In the event you elect to have loss or damage settled on an **actual cash value** basis, you may still make a claim for the additional coverage which **replacement cost** provides if you notify us of your intent to do so within 180 days after the occurrence of covered loss or damage and you comply with Item VI.A.10.c. below.

c. We will not pay under Installation Coverage until you actually repair or replace the lost or damaged property. The repair or replacement of damaged property must be made as soon as reasonably possible, but in no event later than two years after the date that you sustained covered loss or damage.

d. Until the lost or damaged property is actually repaired or replaced, we will only pay the **value** of such property on an **actual cash value** basis as of the time of the loss or damage.

11. Operational Replacement Cost

a. If covered loss or damage occurs to the following covered property, then we will determine the **value** of such property which has sustained loss or damage on an **operational replacement cost** basis at the time of loss or damage:

(1) **Electronic Data Processing Equipment**;

(2) Keys, Locks, and Security Systems; and

(3) **Media**.

b. We will not pay more for covered property described above in Item VI.A.11.a. which has sustained loss or damage than the least of the following dollar amounts:

(1) The **operational replacement cost** of covered property;

(2) The amount you actually spend to repair or replace covered property; or

(3) The Limit of Insurance shown in the Declarations applicable to covered property.

c. You may make a claim for loss or damage covered by this insurance on an **actual cash value** basis instead of a **operational replacement cost** basis. In the event you elect to have loss or damage settled on an **actual cash value** basis, you may still make a claim for the additional coverage which **operational replacement cost** provides if you notify us of your intent to do so within 180 days after the loss or damage and you comply with Item VI.A.11.d. below.

d. We will not pay on an **operational replacement cost** basis until you actually repair or replace the lost or damaged property. The repair or replacement of damaged property must be made as soon as reasonably possible, but in no event later than two years after the date that you sustained covered loss or damage.

e. Until the lost or damaged property is actually repaired or replaced, we will only pay the **value** of such property on an **actual cash value** basis as of the time of the loss or damage.

12. Ordinance or Law Coverage

a. Coverage A: The **value** of Coverage A will be determined at the least of the following dollar amounts described in (1) through (3) below:

(1) (a) If the **replacement cost** valuation applies and the property is repaired or rebuilt at the same **location** or another site, then we will pay the **replacement cost** amount it would actually cost you to rebuild:

1) The undamaged portion of **Property Insured** that the **ordinance or law** requires you to demolish; or

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2) The portion of **nonconforming property** that the **ordinance or law** does not permit you to repair or rebuild.

(b) If the **replacement cost** valuation applies and the property is not repaired or rebuilt, or if the **replacement cost** valuation does not apply, then the **actual cash value** provisions of this Coverage Form apply and we will pay the **actual cash value** of:

1) The undamaged portion of **Property Insured** that the **ordinance or law** requires you to demolish; or

2) The portion of **nonconforming property** that the **ordinance or law** does not permit you to repair or rebuild.

(c) In determining either the **replacement cost** or the **actual cash value** amount, the **value** of Ordinance or Law Coverage A will be determined at the **location** and will be based upon the same height, floor area, number of units, leasable square footage, occupancy, style, and like kind and quality of the original **Property Insured** which existed immediately preceding the covered loss.

(2) The remaining applicable Limit of Insurance for **Property Insured** shown in the Declarations, after payment of the covered direct physical loss or damage using the valuation method indicated in the Declarations.

(3) The Limit of Insurance or Sublimit of Insurance, whichever is less, shown in the Declarations applicable to Ordinance or Law - Coverage A.

b. Coverage B: The **value** of Coverage B will be determined at the least of the following dollar amounts described below:

(1) The amount you actually spend to demolish and clear the **location** of undamaged parts of **Property Insured** caused by the enforcement of an **ordinance or law**.

(2) The Limit of Insurance or Sublimit of Insurance, whichever is less, shown in the Declarations applicable to Ordinance or Law Coverage B.

c. Coverage C: The **value** of Coverage C will be determined at the least of the following dollar amounts described below:

(1) (a) The **replacement cost** amount to repair or rebuild damaged or undamaged portions of **Property Insured**, whether or not demolition is required, at the same **location** if:

1) **Property Insured** is repaired or rebuilt at the same **location**; or

2) The **ordinance or law** allows you to repair or rebuild at the same **location**, but you elect to rebuild **Property Insured** at another site or move **Property Insured** to another site.

(b) The **replacement cost** amount to repair or rebuild at a new site, but only if the **ordinance or law** will not allow you to repair or rebuild at the same **location.**

(2) The amount you actually spend to repair or rebuild **Property Insured** which has sustained loss or damage.

(3) The Limit of Insurance or Sublimit of Insurance, whichever is less, shown in the Declarations applicable to Ordinance or Law - Coverage C.

13. Personal Property of Others

If covered loss or damage occurs to **personal property of others**, then we will determine the **value** of such property which has sustained loss or damage using the applicable valuation provisions, but we will not pay more than the amount for which you are legally liable, or the applicable Limit of Insurance, whichever is less.

14. Stock

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Subject to the applicable Limit of Insurance shown in the Declarations, if covered loss or damage occurs to **stock**, then we will determine the **value** of such property which has sustained loss or damage at the time of loss or damage as follows:

a. The **value** of the following types of **stock** will be determined on a **replacement cost** basis:

(1) Supplies or raw materials; and

(2) **Stock** that you have purchased from others for resale.

b. The **value** of **stock** that is work-in-process will be determined at the cost of raw materials, supplies, labor, and overhead incurred.

c. The **value** of **finished stock** will be determined at your selling price less all applicable discounts and un-incurred expenses.

d. The **value** of **stock** that has been sold but not delivered will be determined at your selling price less all applicable discounts and un-incurred expenses.

e. The **value** of **stock** that is economically or technologically obsolete or used will be determined at its wholesale **fair market value** at the time of the loss or damage.

15. Transit Coverage

Subject to the applicable Limit of Insurance shown in the Declarations, if covered loss or damage occurs to **Property Insured** which is in **transit,** then we will determine the **value** of such property which has sustained loss or damage at the time of the loss or damage as follows:

a. The **value** of **Property Insured** which is in **transit** will be determined at the dollar amount stated on the invoice plus any additional expenses that have accrued and been incurred, less all applicable discounts and un-incurred expenses.

b. The **value** of **Property Insured** which is in **transit** but not under invoice will be determined in accordance with the applicable valuation method for the type of property described under Section VI. Valuation plus any additional expenses that have accrued and been incurred, less all applicable discounts and un-incurred expenses.

B. The valuation provisions described below apply to **time element loss** insured under this Coverage Form:

1. In making any determination of **business income** loss or the amount of **extra expense** incurred, we may utilize any relevant sources of information, including your:

a. Balance sheets, income statements, general ledgers, payroll records, and other financial records which have been prepared in accordance with generally acceptable accounting principles;

b. Bank statements;

c. Accounting procedures;

d. Budgeting, forecasting, and marketing records;

e. Bills, invoices, bill of materials, and other vouchers;

f. Deeds, liens, or contracts, including contracts with customers (verified through confirmations).

If your financial records are not prepared in accordance with generally acceptable accounting principles, then additional accounting procedures may be required.

2. Business Income Coverage:

a. The amount of covered **business income** loss will be determined based on:

(1) The net profit or loss before income taxes of your **operations** before covered loss or damage occurred;

(2) The likely net profit or loss before income taxes of your **operations** if no covered loss or damage occurred, not including any **business income** that would likely have been earned as

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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; and

(3) The continuing normal operating expenses, including your continuing normal payroll expenses, necessary to resume your **operations** with the same quality of service that existed just before the covered direct physical loss or damage. Continuing expenses will be calculated based on the:

(a) **Period of restoration**; or

(b) Period of time provided for **business income** as described above under Extension of Coverage - Item V.E.6.a.(1);

whichever is applicable.

b. The amount of payroll expense covered when determining the amount of a **business income** loss will be determined based on the following:

(1) If your **ordinary payroll expense** is not shown in the Declarations as limited or excluded, then your **ordinary payroll expense** is covered and your **ordinary payroll expense** will be included when determining your **business income** loss.

(2) (a) If your **ordinary payroll expense** is shown in the Declarations as limited, then **business income** includes your **ordinary payroll expense** but for only the number of days stated in the Declarations when determining your **business income** loss. The number of days need not be consecutive but must fall within:

1) The **period of restoration**; or,

2) The period of time provided for **business income** as described above under Extension of Coverage - Item V.E.6.a.(1);

(b) In determining the annual operating expenses for Coinsurance purposes, payroll expenses will only include the **ordinary payroll expense** incurred during the number of days shown in the Declarations. If the **ordinary payroll expense** varies during the Policy year, then the period of greatest **ordinary payroll expense** will be used.

(3) If your **ordinary payroll expense** is shown in the Declarations as excluded, then your entire **ordinary payroll expense** will be deducted when determining your **business income** loss.

c. If you are operating at a net loss, then continuing normal operating expenses will be offset by the net loss.

3. Extra Expense Coverage:

The amount of covered **extra expense** incurred will be determined based on necessary expenses that:

a. Exceed your normal operating expenses that would have been incurred by your **operations,** had no covered loss or damage occurred, during the following periods of time:

(1) The **period of restoration**; or

(2) The period of time provided for **extra expense** as described above under Extension of Coverage - Item V.E.6.a.(2).

b. Reduce the **business income** loss that otherwise would have been incurred.

c. We will deduct from the total of such expenses:

(1) The salvage value that remains of any property bought for temporary use during the **period of restoration** once your **operations** are resumed; and

(2) Any **extra expense** that is paid for by other insurance.

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4. Resumption of Your Business Operations
   a. We will reduce the amount of your **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 **location** or elsewhere.
   b. We will reduce the amount of your **extra expense** to the extent you can return your **operations** to normal and discontinue such **extra expense**.
   c. If you do not resume all or part of your **operations,** or do not resume all or part of your **operations** as quickly as possible, then we will pay based on the length of time it would have taken to resume your **operations** as quickly as possible.
5. In no event or circumstance will the loss computation result in payments greater than the actual loss sustained or the applicable Limit of Insurance, whichever is less.

VII. Mortgage Holders or Loss Payee Provisions

A. Lender's Loss Payable Provisions

1. The Loss Payee shown in the Declarations is a creditor, mortgage holder, trustee, or receiver whose interest in covered property is established by the following written instruments:
   a. Warehouse receipts;
   b. A contract for deed;
   c. Bills of lading;
   d. Financing statements;
   e. Mortgages, deeds of trust, or security agreements; or
   f. Court order.
2. If a covered loss occurs to covered property in which both you and a Loss Payee have an insurable interest, and such Loss Payee is described in the Declarations as a Lenders Loss Payable prior to such covered loss, then:
   a. We will pay for covered loss or damage to each Loss Payee shown in the Declarations in their order of precedence, as interests may appear.
   b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the covered property.
   c. If we deny your claim because of your acts or because you have failed to comply with the terms of this Policy, then the Loss Payee will still have the right to receive loss payment if the Loss Payee:
      (1) Pays any premium due under this Policy at our request if you have failed to do so;
      (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
      (3) Has notified us of any change in ownership, occupancy, or substantial change in risk known to the Loss Payee.

      All of the terms of this Policy will then apply directly to the Loss Payee.
   d. If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Policy, then:
      (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
      (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

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At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel or elect not to renew this Policy, then we will give the Loss Payee the same written notice that we give you.

B. Loss Payable Provisions

If a covered loss occurs to covered property which both you and a Loss Payee have an insurable interest and such Loss Payee is described in the Declarations as a Loss Payable prior to such covered loss, then we will:

1. Adjust losses with you; and
2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

C. Contract of Sale Provisions

1. The Loss Payee is described in the Declarations as a Contract of Sale and is a person or organization you have entered a contract with for the sale of covered property.
2. If a covered loss occurs to covered property in which both you and the Loss Payee have an insurable interest, and such Loss Payee is described in the Declarations prior to such covered loss, then we will:
   a. Adjust losses with you; and
   b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
3. The following is added to the Other Insurance Clause contained in Section XIII. General Conditions:

   For covered property that is the subject of a contract of sale, the word you includes such Loss Payee.

VIII. Coverage Options

Val-U-Gard Coverage

If the Declarations indicate that Val-U-Gard Coverage applies to **Property Insured**, then at the time of covered loss or damage, the Limit of Insurance for such **Property Insured** will automatically increase by the percentage shown in the Declarations applicable to Val-U-Gard Coverage. The amount of increase will be determined as follows:

Step 1: Multiply the Limit of Insurance that applied at the time of covered loss or damage by the Val-U-Gard percentage shown in the Declarations, expressed as a decimal (Example: 5% = .05).

Step 2: Multiply the result of Step 1 by the number of days since such Limit of Insurance most recently became effective.

Step 3: Divide the result of Step 2 by 365 to determine the amount of inflationary increase in the Limit of Insurance applicable to **Property Insured**.

IX. Limitations of Coverage

A. Coverage for Animals

1. a. We will pay for direct physical loss or damage to the following covered animals caused by or resulting from a **covered cause of loss**:
      (1) Owned by others while in your care, custody, or control; or
      (2) You sell as **stock**;
   b. Coverage includes the following necessary expenses you incur which are directly attributable to a covered loss under Coverage for Animals:
      (1) The expense of transporting the covered animal to a licensed veterinarian;

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(2) The expense of veterinarian services in order to provide medical treatment to an injured animal; and

(3) The humane destruction of covered animals if necessary. Humane destruction means the necessary euthanasia of an animal by a licensed veterinarian when such animal suffers an injury that is so excessive that immediate destruction is necessary for humane reasons.

2. We will not pay under Coverage for Animals for any loss, damage, or expense caused by or resulting from any treatment or process, or the rendering or failure to render any professional services.

B. Damage From Water or Other Liquid - Tear Out and Repair

If a covered loss is caused by or results from the escape of water or other liquid, including molten material, we will not pay for the cost to repair or replace the defective system or appliance from which such substances escaped. However, subject to the applicable limit of insurance, we will pay for the cost to:

1. Tear out and replace parts of **Property Insured**, whether or not such property is damaged, in order to repair covered loss or damage; and

2. Repair or replace damaged parts of **fire protection equipment** if such covered loss is caused by or results from the discharge of any substance from such **fire protection equipment**.

C. Expenses to Reduce a Business Income Loss

If a covered **business income** loss is sustained under this Coverage Form, then we will pay the necessary expenses you incur, except the cost of extinguishing a fire, to reduce or avoid further **business income** loss, but only to the extent they do not exceed the amount of **business income** loss that would otherwise have been paid.

X. Deductibles

A. Property Damage Loss

We will not pay for a **property damage loss** in any one occurrence or **loss event** until the amount of such **property damage loss** exceeds the Dollar Deductible Amount shown in the Declarations. Subject to Section XI. Limits of Insurance, we will then pay the amount of such **property damage loss** in excess of the deductible.

B. Time Element Loss

1. We will not pay for a **time element loss** in any one occurrence or **loss event** until the amount of such **time element loss** exceeds the deductible shown in the Declarations. Subject to Section XI. Limits of Insurance, we will then pay the amount of such **time element loss** in excess of the deductible.

2. How Your Business Income Deductible(s) will be Determined

a. If the deductible stated in the Declarations is a Dollar Deductible Amount, then the stated dollar amount is the sum we will subtract from a **time element loss** in any one occurrence or **loss event**.

b. If the deductible stated in the Declarations is an Hour Deductible, then we will not pay for any **time element loss** you sustain during the specified number of consecutive hours immediately following the occurrence of covered loss or damage. However, if a Minimum Deductible Amount is stated in the Declarations, then we will subtract at least the Minimum Deductible Amount from the **time element loss** you sustain in any one occurrence or **loss event**.

C. The following deductible provisions apply to Section V. Extensions of Coverage:

1. If the Declarations specify that a single deductible applies to **business real property** and **business personal property**, then such deductible applies to all **property damage loss** insured under Section V. Extensions of Coverage unless a specific deductible is shown in the Declarations.

2. If the Declarations specify that different deductibles apply to **business real property** and **business personal property** then:

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a. The deductible described in the Declarations for **business real property** applies to all **property damage loss** insured under Newly Acquired Property Coverage and Unnamed Location Coverage; and

b. The deductible described in the Declarations for **business personal property** applies to all **property damage loss** insured under other Extensions of Coverage;

unless a specific deductible is shown in the Declarations applicable to a specified Extension of Coverage.

3. If the Declarations specify that a deductible applies to **time element loss**, then such deductible applies to a **time element loss** insured under Section V. Extensions of Coverage, unless a specific deductible is shown in the Declarations applicable to a specified Extension of Coverage.

4. If the Declarations specify that different deductibles apply to a **property damage loss** and a **time element loss**, and a **property damage loss** and a **time element loss** are insured under a single coverage provided under Section V. Extensions of Coverage, then deductibles will be applied as described below under Item X.D. of this Coverage Form.

D. When Multiple Deductibles Apply

If more than one deductible is applicable to a covered loss insured under this Coverage Form or the Commercial Property Coverage Section, then we will only apply the single highest deductible that is applicable. However, if deductibles are shown in the Declarations for a **property damage loss** and a **time element loss**, then each deductible will be subtracted from the applicable **property damage loss** and the applicable **time element loss** in any one occurrence or **loss event**.

E. Extra Expense or Expediting Expense Coverage

The deductibles stated in the Declarations do not apply to Extra Expense Coverage or Expediting Expense Coverage.

XI. Limits of Insurance

A. The most we will pay for covered loss, damage, or expense in any one occurrence or **loss event** is the applicable Limit of Insurance or Sublimit of Insurance, whichever is less, shown in:

1. The Declarations of this Coverage Form;

2. The provisions within this Coverage Form; or

3. Any endorsement attached to this Coverage Form which comprises a part of the Commercial Property Coverage Section.

B. Payments under any Sublimit of Insurance shown in the Declarations are included within, not in addition to, any Limit of Insurance provided by this Coverage Form.

C. Insurance is only provided for those coverages for which:

1. An entry is shown by an X on the applicable line in the Declarations; and

2. A dollar amount is shown as a Limit of Insurance or Sublimit of Insurance in the Declarations.

D. If a coverage shown in the Declarations does not show a corresponding Limit of Insurance, then no insurance is provided for such coverage.

E. If "0", "N/A", or "not covered" appears as a Limit of Insurance in the Declarations for a described coverage, then no insurance is provided for such described coverage.

F. If the term "included" appears as a Limit of Insurance in the Declarations for a described coverage, then the Limit of Insurance for such coverage is included within, not in addition to, the applicable Limit of Insurance shown in the Declarations for Business Real Property, Business Personal Property, or Business Income and Extra Expense.

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XII. Loss Conditions

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

1. If we and you disagree on the **value** of the property, the amount of net income (net profit or loss before income taxes), the amount of operating expenses, or the amount of loss, then either party 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, then either party may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the applicable **value** of such property, the amount of such net income (net profit or loss before income taxes), the amount of such operating expenses, or the amount of such loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two parties will be binding. Each party will:

   a. Pay its chosen appraiser; and

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

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

C. Duties In The Event Of Loss Or Damage

1. In the event of covered loss or damage you must see that the following are done:

   a. Notify the police if a law may have been broken.

   b. Give us prompt notice of the loss or damage. Include a description of the property involved.

   c. Give us a description of how, when, and where loss or damage occurred as soon as possible.

   d. Take all reasonable steps to protect the covered property from further damage and, if feasible, set the damaged property aside and in the best possible order for examination. We will not pay for any subsequent loss or damage that is caused by or results from your failure to take such steps.

   e. Keep a record of your necessary expenses that you incurred:

      (1) To protect covered property from further damage; and

      (2) For emergency and temporary repairs;

      for consideration in the settlement of the claim. Such expenses incurred, if covered, will not increase the Limit of Insurance.

   f. At our request, give us complete inventory of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.

   g. As often as may be reasonably be required, permit us to:

      (1) Inspect your property in order to prove the loss or damage;

      (2) Take samples of damaged and undamaged property for inspection, testing, and analysis; and

      (3) Examine your books and records and make copies of such books and records.

   h. Send us a signed, sworn statement of loss containing the information we request to investigate the claim. We will supply the necessary forms. You must complete such forms within ninety (90) consecutive calendar days of our request.

   i. Cooperate with us in the investigation or settlement of the claim.

2. We may examine under oath:

   a. You, your partners, or **members**;

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b. **Managers**, officers, directors, trustees, or employees (including leased employees);

c. Authorized representatives, or anyone to whom you entrust property for any purpose;

while not in the presence of other such persons (other than your legal counsel), and at such times as may reasonably be required, about any matter relating to this Policy or a claim under this Policy, including your books and records. In the event of an examination under oath, the person being examined must verify that their answers are accurately recorded.

3. The failure of any person, other than:

a. You, your partners, or **member** of **your business**;

b. A person employed by **your business** as a **manager**, officer, director, or member of your management level staff; or

c. A trustee or other person with legal authority over **your business**;

to notify us of any loss or damage that may be covered under this Coverage Form, shall not invalidate the insurance afforded by this Policy.

D. Loss Payment

1. Within 30 days of receiving the properly executed, sworn statement of loss, we will give you notice that:

a. Your claim is denied;

b. Your claim will be paid; or

c. We need more time to determine whether your claim will be denied or paid;

in whole or in part.

2. If your claim is denied, then such notice will be in writing and will state any applicable Policy provision, condition, or exclusion used as the basis for the denial.

3. For that portion of the loss or damage that is covered under this Coverage Form, we will pay your claim within 30 days of receiving the properly executed sworn statement of loss, if:

a. You have complied with all of the terms and conditions of the Policy; and

b. We have reached agreement with you on the amount of loss or an appraisal award has been made.

However, we will not pay you more than your financial interest in lost or damaged property.

4. If more time is needed to determine whether your claim should be denied or paid, then we will notify you in writing and state why more time is needed.

5. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, then such payments will satisfy your claims against us for the owners' property.

E. Pair or Set

If a covered loss occurs to your covered property that is part of a pair or set, then we will only pay for a reasonable and fair proportion of the total value of the pair or set. We will not pay on the basis of a loss to the entire pair or set.

F. Recovered Property

1. 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. If the recovered property is returned to you, then you must return to us the amount of the claim we paid to you for the property.

2. Subject to the Limit of Insurance described in the Declarations:

a. We will pay recovery expenses and the expenses to repair the recovered property; and

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b. If the recovered property is damaged and we agree that it cannot be restored, but you wish to keep the damaged property, then you will pay us the property's **fair market value** immediately after the recovery, but not more than the amount of the claim we paid you for the property.

XIII. General Conditions

A. Authorization and Notices

You agree that the first Named Insured shown in the Declarations shall act on behalf of all other Named Insureds. All correspondence concerning the Commercial Property Coverage Section of this Policy will take place between the first Named Insured and us. Notice sent to the first Named Insured at the address of such first Named Insured stated in the Declarations shall also constitute notice to all Named Insureds.

B. Calculation of Premium

The premium shown in the Declarations was computed based on rates in effect at the time the Policy was issued. On each renewal, continuation, or anniversary of the effective date of this Policy, we will compute the premium in accordance with our rates and rules then in effect.

C. Cancellation and Nonrenewal

1. Cancellation

a. The first Named Insured in the Declarations may cancel this Policy by mailing or delivering to us advance written notice of cancellation. The Policy will end on the effective date requested.

b. We may cancel this Policy by mailing by first class mail or delivering to the first Named Insured and to the agent or broker of record, at the address shown in the Declarations, written notice of cancellation stating the reason for cancellation at least:

(1) Ten (10) consecutive calendar days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) Thirty (30) consecutive calendar days before the effective date of cancellation if we cancel for any other reason.

c. Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.

d. If this Policy is canceled, then we will send the first Named Insured any premium refund due. If we cancel, then the refund will be pro rata. If the first Named Insured cancels, then the refund may be less than pro rata but no less than the amount determined by our rules in effect at the time. The cancellation will be effective even if we have not made or offered a refund.

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

2. Nonrenewal

a. We are not required to renew this Policy when it expires.

b. If we elect not to renew this Policy, then we will mail by first class or deliver to the first Named Insured and the agent or broker of record, at their address shown in the Declarations, written notice stating the reason for nonrenewal, at least sixty (60) consecutive calendar days but not more than one hundred and twenty (120) consecutive calendar days before the effective date of nonrenewal.

c. Notice of nonrenewal will state the effective date of nonrenewal. The Policy Period will end on the date of nonrenewal.

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

D. Changes

The 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

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our consent. This Policy's terms can be amended or waived only by endorsement issued by us and made a part of this Policy.

E. Concealment, Misrepresentation, or Fraud

This Policy is void in any case of fraud by you. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning this Policy, covered property within this Policy, your interest in such covered property, or a claim under this Policy.

F. Conformity to Statute

Terms of the Coverage Form which are in conflict with the statutes of the state where such Policy is issued are amended to conform to such statutes.

G. 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 Policy at any one or more locations will not affect coverage at any one location where, at the time of loss or damage, the breach of condition does not exist.

H. Coverage Territory

Except as more specifically provided in this Coverage Form or the Commercial Property Coverage Section of this Policy, the coverage provided this Coverage Form and by the Commercial Property Coverage Section of this Policy applies as follows:

1. Other Than Transit Coverage

   The Coverage Territory, other than for Transit Coverage, is the 48 contiguous States of the United States of America, the State of Alaska, the State of Hawaii, the District of Columbia, Puerto Rico, territories and possessions of the United States of America, and Canada.

2. Transit Coverage

   The Coverage Territory for Transit Coverage is within and between the 48 contiguous States of the United States of America, the State of Alaska, the State of Hawaii, the District of Columbia, Puerto Rico, territories and possessions of the United States of America, and Canada.

I. Defense Costs

1. We may elect to defend any suit against you alleging direct physical loss or damage resulting from a **covered cause of loss** to **personal property of others**, if such **personal property of others** is insured under this Policy. However, we will not defend you against any suit, or that portion of a suit, for direct physical loss or damage to which this insurance does not apply.

2. If we elect to defend you, then we will do so at our expense to the extent of your liability, even if such suit is groundless, false, or fraudulent. We may, without prejudice, make such investigation, negotiation, or settlement of any such claim or suit as we deem expedient. But:

   a. The most we will pay for a covered loss to **personal property of others** is the applicable Limit of Insurance shown in the Declarations;

   b. Payments for our defense costs are in addition to the applicable Limit of Insurance; and

   c. Our defense of the suit will end when we have used up the applicable Limit of Insurance in the payment of judgments or settlements.

J. 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.

K. Inspections and Surveys

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1. We have the right but are not obligated to make inspections and surveys at any time, give you reports on the conditions we find, and recommend changes.
2. Any such inspections, surveys, reports, or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections and 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. We do not warrant that conditions are safe, healthful, or comply with laws, regulations, codes, or standards.
3. Items XIII.K.1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service, or similar organization which makes insurance inspections, surveys, reports, or recommendations.
4. Item XIII.K.2. of this condition does not apply to any inspections, surveys, reports or recommendations we make, or any other inspection service or other similar organization may make, relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels, or elevators.

L. Insurance Under Two or More Coverages

1. If two or more of this Policy's coverages apply to the same loss, damage, or expense, then we will not pay more than the actual amount of such loss, damage, or expense.
2. If two or more coverages apply to the same item of property which suffers covered loss or damage under:
   a. This Coverage Form;
   b. An Endorsement to this Coverage Form; or
   c. This Policy;

   then the most we will pay for any loss, damage, or expense is the largest single Limit of Insurance shown in the Declarations applicable to such covered property.
3. The applicable Limit of Insurance shown in the Declarations is the most we will pay for loss, damage, or expense under any coverage in this Coverage Form or the Commercial Property Coverage Section regardless of the number of Named Insureds or other interests that have suffered such loss, damage, or expense. Payments made under this Policy will not exceed the actual amount of covered loss, damage, or expense.

M. Legal Action Against Us

No one may bring a legal action against us under this Policy unless:

1. There has been full compliance with all of the terms of this Policy; and
2. The legal action is brought within 2 years after the date upon which the direct physical loss or damage occurred.

N. Liberalization Clause

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, then such broadened coverage will immediately apply to this Policy.

O. No Benefit to Bailee

No person or organization, other than you, having custody of covered property will benefit from this insurance.

P. Other Insurance

1. If you have other insurance subject to the same plan, terms, conditions, and provisions as the insurance provided under this Policy, then we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Policy bears to the total Limits of Insurance for all insurance covering such loss or damage on the same basis.

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2. If there is other insurance covering the same covered loss or damage, other than that described above in XIII.P.1., then subject to the deductible shown in the Declarations, 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. Our payment for any covered loss or damage is subject to the terms and conditions of this Policy and the applicable Limit of Insurance shown in the Declarations.

Q. Policy Period

Under this Policy we insure covered loss or damage commencing during the Policy Period shown in the Declarations.

R. Premiums

The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay.

S. Reinstatement of Limits After a Loss

Covered loss or damage sustained under this Coverage Form shall not reduce the Limits of Insurance shown in the Declarations, except where an **Annual Aggregate** Limit of Insurance applies. The reinstatement of any exhausted **Annual Aggregate** Limit of Insurance is not permitted unless authorized by us in writing.

T. Subrogation

1. Other Than Transit Coverage

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, then 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:

a. Prior to loss to your covered property or covered income.

b. After a loss to your covered property or covered income only if, at the time of loss, that party is one of the following:

(1) Someone insured by this insurance;

(2) A business firm owned or controlled by you or that owns or controls you; or

(3) Your tenant.

This will not restrict your insurance.

2. Transit Coverage

With respect to covered property under Transit Coverage, you are permitted to accept released value bills of lading from carriers for hire. You are not permitted to enter into any special agreements with carriers or bailees releasing them from their common law or statutory liability. We will not be liable for any loss or damage which, without our written consent, has been settled or compromised by you.

U. Trade or Economic Sanctions

Whenever coverage under this Policy would be in violation of any U.S. trade or economic sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void.

V. Transfer of Your Rights and Duties Under This Policy

1. 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.

2. 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,

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anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

XIV. Definitions

A. Words and phrases contained within this Coverage Form that appear in **bold face** have special meaning. When words or phrases that appear below in **bold face** do not appear in **bold face** in this Coverage Form, then those words or phrases are to be interpreted using their common meaning. The section below defines the following terms appearing in **bold face** which are used in this Coverage Form or in the Declarations applicable to this Coverage Form:

1. **Accounts receivable** means all records of amounts due from your customers on current accounts.

2. a. **Actual cash value** means the cost to repair or replace covered property which has sustained loss or damage with other property:

   (1) Of like kind, quality, usefulness, size, and capacity, as that with which it was originally constructed; and

   (2) Used for the same occupancy and purpose;

   subject to a deduction for deterioration, depreciation, depletion, obsolescence, or a combination thereof.

   b. **Actual cash value** includes your interest in labor, materials, or services furnished or arranged by you and other expenses accrued, but only with respect to **buildings while in the course of construction**.

3. **Annual aggregate** means the most we will pay for all loss, damage, or expense arising from all occurrences, **loss events**, or both (as applicable), during any one Policy Period. **Annual Aggregate** Limits of Insurance are reduced by the amount of any paid loss.

   If the Policy is written for a term of more than one year, then we will apply the **Annual Aggregate** Limit of Insurance separately to each consecutive year of the Policy Period. If the Policy is extended for a period of time that is less than a year, then the remaining **annual aggregate** from the prior term applies to the extended period of time.

4. a. **Buildings while in the course of construction** means **business real property** while in the course of initially being constructed or while undergoing alterations, remodeling, or renovations, including the following types of property:

   (1) Any property used in the course of construction, alteration, remodeling, or renovation activities that is destined to become a permanent part of the building or realty surrounding such building; and

   (2) Temporary structures built or assembled on the site which support such construction, alteration, remodeling, or renovation activities including cribbing, scaffolding, or construction forms.

   b. **Buildings while in the course of construction** does not mean:

   (1) Outdoor trees, shrubs, plants or lawns;

   (2) **Buildings while in the course of construction** for which separate insurance coverage has been obtained and such separate insurance covers your interest; or

   (3) **Soft costs**.

5. a. **Business income** means:

   (1) The net profit or loss before income taxes from your **operations** including:

   (a) The sales of merchandise or services;

   (b) The net sales value of manufacturing production;

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(c) Previously documented grants, research contracts, fund raising, or donations likely to reoccur;

(d) The lease or rental of tenant occupancies at a location, as furnished and equipped by you;

(2) Continuing normal operating expenses incurred, including your continuing normal payroll expenses;

(3) Charges which are the legal obligation of your tenants but would otherwise be your obligations; and

(4) The fair rental value of any portion of a location occupied by you;

that would have been earned or incurred by you had there been no covered loss or damage.

b. If **ordinary payroll expense** is covered under this Coverage Form, then **business income** includes tip income of your employees as reported by you to the Internal Revenue Service.

c. **Business income** does not mean bank interest or investment income.

6. **Business personal property** means the following types of property:

a. **Accounts receivable**;

b. Animals owned by others while in your care, custody, or control, or animals you sell as **stock;**

c. **Data, media,** and **software;**

d. Furniture, fixtures, machinery, equipment, **mobile equipment,** materials, and supplies;

e. **Electronic data processing equipment**;

f. **Mobile communication equipment**;

g. Patterns, molds and dies;

h. **Personal effects**;

i. **Personal property of others**;

j. **Processing water**;

k. **Prototypes**;

l. **Research and development documentation**;

m. **Stock**;

n. **Tenant's improvements and betterment**s;

o. Trees, shrubs and plants used inside the building as decoration; and

p. **Valuable papers and records**.

Business personal property does not mean outdoor trees, shrubs, plants, or lawns; **fine arts; money; securities**; or **salesperson's samples**.

7. **Business real property** means the following types of property:

a. Buildings or structures, foundations, completed alterations, repairs, and additions to such buildings or structures; fixtures, permanently installed machinery and equipment; awnings; or glass forming a part of the structure, including lettering and ornamentation, whether located on the exterior or interior of such building or structure;

b. Underground pipes, flues, or drains necessary for the service of **business real property**;

c. Radio or television towers, antennas, and satellite dishes, including attachments;

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d. Personal property used to maintain or service the building including fire extinguishing equipment; outdoor furniture; floor coverings; and appliances used for refrigerating, ventilating, cooking, dishwashing, or laundering;

e. Outdoor fixtures and structures, including light standards, fences, signs, well-housings; and artificial trees, shrubs, plants, and lawns; and

f. **Buildings while in the course of construction**.

Business real property does not mean trees, shrubs, plants, or growing outdoors; any item which meets the definition of **fine arts**; or any item that is insured under Fine Arts Coverage contained in this Coverage Form.

8. **Cloud computing** means computer or information technology capabilities hosted by others and accessed through the internet or other means, including storage, software, applications, computing power, specially crafted development environments, and other computer or information technology related capabilities that are provided as a service.

9. **Collapse** means the actual abrupt falling down or caving in of a building or part of a building with the result that the building or part of the building cannot be occupied for its intended purpose. **Collapse** does not mean:

   a. The threat of **collapse,** even if **collapse** is imminent; or

   b. Impairment whether or not substantial; or

   c. A condition of a building still standing including cracking, bulging, sagging, bending, shifting, leaning, settling, shrinkage, or expansion that could lead to or contribute to its actual abrupt falling down; or

   As used in the definition of **collapse,** the term "building" does not include retaining walls or other structures that do not provide structural support to such building.

10. **Communicable disease** means any disease, bacteria, or virus that may be transmitted directly or indirectly from human or animal to a human.

11. **Communicable disease event** means an event in which a **public health authority** has ordered that a location be evacuated, decontaminated, or disinfected due to the outbreak of a **communicable disease** at such location.

12. **Counterfeit** means an imitation of an actual valid original intended to deceive and to be taken as the original.

13. **Covered cause of loss** means risks of direct physical loss or damage not excluded or limited in this Coverage Form.

14. **Data, media**, and **software:**

   a. The Definitions described below in XIV.A.14.b. apply separately to **data, media,** and **software** which

      (1) You own; or

      (2) Is owned by others and is in your care, custody, or control.

   b. (1) **Data** means information other than **software,** which has been recorded, installed, or stored on media and is usable in your **electronic data processing equipment** or **mobile communication equipment. Data** also means the original source **data** installed or included within **electronic data processing equipment** or **mobile communications equipment**.

      (2) **Media** means the physical materials upon which **data** or **software** are recorded, installed, or stored; and **media** originally installed or included within **electronic data processing equipment** or **mobile communication equipment.**

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(3) **Software** means instructions, programs, or routines that are recorded, installed, or stored on **media** which are used to control or direct processes, computing, or other functions in your **electronic data processing equipment** or **mobile communication equipment. Software** also means the original **software** installed or included within **electronic data processing equipment** or **mobile communication equipment** used to program or control the functions and processes of such equipment.

(4) **Data, media,** or **software** does not mean **data, media**, or **software:**

(a) Held for sale; or

(b) No longer used in your **operations.**

15. **Dependent property** means property operated by others upon whom you depend to:

a. Deliver materials or services to you or to others for your account other than **utility services** (Contributing Locations);

b. Accept your products or services (Recipient Locations);

c. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); and

d. Attract customers to your business (Leader Locations).

16. **Detrimental code** means any computer virus, malware, program, routine, sub-routine, trojan horse, worm, script, or other code string that damages, destroys, alters, or corrupts **Property Insured** or **personal property of others**.

17. **Earth movement** means any natural or man-made earth movement, including **earthquake;** landslide; avalanche; **volcanic action**; the sinking, rising, shifting, subsidence, settling, erosion, expansion, or contraction of earth; or **mine subsidence. Earth movement** includes:

a. Tsunami or tidal waves caused by or resulting from **earth movement**; and

b. **Fire protection equipment leakage from earth movement.**

Earth movement does not include **sinkhole collapse**.

18. **Earthquake means,** tremors or vibrations within and upon the earth's crust caused by seismic displacement, rupture or creation of faults within the earth's crust that are associated with natural tectonic processes.

19. a. **Electronic data processing equipment** means:

(1) Computer hardware;

(2) Machinery or equipment; and

(3) **Voice communication systems**;

which uses **software** for the input, output, processing, or storage of **data;** or to control or direct processes.

b. **Electronic data processing equipment** does not mean:

(1) **Electronic data processing equipment** held for sale; or

(2) **Mobile communication equipment**.

20. **Expediting expense** means the following necessary extra costs, including overtime wages and express freight or other rapid means of transportation, in order to expedite:

a. Emergency or temporary repairs of damaged covered property; or

b. Permanent repair or replacement of such damaged property.

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21. **Extra expense** means the necessary expenses you incur during the **period of restoration**, over and above the expenses you would have normally incurred had there been no covered loss, in order to:
    a. Avoid or minimize the **suspension** of business and to continue **operations** at the location or at replacement or temporary locations, including relocation expenses and costs to equip and operate such replacement or temporary locations;
    b. Minimize the **suspension** of business if you cannot continue **operations;** or
    c. Repair or replace covered property, but only to the extent it reduces the amount of loss that otherwise would have been payable under Business Income and Extra Expense Coverage.
22. **Fair market value** means the price that a willing buyer would pay to a willing seller in an open market if the property had been offered for sale on the date of the loss.
23. **Fine arts** means the following types of property that are bona fide works of art which:
    1. You own; or
    2. Are owned by others and are in your care, custody, or control;

    including items that are part of a pair or set: Paintings; rare books; etchings; pictures; prints; drawings; tapestries; rugs; sculptures; statuary; pottery; marbles; bronzes; antique furniture; antique silver; manuscripts; porcelains; rare glass; stained glass, whether a part of **business real property** or not; and items of rarity, historical value, or artistic merit, including trophies, scientific instruments or experiments, or musical instruments.
24. **Finished stock** means **stock** you have manufactured including whiskey and alcoholic products being aged, but does not include **stock** you have manufactured which is in its completed state and held for sale at the **location** of any distribution warehouse, wholesale outlet, or retail outlet.
25. **Fire protection equipment** means wet, dry, chemical, or gaseous fire suppression systems including sprinklers or discharge nozzles; supply lines, ducts, or piping; fire suppression supply tanks; pumps; water mains or hydrants; standpipes or outlets; and their component parts or supports; which you own, lease, or rent from others.
26. **Fire protection equipment leakage from earth movement** means leakage or discharge of any substance from **fire protection equipment** caused by or resulting from **earth movement**.
27. **Flood** means a general and temporary condition of partial or complete inundation of normally dry land areas from the following, regardless of how caused, whether driven by wind or not:
    a. Waves, tides, tidal waves, tsunami, or storm surge;
    b. The unusual and rapid accumulation or run-off of surface waters from any source;
    c. Mud flow or mudslides caused or precipitated by accumulation of water on or under the ground;
    d. The overflow or expansion beyond normal boundaries of inland or tidal waters, including natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, seas, oceans, or any other body of water or watercourse; or
    e. Any material, object, or debris that is carried, propelled, or in any manner moved by a **flood.**

    Flood is not any weather condition as referenced in the definitions of **hurricane, named storm,** or **storm.**
28. **Forgery** means the signing of the name of another person or organization with intent to deceive. **Forgery** 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.
29. **Fungus** means all types of fungus, such as mildew and mold, and all of their resulting spores and byproducts, including mycotoxins and allergens. **Fungus** does not mean **fungus** for human ingestion.

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30. a. **Hurricane** means a hurricane, typhoon, or tropical cyclone that, as reported or recorded by the National Weather Service:

    (1) Has sustained wind speed of 74 miles per hour or greater; or

    (2) Has been declared to be a hurricane.

    b. **Hurricane** includes loss or damage to the interior of any covered building or structure or to covered property located inside any building or structure which is caused by or resulting from:

    (1) An opening in such building or structure created by the force of a **hurricane;**

    (2) One or more tornados that are the result of a **hurricane;**

    (3) Any hail, rain, material, object, or debris that is carried, propelled, or in any manner moved by a **hurricane;** and

    (4) Any weather condition other than a **hurricane**, if such loss or damage would not have occurred but for the occurrence of a **hurricane.**

31. **Information restoration cost** means the least of the following dollar amounts:

    a. The cost to reproduce covered property from back-up files or original source documents;

    b. The cost to purchase covered property of comparable kind, functionality, and quality, intended to be used for the same purpose that existed immediately before loss or damage;

    c. The necessary cost to research, repair, restore, recreate, or replace covered property, used for the same purpose and to the same condition that existed immediately before loss or damage; or

    d. The amount you actually spend to research, repair, restore, recreate, or replace covered property used for the same purpose and to the same condition that existed immediately before loss or damage;

    without a deduction for physical deterioration, depreciation, depletion, or obsolescence.

32. **Loading** means the act of moving **Property Insured** from the ground or a platform immediately adjacent to the transporting conveyance onto the transporting conveyance. **Loading** begins when the slings or other devices used to move **Property Insured** have been attached, or the act of lifting or moving such property onto the transporting conveyance has begun. **Loading** ends when **Property Insured** has been placed on the transporting conveyance and any slings or other devices used to move such property have been released.

33. **Location** means the legal boundaries of a parcel of property at the address described in the Declarations. If the word "location" is not shown in **bold face**, then such reference includes all of the following:

    a. **Location(s)**; and

    b. The legal boundaries of a parcel of property insured by Newly Acquired Location Coverage, or Unnamed Location Coverage, or both.

34. **Loss event** means:

    a. With respect to a single **hurricane,** all elements of loss, regardless of the number of locations involved, caused by or resulting from a **hurricane** and includes the period of time:

    (1) When a **hurricane** watch or warning with respect to such **hurricane** is declared; and

    (2) The entire duration of the **hurricane**; and

    (3) 72 hours immediately following the reclassification of a **hurricane** to a lesser **storm** or **named storm**;

    as reported or recorded by the National Weather Service (NWS). A single **hurricane** will constitute a single **loss event**.

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b. With respect to subsequent **hurricanes** that cause loss or damage after a **hurricane** begins as described in Item XIV.A.34.a.(1) above, all elements of loss, regardless of the number of locations involved, caused by or resulting from such subsequent **hurricanes** that:

(1) Cause loss or damage at your location(s) subsequent to the initial **hurricane** affecting such location(s); and

(2) Are declared a **hurricane** before, with respect to the initial **hurricane**, the expiration of the time period described in Item XIV.A.34.a(3) above; and

(3) Occur within the interval of time described in Item XIV.A.34.a. above, such that assignment of loss or damage to a specific **hurricane** is not possible.

Multiple **hurricanes** that originate within this defined period of time will constitute a single **loss event**.

c. With respect to a single **named storm**, all elements of loss, regardless of the number of locations involved, caused by or resulting from a **named storm** and includes the period of time:

(1) When the NWS issues a watch or warning with respect to such **named storm**; and

(2) The entire duration of the **named storm**; and

(3) Ends when such watch or warning is terminated by the NWS with respect to such **named storm**.

d. With respect to subsequent **named storms** that cause loss or damage after a **named storm** begins as described in Item XIV.A.34.c.(1) above, all elements of loss, regardless of the number of locations involved, caused by or resulting from such subsequent **named storms** that:

(1) Cause loss or damage at your location(s) subsequent to the initial **named storm** affecting such location(s); and

(2) Are declared a **named storm** before, with respect to the initial **named storm**, the expiration of the time period described in Item XIV.A.34.c(3) above; and

(3) Occur within the interval of time described in Item XIV.A.34.c. above, such that assignment of loss or damage to a specific **named storm** is not possible.

Multiple **named storms** that originate within this defined period of time will constitute a single **loss event**.

e. With respect to a single **storm,** all elements of loss, regardless of the number of locations involved, caused by or resulting from such **storm** as reported or recorded by the NWS or other similar weather reporting agency. A single **storm** will constitute a single **loss event**.

f. With respect to multiple **storms** all elements of loss, regardless of the number of locations involved, caused by or resulting from such multiple **storms** where assignment of the loss to a specific **storm**,as reported or recorded by the NWS or other similar weather reporting agency, is not possible because the **storms** occur within an interval of time that makes assignment to a specific storm impossible. Multiple **storms** that originate within this defined period of time will constitute a single **loss event**.

g. The expiration of this Policy will not reduce the time periods described above in Item XIV.A.34.a., b., c., d., e., and f.

35. **Manager** means a person or entity responsible for managing a limited liability company.

36. **Member** means an owner of a limited liability company represented by its membership interest, who also may serve as a **manager.**

37. **Messenger** means you, your partners, **members,** officers, **managers,** directors, trustees, or employees (including leased employees) while having care, custody, or control of **money, securities,** or both outside the **premises.**

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38. **Mine subsidence** means a failure or subsidence initiated at the mine level of a man-made underground mine, including coal, clay, limestone, or fluorspar mines, whether or not mining activity has ceased.

39. a. **Mobile communication equipment** means handheld communication devices which:

    (1) You own; or

    (2) Are owned by others and are in your care, custody, or control;

    including portable laptop computers, cellular telephones, computer tablets, pagers, personal digital assistants (PDAs), global positioning devices, and their accessories.

    b. **Mobile communication equipment** does not mean **mobile communication equipment** held for sale.

40. a. **Mobile equipment** means mobile machinery and equipment which:.

    (1) You own; or

    (2) Is owned by others and is in your care, custody, or control;

    whether or not such property is permanently mounted on a **vehicle.** If **mobile equipment** is permanently mounted on a **vehicle,** then such **vehicle** will also be considered **mobile equipment. Mobile equipment** includes cranes; backhoes; bulldozers; tractors; graders; hand tools; and accessories, repair parts, or spare parts, intended for use in the operation or maintenance of such **mobile equipment**.

    b. **Mobile equipment** does not mean:

    (1) A **vehicle;**

    (2) **Mobile equipment** held for sale; or

    (3) **Mobile equipment** covered under any other insurance.

41. **Money** means:

    a. Currency, coins, and bank notes in current use and having a face value; and

    b. Unused money orders, food stamps, travelers checks, register checks, tokens, lottery and other tickets; but only when held by you in storage or for sale to the public.

42. a. **Named storm** means a specific storm system, including **hurricane,** that has been named by the National Weather Service.:

    b. **Named storm** includes loss or damage to the interior of any covered building or structure or to covered property located inside any building or structure which is caused by or resulting from:

    (1) An opening in such building or structure created by the force of a **named storm**;

    (2) One or more tornados that are the result of a **named storm**;

    (3) Any hail, rain, material, object, or debris that is carried, propelled, or in any manner moved by a **named storm**; and

    (4) Any weather condition other than a **named storm,** if such loss or damage would not have occurred but for the occurrence of a **named storm**.

43. **Net leasehold interest** means the present value of your Gross Lessee's Leasehold Interest or Gross Lessor's Leasehold Interest for each remaining month, or portion thereof, of the unexpired term of the lease or rental agreement computed at the prime rate of interest in effect at the time of loss.

44. **Non-conforming property** means **Property Insured** whose height, floor area, number of units, leasable square footage, occupancy, or style was permitted at the time of original construction, but whose height, floor area, number of units, leasable square footage, occupancy, or style is not permitted by an **ordinance or law** in force at the time of the covered loss.

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45. **Operational replacement cost** means:

    (a) The cost to repair covered property which has sustained loss or damage to the same functionality and purpose that existed immediately before such loss or damage without deduction for physical deterioration, depreciation, depletion, or obsolescence; or

    (b) If repair of covered property which has sustained loss or damage is not possible due to the extent of loss or damage, or as a result of obsolescence, then the cost to replace such property, including delivery and setup costs, with similar new property to be used for the same purpose and which provides the same functionality that such property provided immediately before such loss or damage, even if the capacity of the replaced property is improved, without deduction for physical deterioration, depreciation, depletion, or obsolescence.

46. **Operations** means the usual and customary business activities in the conduct of **your business** occurring at the **location,** including the tenability of the **premises**.

47. **Ordinance or law** means any ordinance, law, regulation, or rule that is in force at the time of the covered loss or damage and:

    a. Regulates the construction, use, occupancy, operation, improvement, replacement, modification, installation, zoning, or repair of any property; or

    b. Requires the demolition or tearing down of any property, including the cost of removing its debris.

48. **Ordinary payroll expense** means payroll expenses for all your employees except: Officers; executives; department managers; employees under contract; and any Additional Exemptions From Ordinary Payroll as described in the Declarations under the heading Job Classifications or Employees.

    Ordinary payroll expense includes payroll; employee benefits, if directly related to payroll; FICA payments you pay; union dues you pay; and workers compensation premiums.

49. **Overhead transmission lines and equipment** means:

    a. Overhead transmission or distribution lines supplying electricity, telephone, radio, internet, television, or other services to a **location;** and

    b. Overhead transformers or other overhead equipment which assist in supplying electricity, telephone, radio, internet, television, or other services to a **location;** and

    c. Any towers, poles, or similar supporting structures.

50. a. **Period of restoration** means the period of time that begins immediately after the time of direct physical loss or damage caused by or resulting from a **covered cause of loss** to property at the **location** and ends on the earlier of:

        (1) The date when such property at the **location** should be repaired, rebuilt, or replaced with reasonable speed and like kind and quality; or

        (2) The date when business is resumed at a new permanent location.

    b. **Period of restoration** does not include any increased period due to the enforcement of any **ordinance or law**, including any **ordinance or law** that 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.**

    c. The expiration date of this Policy will not cut short the **period of restoration**.

51. **Personal effects** means apparel, tools, and other personal possessions owned by you, your partners, **members**, officers, **managers,** directors, trustees, or employees (including leased employees). **Personal effects** does not mean a vehicle.

52. **Personal property of others** means personal property that does not belong to you and is in your care, custody, or control. **Personal property of others** does not mean personal property you lease or rent from others or **personal effects**.

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53. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, asbestos, and waste. Waste includes material to be recycled, reconditioned, or reclaimed.

54. **Premises** means the building(s) at the **location** you occupy. If you occupy only part of the building at the **location,** then your **premises** is the portion of the building which you rent, lease, or occupy.

55. **Processing water** means water used in your **operations,** which is contained within any enclosed water storage tanks, associated piping used for the delivery of such water; or processing equipment.

56. **Property damage loss** means covered loss, damage, or expense insured under any coverage provided by this Coverage Form, other than that insured under a **time element loss**.

57. **Property Insured** means **business real property, business personal property,** or both.

58. a. **Prototype** means an original version or model of a newly designed product which:

    (1) You own; or

    (2) Is owned by others and is in your care, custody, or control.

    A **prototype** includes cultures, sample designs, experimental models or displays integral to the manufacture of the original version or model of a newly designed product.

    b. **Prototype** does not mean stock held for sale.

59. **Public health authority** means the governmental authority having jurisdiction over your **operations** relative to health and hygiene standards necessary for the protection of the public.

60. a. **Replacement cost** means the cost to repair or replace covered property which has sustained loss or damage with other property:

    (1) Of like kind, quality, size, and capacity, as that with which it was originally constructed; and

    (2) Used for the same occupancy and purpose;

    without a deduction for physical deterioration, depreciation, depletion, or obsolescence.

    b. **Replacement cost** includes:

    (1) The cost of digging, excavating, backfilling, filling, or grading of land directly related to the repair, rebuilding, or replacement of **business real property**; and

    (2) Your interest in labor, materials, or services furnished or arranged by you and other expenses accrued, but only with respect to **buildings while in the course of construction** or **business personal property** insured under Installation Coverage.

61. **Research and development documentation** means recorded evidence of your **research and development operations** which:

    a. You own; or

    b. Is owned by others and is in your care, custody, or control.

    Research and development documentation includes facts, information, research, concepts, processes, or formulas that are directly related to the development of new products or enhancement of existing products.

    Research and development documentation does not mean **research and development documentation** no longer used in your **research and development operations**.

62. **Research and development operations** means your **operations** that are directly related to the development of new products or enhancement of existing products.

63. **Salesperson's samples** means samples of **stock** while in the care, custody, or control of a salesperson employed by you.

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64. **Securities** means negotiable and nonnegotiable instruments or contracts representing either **money** or property and includes:

    a. Checks, drafts, money orders, travelers checks, and register checks drawn to your order that you have accepted as payment;

    b. Revenue and other stamps in current use (whether represented by actual unused stamps or unused value in a meter); and

    c. Evidences of debt issued in connection with credit or charge cards that you have accepted as payment, which cards are not issued by you.

    Securities does not include **money.**

65. **Sinkhole collapse** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. **Sinkhole collapse** does not mean sinking, subsidence, or collapse of land into a man-made underground mine or other such cavity, or the cost of filling sinkholes.

66. **Soft costs** mean:

    a. Realty taxes or other government assessments which you incur;

    b. Insurance premiums;

    c. Marketing, advertising, and promotional expenses;

    d. Commissions which result from renegotiation of leases and other similar extra expenses;

    e. Fees for services from attorneys, architects, engineers, surveyors, public accountants, or Certified Public Accountants;

    f. Permit fees; and

    g. Interest expense incurred including bond interest, financing fees or charges, or other debt service payments, on money you borrow in order to finance construction or repair.

    Soft costs do not include fees for any services from a public adjuster.

67. a. **Stock** means the following:

        (1) Merchandise including animals which are held for sale, or for delivery after sale;

        (2) Raw materials, in the state in which you receive it, used for conversion into **finished stock**;

        (3) Stock-in-process, which is raw materials that are undergoing the mechanical process of manufacturing, aging, or seasoning but which is not yet **finished stock**; or

        (4) **Finished stock**.

    b. **Stock** includes:

        (1) Your interest in labor, materials, or services furnished or arranged by you on **personal property of others**; or

        (2) Supplies used in packing or shipping of any of these items described as **stock** including the shipping or marketing container.

68. a. **Storm** means all types of weather conditions, atmospheric disturbances, precipitation, or any combination thereof, including tornados, wind, hail, rain, snow, ice, sleet, sand, or dust, whether driven by wind or not, but not including **hurricane, named storm**, or changes in temperature.

    b. **Storm** includes loss or damage to the interior of any covered building or structure or to covered property located inside any building or structure which is caused by or resulting from:

        (1) An opening in such building or structure created by the force of a **storm**;

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(2) The weight or accumulation of hail, rain, snow, ice, sleet, sand, or dust; or

(3) Any hail, rain, material, object, or debris that is carried, propelled, or in any manner moved by the force of a **storm**.

69. **Suspension** means the slowdown or cessation of your **operations,** or that a part or all of the described **premises** is rendered untenable.

70. a. **Tenant's improvements and betterments** means fixtures, alterations, installations, or additions:

(1) Made a part of the **business real property** you occupy but do not own; and

(2) You acquired or made at your expense, exclusive of rent paid by you, and cannot legally remove.

b. **Tenant's improvements and betterments** also means **business personal property**, including the value of any repairs, additions, or improvements, while awaiting or during the course of construction or renovation activities as long as such property is destined to become a **tenant improvement and betterment** and a permanent part of **business real property**.

c. **Tenant's improvements and betterments** while in the course of construction does not mean:

(1) **Soft costs**; or

(2) **Tenant's improvements and betterments** for which separate insurance coverage has been obtained and such separate insurance covers your interest.

71. **Tenant moving costs** means the following documented and necessary costs or fees associated with moving from and moving back to the **premises** for:

a. Packing, insuring, and carting **business personal property**;

b. Re-establishing utility services that were in place prior to the tenant moving from the **premises**, less refunds from discontinued services;

c. Assembling and setting up fixtures and equipment;

d. Unpacking and re-shelving of **stock** and supplies; and

e. Rent abatement offered to the tenant(s) as an incentive to reoccupy the premises.

72. **Theft** means any act of stealing, including robbery or burglary.

73. **Time element loss** means a covered **business income** or **extra expense** loss such as losses insured under the following types of coverage: Business Income Coverage; Extra Expense Coverage; Business Income with Extra Expense; Extended Business Income and Extra Expense Coverage; Dependent Property Coverage; Rental Value Coverage; Utility Services Coverage.

74. **Transit** means the transportation or shipping of **Property Insured** using your **vehicles** or carriers for hire:

a. If the mode of transportation is a **vehicle** which you own, lease, rent, or operate, then **transit** begins from the time **Property Insured** departs from your location or the originating point of shipment.

b. If the mode of transportation is a carrier for hire, then **transit** begins from the time **Property Insured** is placed in the care, custody, or control of any carrier for hire.

c. **Transit** extends continuously thereafter, while in the due course of **transit**, and includes any reasonable stops, interruptions, delays or transfers incidental to the route and method of shipment including connecting carriers.

d. **Transit** ends on the earlier of the following:

(1) When responsibility for the **Property Insured** is the buyer's in accordance with the terms of sale or bill of lading, as applicable;

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(2) When the **Property Insured** is accepted by or on behalf of the consignee or receiver at the intended destination; or

(3) When the **Property Insured** arrives at a location.

75. **Unloading** means the act of moving **Property Insured** from the transporting conveyance to a consignee's conveyance, a platform, or the ground immediately adjacent to the transporting conveyance. **Unloading** ends when **Property Insured** has been placed on the consignee's conveyance, ground, or loading platform and the any slings or other devices used to move such property have been released.

76. **Utility services** means services that are necessary to conduct your **operations** at the **location**, including:

    a. Water Supply Services, defined as the following types of property supplying water to the **location**: Pumping stations and water mains.

    b. Communication Supply Services, defined as the following types of property supplying telephone, internet, cellular, radio, microwave, **cloud computing**, or television services to the **location**: Communication transmission or distribution lines, including fiber optic transmission or distribution lines; coaxial cables; microwave radio relays; and satellites.

    c. Power Supply Services, defined as the following types of property supplying electricity to the **location**: Utility generating plants; switching stations; substations; transformers; and transmission or distribution lines.

    d. Sewage Treatment Services, defined as the following types of property discharging sewage from the **location**: Pumping stations; sewer lines; and public waste treatment plants.

    e. Other Supply Services supplying goods or services to the **location** necessary for your **operations**, including refrigeration, steam, gas, or fuel.

77. a. **Valuable papers and records** mean the following types of property which you own; or is owned by others and is in your care, custody, or control:

    (1) Inscribed, printed, or written documents such as: Passports; manuscripts or records; abstracts; books; magazines; periodicals; newspapers; deeds; drawings; mechanical drawings; maps; stamp collections; mortgages or leases; and

    (2) Recordings of any type such as: Film, negatives, slides, photographs, videotape, cylinders, or vinyl records, including such records which exist in electronic or magnetic media, discs, or tape.

    b. **Valuable papers and records** do not mean:

    (1) **Money** or **securities;**

    (2) **Valuable papers and records** held for sale; or

    (3) **Valuable papers and records** no longer used in your **operations.**

78. **Value** means the monetary worth of covered property at the time of covered loss or damage that is determined based on the applicable valuation method.

79. **Vehicle(s)** means any:

    a. Self-propelled land motor vehicle required to be licensed for use on public roads including: Automobiles, buses, motorcycles, trucks, or tractors;

    b. Trailers or semi-trailers required to be licensed for use on public roads; or

    c. Similar means of transporting people or property on land.

    Two or more **vehicles** connected together will be considered a single **vehicle.** A **vehicle** does not mean **mobile equipmen**t.

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80. **Voice communication systems** means telephone systems, telephone switch-gear including operating programs and related **software**,voice terminals, telephone circuit packs, and other such equipment and component parts whose function is the transmission of voice communications.

81. **Volcanic action** means the eruption, explosion, or effusion of a volcano including the airborne volcanic blast; airborne shock waves; ash, dust, or particulate matter; lava flow, mud flow, or other debris flow.

82. **Your business** means the trade, profession, or occupation in which you are engaged.

B. Additional Definitions may be included within endorsements that may be attached to this Coverage Form.

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Property-Gard Pinnacle® - Combined Dollar Deductible - 250033 01 13

Policy Amendment - Commercial Property Coverage Section

This Endorsement modifies insurance provided under the Property-Gard Pinnacle Coverage Form - 250000.

I. The following provisions are added to Section X. Deductibles contained in the Property-Gard Pinnacle Coverage Form - 250000.

A. Combined Dollar Deductible

1. If a Combined Dollar Deductible applies at a **location** shown in the Declarations applicable to this Endorsement, and covered loss or damage includes:

   a. **Property damage loss**; or

   b. **Time element loss**; or

   c. A combination of both **property damage loss** and **time element loss**;

   then such Combined Dollar Deductible will be subtracted from the applicable total covered loss or damage in any one occurrence or **loss event**.

2. Subject to Section XI. Limits of Insurance contained in the Property-Gard Pinnacle Coverage Form - 250000, we will pay the amount of covered loss or damage in excess of such Combined Dollar Deductible.

B. If Newly Acquired Location Coverage or Unnamed Location Coverage, or both, are provided under the Property-Gard Pinnacle Coverage Form - 250000, then the provisions of the Combined Dollar Deductible described above in Item I.A. of this Endorsement apply to such coverage unless stated otherwise in the Declarations applicable to this Endorsement.

C. 1. If a deductible has been specifically assigned to any of the following under the Property-Gard Pinnacle Coverage Form - 250000 or the Commercial Property Coverage Section

   a. **Earth movement**;

   b. Equipment Breakdown Coverage;

   c. **Fire protection equipment leakage from earth movement**;

   d. **Flood**;

   e. **Hurricane**;

   f. **Named storm**;

   g. **Storm**; or

   h. Any other **covered causes of loss** or coverage(s) shown in Declarations applicable to this Endorsement;

   then the provisions described in this Endorsement do not apply to any loss or damage caused by or resulting from such **covered causes of loss** or insured by such coverage(s).

2. The deductible(s) shown in the Declarations which are specifically assigned to the **covered causes of loss** or coverage(s) named above in Item I.C.1. continue to apply to any covered loss or damage caused by or resulting from such **covered causes of loss** or insured by such coverage(s).

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Allianz Global Risks US Companies** as named in the policy.

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II. This Endorsement is otherwise subject to all the terms, conditions, exclusions, limitations, and provisions of the Policy to which it is attached.

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Property-Gard Pinnacle® - Hospitality Extension Endorsement 250040 01 13

Policy Amendment - Commercial Property Coverage Section

This Endorsement modifies insurance provided under the Property-Gard Pinnacle Coverage Form - 250000.

I. Section V.D., Extensions of Coverage Applicable only to Property Coverage, provided under the Property-Gard Pinnacle Coverage Form - 250000, is amended to include the following:

A. Guest Property Coverage

1. We will pay for direct physical loss or damage to **guest property** caused by or resulting from a **covered cause of loss** while located within the interior portion of the **premises** that you occupy at a **location**.

2. Any other coverage provided in the Property-Gard Pinnacle Coverage Form - 250000 does not apply with respect to loss or damage to **guest property**.

3. a. The most we will pay under this Extension of Coverage for **guest property** of any one **guest**, in any one occurrence or **loss event**, is the Limit of Insurance shown in the Declarations applicable to Any One Guest shown under Guest Property Coverage.

b. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of **guests**, is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Guest Property Coverage.

c. The most we will pay under this Extension of Coverage in all occurrences or **loss events** during any one Policy Period is the **Annual Aggregate** Limit of Insurance shown in the Declarations applicable to Guest Property Coverage.

d. Notwithstanding Item XIII.L.2. of the Property-Gard Pinnacle Coverage Form - 250000, if two or more coverages apply to the same item of **guest property** which suffers covered loss or damage under:

(1) This Coverage Form;

(2) An Endorsement to this Coverage Form; or

(3) This Policy;

then the most we will pay for any loss, damage, or expense is the applicable Limit of Insurance shown in the Declarations for Guest Property Coverage.

B. Lost Key Coverage

1. We will pay for the actual expense you incur to replace keys, adjust locks to accept new keys, or if required, acquire and install new locks, caused by or resulting from a **covered cause of loss**.

2. No deductible applies to Lost Key Coverage.

3. The following exclusions located under Section IV. of the Property-Gard Pinnacle Coverage Form - 250000 are deleted, but only with respect to coverage provided by Lost Key Coverage under this Endorsement:

a. Exclusion IV.A.1.e. Disappearance or Shortages; and

b. Exclusion IV.A.1.f. Dishonesty.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Allianz Global Risks US Companies** as named in the policy.

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4. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Lost Key Coverage.

II. Section V.E., Extensions of Coverage Applicable only to Business Income and Extra Expense Coverage, provided under the Property-Gard Pinnacle Coverage Form - 250000, is amended to include the following:

A. Customer Reimbursement Coverage

1. a. We will pay the necessary expense you incur to reimburse **guests** for whom prearranged accommodations at a **location** cannot be honored due to direct physical loss or damage to property at such **location** caused by or resulting from a **covered cause of loss.** We will reimburse you only for the following:

(1) The increase over the room rate you contracted for with your **guest** that is charged by a hotel providing comparable hotel accommodations for your **guests,** not to exceed the number of nights the **guest** originally contracted for with you;

(2) Necessary expense incurred to transport **guests** to travel from your **location** to the replacement hotel and to return them to your **location,** if necessary; and

(3) Prepaid amounts that your **guests** spent for activities away from your **location** which are lost solely because other comparable hotel accommodations are unavailable.

b. No deductible applies to Customer Reimbursement Coverage.

2. We will reimburse you for the covered expenses listed above in Item II.A.1. which are incurred by any **guests** between:

a. The later of the following dates:

(1) The date the **guest's** prearranged hotel accommodations are scheduled to begin; or

(2) The date the **guest's** hotel accommodations are interrupted; and

b. The earliest of the following dates:

(1) The date damaged property at the **location** can be repaired with reasonable speed; or

(2) The date the **guest's** prearranged hotel accommodations at your **location** are scheduled to end.

3. We will not pay under Customer Reimbursement Coverage for any covered expenses you incur that are not supported by receipts which provide a complete accounting of reimbursable expenses.

4. We will reduce the amount payable under Customer Reimbursement Coverage to the extent you can resume your **operations**, in whole or in part, by honoring prearranged hotel accommodations at the **location** as soon as the damaged property at the **location** is repaired.

5. a. The most we will pay under this Extension of Coverage for any one **guest**, in any one occurrence or **loss event,** is the Limit of Insurance shown in the Declarations applicable to Any One Guest shown under Customer Reimbursement Coverage.

b. The most we will pay under this Extension of Coverage in any one occurrence or **loss event**, regardless of the number of **guests,** is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Customer Reimbursement Coverage.

B. Emergency Vacating Expense Coverage

1. We will pay the **evacuation expense** you incur because of an **emergency event** at a **location**.

2. No deductible applies to Emergency Vacating Expense Coverage.

3. a. The most we will pay under this Extension of Coverage in any one occurrence or **loss event,** regardless of the number of people evacuated, is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Emergency Vacating Expense Coverage.

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b. The most we will pay under this Extension of Coverage in all occurrences or **loss events** during any one Policy Period is the **Annual Aggregate** Limit of Insurance shown in the Declarations applicable to Emergency Vacating Expense Coverage.

C. Off Premises Special Event Cancellation Coverage

1. If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary cancellation of a **special event** due to direct physical loss or damage to property at the location of such **special event** caused by or resulting from a **covered cause of loss**, but only if the location of such **special event** is not specifically described in the Declarations and is situated within the Coverage Territory.

2. The amount we pay under Off Premises Special Event Cancellation Coverage will be reduced by any income you receive from the use, in whole or in part, of any other alternative location reserved for the **special event** that has been canceled.

3. Exclusion IV.B.2.b. contained in the Property-Gard Pinnacle Coverage Form - 250000 does not apply to Off Premises Special Event Cancellation coverage.

4. We will not pay under Off Premises Special Event Cancellation Coverage for any loss of **business income** or **extra expense** you sustain which is insured under Item V.F.11. Unnamed Location Coverage contained in the Property-Gard Pinnacle Coverage Form - 250000.

5. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Off Premises Special Event Cancellation Coverage.

III. Section V.F., Extensions of Coverage Applicable to Property, Business Income, and Extra Expense Coverage, provided under the Property-Gard Pinnacle Coverage Form - 250000, is amended to include the following:

A. Contaminated Food Coverage

1. We will pay for direct physical loss or damage to **Property Insured** caused by or resulting from a **contaminated food event** at a **location**, including the necessary expense incurred to:

a. Repair or rebuild **Property Insured** which has been damaged or destroyed by the **contaminated food even**t;

b. Mitigate, contain, remediate, treat, clean, detoxify, disinfect, neutralize, cleanup, remove, dispose of, test for, monitor, and assess the effects of the **contaminated food event;** and

c. Replace consumable goods at such **location** which are declared contaminated by the local **public health authority**.

2. If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration**. The **suspension** must be due to direct physical loss or damage to property at a **location** caused by or resulting from a **contaminated food event**.

3. A covered loss under Contaminated Food Coverage does not create, nor will it invoke coverage for Debris Removal Coverage, as described in Item V.D.3. of the Property-Gard Pinnacle Coverage Form-250000, except as provided by this Endorsement under Contaminated Food Coverage.

4. We will not pay under Contaminated Food Coverage for any loss, damage, or expense caused directly or indirectly by or resulting from:

a. A loss incurred prior to the Policy Period shown in the Declarations;

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b. Testing or monitoring to assess the existence, concentration, or effects of a **contaminated food event** or **pollutants** beyond ninety (90) consecutive calendar days following the date when damaged property is remediated, repaired, rebuilt, or any combination thereof; or

c. A claim that is reported to us in writing more than one hundred and eighty (180) consecutive calendar days after the date that a **contaminated food event** has occurred.

Such loss, damage, or expense is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

5. a. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** including **business income, extra expense**, and debris removal, is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Contaminated Food Coverage.

b. The most we will pay under this Extension of Coverage in all occurrences or **loss events** during any one Policy Period is the **Annual Aggregate** Limit of Insurance shown in the Declarations applicable to Contaminated Food Coverage.

B. Refrigerant Contamination Coverage

1. a. We will pay for direct physical loss or damage to **perishable stock** at a **location** caused by or resulting from spoilage or contamination arising from the release of a refrigerant, including but not limited to ammonia, due to direct physical loss or damage to property at such **location** caused by or resulting from a **covered cause of loss**.

b. Refrigerant Contamination Coverage includes the necessary expense incurred to cleanup, remove, and dispose of the debris of **perishable stock** and refrigerant caused by loss or damage covered under Refrigerant Contamination Coverage.

2. If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration**. The **suspension** must be due to direct physical loss or damage to **perishable stock** at a **location** caused by loss or damage covered under Refrigerant Contamination Coverage.

3. Exclusion IV.A.2.h.(12) contained in the Property-Gard Pinnacle Coverage Form - 250000 does not apply to Refrigerant Contamination Coverage provided under this Endorsement.

4. We will not pay under Refrigerant Contamination Coverage for any loss, damage, or expense caused directly or indirectly by or resulting from:

a. The normal storage life of the **perishable stock** having been exceeded; or

b. Failure to use reasonable care to maintain all refrigerating, cooling, or humidity control systems in proper operating condition.

Such loss, damage, or expense is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

5. A covered loss under Refrigerant Contamination Coverage does not create, nor will it invoke coverage for Debris Removal Coverage, as described under Item V.D.3. of the Property-Gard Pinnacle Coverage Form - 250000, except as provided by this Endorsement under Refrigerant Contamination Coverage.

6. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** including **business income, extra expense**, and debris removal, is the Limit of Insurance shown in the Declarations applicable to Refrigerant Contamination Coverage.

IV. Deductible

A. The deductible provisions described under Section X. of the Property-Gard Pinnacle Coverage Form - 250000 apply to coverage provided under this Endorsement.

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B. The deductible shown in the Declarations for Business Personal Property and Time Element Loss, whichever is applicable, will apply to loss, damage, or expense covered under this Endorsement unless a specific deductible is shown in the Declarations applicable to this Endorsement.

V. Additional Definitions

The following are additional definitions applicable only to this Endorsement:

A. **Contaminated food event** means:

1. A **public health authority** orders the closure of a **location** described in the Declarations due to the contamination of food; or
2. You make an announcement warning the public of a health hazard because of your discovery or reasonable suspicion that contaminated food has been served to your patrons at a **location.**

B. **Emergency event** means an external, unforeseen event or a condition at a **location** which places the people at such **location** in imminent danger of direct physical harm or loss of life, but only if the event or condition is caused by or results from a **covered cause of loss**.

C. **Evacuation expense** means the necessary expense you incur to evacuate and transport the following people from the **location** of an **emergency event** to temporary facilities:

1. You, a partner, or **member** of **your business**;
2. **Managers,** officers, directors, and other employees;
3. Trustees or other people with legal authority over **your business**; and
4. Your **guests.**

Evacuation expense includes the necessary expense you incur, upon repair or replacement of the **location**, to return such described people from the temporary facilities to the **location**.

D. **Guest(s)** means a customer(s), including members of the guest's family, at your **location**.

E. **Guest property** means **money, securities**, or other tangible property including **precious commodities** belonging to your **guest. Guest property** does not include the following types of property:

1. **Data, media,** or **software;**
2. **Vehicles**, or **guest property** located within any such **vehicle;** or
3. Patents, trade secrets, processing methods, or customer lists, financial information, personal information, credit card information, or any other similar information.

F. **Guest room** means a room, including a suite of rooms, designed to provide sleeping accommodations for your **guest(s)**, including the **guest's** family.

G. **Perishable stock** means **stock** or **personal property of others**, which is intended for human consumption and which must be maintained under controlled conditions for its preservation and is susceptible to loss or damage if the controlled conditions change.

H. **Precious commodities** means jewelry, jewels, pearls, and other precious or semi-precious stones; watches or watch movements; gold, silver, platinum and other precious or semi-precious metals or alloys; furs, fur garments, or garments trimmed with fur.

I. **Public health authority** means the governmental authority having jurisdiction over your **operations** relative to health and hygiene standards necessary for the protection of the public.

J. **Special event** means a planned convention, conference, banquet, seminar, wedding, Bat Mitzvah, Bar Mitzvah, party, or other similar event for which you have reserved space, or contracted for food, equipment, or other supporting material or services.

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VI. This Endorsement is otherwise subject to all the terms, conditions, exclusions, limitations, and provisions of the Policy to which it is attached.

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Property-Gard - Pinnacle® - Equipment Breakdown Coverage Endorsement 250048 01 13

Policy Amendment(s) Commercial Property Coverage

This Endorsement modifies Insurance provided under the Property-Gard - Pinnacle Coverage Form - 250000.

Equipment Breakdown Coverage Endorsement

A. The following is added to the Property-Gard Pinnacle Coverage Form - 250000 as an additional **covered cause of loss**:

Equipment Breakdown Coverage

The term **covered cause of loss** includes coverage as described and limited below;

1. We will pay for direct physical loss or damage to **Property Insured** that is the direct result of an **accident**.
2. Unless otherwise shown in the Declarations applicable to Equipment Breakdown Coverage, the following coverages also apply as a direct result of an **accident**. These coverages do not provide additional amounts of insurance.

   a. Expediting Expenses Coverage

   With respect to your damaged **Property Insured**, we will pay the necessary extra cost to:

   (1) Make temporary repairs; and

   (2) Expedite permanent repairs or permanent replacement.

   The most we will pay for under this Expediting Expenses Coverage in any one **accident** is $250,000 unless otherwise shown in the Declarations applicable to Expediting Expense Coverage provided by Equipment Breakdown Coverage.

   b. Hazardous Substances Coverage

   We will pay for the additional cost to repair or replace **Property Insured** because of contamination by a **hazardous substance**. This includes the additional expenses to clean up or dispose of such property.

   This does not include contamination of **perishable stock** by refrigerant, including but not limited to ammonia, which is addressed in A.2.c. below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no **hazardous substance** been involved.

   The most we will pay under this Hazardous Substances Coverage in any one **accident**, including actual loss of **business income** you sustain and necessary **extra expense** you incur, if shown as covered, is $250,000 unless otherwise shown in the Declarations applicable to Hazardous Substances Coverage provided by Equipment Breakdown Coverage.

   c. Perishable Stock Coverage

   (1) We will pay for:

   (a) Direct physical loss or damage to **perishable stock** due to spoilage;

   (b) Direct physical loss or damage to **perishable stock** due to contamination from the release of refrigerant, including but not limited to ammonia; and

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(c) Any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

(2) If you are unable to replace the **perishable stock** before its anticipated sale, then the amount of our payment will be determined on the basis of the sales price of the **perishable stock** at the time of the **accident**, less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation provision for **stock**.

The most we will pay under this Perishable Stock Coverage in any one **accident** is $250,000 unless otherwise shown in the Declarations applicable to Perishable Stock Coverage provided by Equipment Breakdown Coverage.

d. Data Restoration Coverage

If an **accident** occurs causing loss or damage to **data**, then we will pay the **information restoration cost** with respect to such **data**.

The most we will pay under this Data Restoration Coverage in any one **accident**, including actual loss of **business income** you sustain and necessary **extra expense** you incur, if shown as covered, is $250,000 unless otherwise shown in the Declarations applicable to Data Restoration Coverage provided by Equipment Breakdown Coverage.

e. Service Interruption Coverage

(1) Any insurance provided for **business income, extra expense** or **perishable stock** is extended to apply to your loss, damage, or expense caused by the interruption of utility services. The interruption must result from an **accident** to equipment, including **overhead transmission lines**, that is owned by a utility, landlord, a landlord's utility or other supplier who provides you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks, or **data** transmission. Such equipment must meet the definition of **covered equipment** with the exception that it need not be **Property Insured**.

(2) We will not pay for any loss of **business income** you sustain that results from the interruption of utility services during the first 24 hours following the **accident**. However, if the **Time Element Loss** deductible shown in the Declarations applicable to Service Interruption Coverage provided by Equipment Breakdown Coverage as provided for in paragraph C. below is expressed as a time period and is greater than 24 hours, then such deductible or time period will apply instead of the 24 hours provided for in this paragraph.

(3) The most we will pay under this Service Interruption Coverage in any **one accident** is the applicable Limit of Insurance for **business income**, **extra expense**, or **perishable stock**, except that if a Limit of Insurance is shown in the Declarations applicable to Service Interruption Coverage provided by Equipment Breakdown Coverage, then such Limit of Insurance will apply to **business income** and **extra expense** loss under this Service Interruption coverage.

f. Business Income and Extra Expense Coverage

(1) Any insurance provided under the Property-Gard Pinnacle Coverage Form - 250000 for **business income** or **extra expense** is extended to the coverage provided by this Equipment Breakdown Coverage Endorsement. However, if a deductible is shown in the Declarations applicable to Business Income and Extra Expense Coverage provided by Equipment Breakdown Coverage, then as respects Equipment Breakdown Coverage, the **period of restoration** will begin immediately after the **accident**, and the deductible for **Time Element Loss** shown in the Declarations applicable to Business Income and Extra Expense Coverage provided by Equipment Breakdown Coverage will apply.

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(2) The most we will pay for the actual loss of **business income** or necessary **extra expense** under this coverage in any one **accident** is the applicable Limit of Insurance stated in the Declarations for **business income** and **extra expense** provided by the Property-Gard Pinnacle Coverage Form - 250000, unless otherwise shown in the Declarations applicable to Business Income and Extra Expense Coverage provided by Equipment Breakdown Coverage.

g. Fungus Remediation Coverage

Any insurance provided under the Property-Gard Pinnacle Coverage Form - 250000 for **fungus** remediation coverage is extended to the coverage provided by this Endorsement. This does not include spoilage of **perishable stock**, which is addressed in A.2.c. Perishable Stock Coverage, above. The most we will pay under this Fungus Remediation Coverage in any one **accident** is the amount shown in the Declarations applicable to Fungus Remediation Coverage provided by the Property-Gard Pinnacle Coverage Form - 250000.

3. The following exclusions contained in Section IV. Exclusions of the Property-Gard - Pinnacle Coverage Form - 250000 do not apply, but only with respect to coverage provided by this Endorsement:

a. Exclusion IV.A.1.a. Boiler Explosion;

b. Exclusion IV.A.2.c. Mechanical Breakdown; and

c. Exclusion IV.A.4. Electrical Arcing.

B. Exclusions

1. We will not pay under this Endorsement for any loss, damage, or expense caused directly or indirectly by or resulting from any of the following excluded causes of loss; such loss, damage, or expense is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage:

a. Fire or water or other means used to extinguish a fire, lightning, explosion (except as specifically provided in F.1.c. below), **hurricane, named storm, storm**, smoke, aircraft or vehicles, riot or civil commotion, vandalism, leakage from **fire protection equipment**, elevator collision, molten material, breakage of glass, falling objects, **collapse**, or weight of snow, ice or sleet;

b. Freezing from weather related events;

c. Any **earth movement**, such as an **earthquake**, landslide, **mine subsidence** or earth sinking, rising or shifting;

d. **Flood**, however, if electrical **covered equipment** requires drying out because of a **flood**, then we will pay for the direct expense of such drying out subject to the applicable Limit of Insurance and Deductible;

e. 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;

f. Any of the following:

(1) Defect, programming error, programming limitation, computer virus, malicious code, loss of **data**, loss of access, loss of use, loss of functionality or other condition within or involving **data, media**, or **software** 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 such **accident**; or

g. **Fungus** whether or not caused by or resulting from an **accident**. However, this exclusion does not apply to the extent that coverage is provided above in A.2.g. Fungus Remediation or for spoilage of personal

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property that is **perishable stock**, to the extent that spoilage is covered under A.2.c. Perishable Stock Coverage, above.

2. We will not pay under this Endorsement for any loss or damage to animals.

C. Deductible

As respects this Endorsement only, Section X. Deductibles within the Property-Gard Pinnacle Coverage Form - 250000 is deleted and replaced with the following:

1. The coverage provided by this Endorsement may be subject to one or more of the following deductibles if shown in the Declarations applicable to Equipment Breakdown Coverage:
   a. **Time Element Loss**: Such deductibles apply to **time element loss**, including **time element loss** under Service Interruption coverage.
   b. **Perishable Stock** : Such deductibles apply to loss, damage, or expense to **perishable stock**, including **perishable stock** loss under Service Interruption coverage.
   c. **Production Machinery**: Such deductible applies to loss, damage, or expense to **production machinery**.
   d. **Property Insured**: Such deductible applies to all other loss, damage, or expense covered by this Endorsement including loss to **perishable stock** if no other **Perishable Stock** Deductible is specified and **time element loss** if no other **Time Element Loss** Deductible is specified and loss to **production machinery** if no other **Production Machinery** Deductible is specified.
2. If a dollar deductible is shown in the Declarations applicable to Equipment Breakdown Coverage, then we will not pay for covered loss, damage, or expense resulting from any **one accident** until the amount of such loss, damage, or expense exceeds the applicable Deductible shown. We will then pay the amount of covered loss, damage, or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.
3. If a time deductible is shown in the Declarations applicable to Equipment Breakdown Coverage for **Time Element Loss**, then we will not be liable for any loss occurring during the specified number of hours or days immediately following the **accident**. If a time deductible is expressed in days, then each day shall mean twenty-four (24) consecutive hours.
4. If a Multiplier is shown in the Declarations applicable to Equipment Breakdown Coverage for **Time Element Loss**, then the deductible is calculated by multiplying the One Hundred Percent Average Daily Value (100% ADV) times the Multiplier.
   a. The 100% ADV is calculated by dividing the sum of the total:
      (1) net profits; and
      (2) normal continuing expenses (including your normal continuing payroll expenses);

      that are covered by the Property-Gard Pinnacle Coverage Form - 250000, and that would have been earned had no damage occurred during the **suspension** of **operations**, by the number of working days in that **suspension** period.
   b. No reduction shall be made for net profits and normal continuing expenses (including your normal continuing payroll expenses) not being earned, or in the number of working days in the **suspension period**, because of the physical loss or damage to **Property Insured** or other scheduled or unscheduled shutdown(s) during the **suspension**.
   c. The ADV applies to all locations included in the valuation of the loss.
5. If a **Perishable Stock** Deductible is expressed as a percentage of loss, then we will not be liable for the indicated percentage of the gross amount of loss, damage, or expense (prior to any applicable deductible

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or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, then the minimum deductible will be the applicable deductible.

D. Conditions

As respects this Endorsement only, the following conditions are in addition to the Loss Conditions and General Conditions described within the Property-Gard - Pinnacle Coverage Form - 250000:

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** 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, then 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 endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, then 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**, then we will pay your additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced.

   However, we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which **actual cash value** applies.

E. Limit of Insurance

1. Except as otherwise provided in this Endorsement, the most we will pay for loss, damage, or expense under this Endorsement arising from any **one accident** is the applicable Limit of Insurance shown in the Declarations applicable to Equipment Breakdown Coverage.

2. Payments under any Limit of Insurance provided by this Endorsement are included within, not in addition to, any applicable Limit of Insurance provided by the Property-Gard Pinnacle Coverage Form - 250000.

F. Additional Definitions

The following are additional definitions applicable only to this Endorsement:

1. **Accident** means a fortuitous event that causes direct physical damage to **covered equipment**. The **accident** event must be one of the following:

   a. Mechanical breakdown, including rupture or bursting caused by centrifugal force;

   b. Artificially generated electrical, magnetic or electromagnetic energy, including electric arcing, that damages, disturbs, disrupts or otherwise interferes with any electrical or electronic wire, device, appliance, system or network;

   c. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;

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d. 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

e. 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.

One accident means: If an initial **accident** causes other **accidents**, all will be considered **one accident**. All **accidents** that are the result of the same event will be considered **one accident**.

2. **Covered equipment**

   a. **Covered equipment** means, unless otherwise specified in the Declarations applicable to Equipment Breakdown Coverage, **Property Insured** that:

      (1) Generates, transmits, or utilizes energy; or

      (2) During normal usage, operates under vacuum or pressure, other than the weight of its contents.

   b. None of the following is **covered equipment**:

      (1) Any structure, foundation, cabinet, compartment, or air supported structure or building;

      (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) Any **vehicle** or any equipment mounted on a **vehicle**;

      (6) Any satellite, spacecraft or any equipment mounted on a satellite or spacecraft;

      (7) Any dragline, excavation or construction equipment; or

      (8) Equipment manufactured by you for sale.

3. **Hazardous substance** means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

4. **Perishable stock** means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

5. **Production machinery** means **covered equipment** that is a machine or apparatus that processes or produces a product intended for eventual sale. However, **production machinery** does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston.

6. **Vehicle** means, as respects this Endorsement only, any machine or apparatus that is used for transportation or moves under its own power. **Vehicle** includes, but is not limited to, 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**.

G. This Endorsement is otherwise subject to all the terms, conditions, exclusions, limitations, and provisions of the Policy to which it is attached.

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Property-Gard Pinnacle® - Conditional Vacancy Exclusion - 250050 01 13

Policy Amendment - Commercial Property Coverage Section

This Endorsement modifies insurance provided under the Property-Gard Pinnacle Coverage Form - 250000.

I. Section IX., Limitations of Coverage contained in the Property-Gard Pinnacle Coverage Form - 250000, is amended to include the following:

A. Conditional Vacancy Exclusion

1. We will not pay for any loss or damage sustained at any building insured under this Policy which has been **vacant** for more than 60 consecutive days prior to the occurrence of such loss or damage, whether or not such building is at a **location**, unless:

   a. You notify us in writing prior to the 60th consecutive day such building remains vacant; and

   b. Existing private fire protection, watch, or alarm services at a location, and within your control, are properly maintained and kept in complete working order.

2. Item I.A.1. above does not apply to:

   a. **Buildings while in the course of construction**, but only if:

      (1) Construction permits have been approved by, and are on file with, the building department having jurisdiction over the work to be done in connection with such construction; and

      (2) Substantial construction activities are being performed by construction personnel at such buildings on a regular and continuing basis, not including architects, engineers, or inspectors; or

   b. A building that is **vacant** due to repairs being made following loss or damage that is covered by the Property-Gard Pinnacle Coverage Form - 250000 or an endorsement attached to such Coverage Form.

3. If applicable state law only allows the provisions of this Endorsement to apply to a building described in the Declarations, then such provisions will continue to apply in such states to buildings that are not described in such Declarations, but only with respect to causes of loss other than fire.

4. If you notify us that a building at a location has become **vacant**, then we may remove such building from the Policy and return any applicable premium refund due to the first Named Insured shown in the Declarations. Such premium refund will be calculated on a pro-rata basis from the date that coverage for such building ceased to apply in accordance with the terms of this Endorsement.

B. Additional Definitions

The following are additional definitions applicable only to this Endorsement:

1. **Vacant** means that:

   a. 70% or more of the rentable square footage of a building at an insured location is not being actively used by you or a tenant for its intended purpose; or

   b. 70% or more of the total square footage of a building at an insured location utilized by you to conduct **your business** is no longer used to conduct your customary **operations**; or

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c. A building at an insured location utilized by you to conduct your business does not contain enough **business personal property** to conduct your customary **operations**;

whether or not you intend to use or rent such building.

II. This Endorsement is otherwise subject to all the terms, conditions, exclusions, limitations, and provisions of the Policy to which it is attached.

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Property-Gard Pinnacle® - Real Estate Owners and Managers Endorsement 250051 01 13

Policy Amendment - Commercial Property Coverage Section

This Endorsement modifies insurance provided under the Property-Gard Pinnacle Coverage Form - 250000.

I. Section V.D., Extensions of Coverage Applicable only to Property Coverage, provided under the Property-Gard Pinnacle Coverage Form - 250000, is amended to include the following:

A. Lost Key Coverage

1. We will pay for the actual expense you incur to replace keys, adjust locks to accept new keys, or if required, acquire and install new locks, caused by or resulting from a **covered cause of loss.**
2. No deductible applies to Lost Key Coverage.
3. The following exclusions located under Section IV. of the Property-Gard Pinnacle Coverage Form - 250000 are deleted, but only with respect to coverage provided by Lost Key Coverage under this Endorsement:
   a. Exclusion IV.A.1.e. Disappearance or Shortages; and
   b. Exclusion IV.A.1.f. Dishonesty.
4. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Lost Key Coverage.

II. Section V.E., Extensions of Coverage Applicable only to Business Income and Extra Expense Coverage, provided under the Property-Gard Pinnacle Coverage Form - 250000, is amended to include the following:

A. Emergency Vacating Expense Coverage

1. We will pay the **evacuation expense** you incur because of an **emergency event** at a **location**.
2. No deductible applies to Emergency Vacating Expense Coverage.
3. a. The most we will pay under this Extension of Coverage in any one occurrence or **Loss Event**, regardless of the number of people evacuated, is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Emergency Vacating Expense Coverage.
   b. The most we will pay under this Extension of Coverage in all occurrences or **loss events** during any one Policy Period is the **Annual Aggregate** Limit of Insurance shown in the Declarations applicable to Emergency Vacating Expense Coverage.

B. Newly Tenanted Property Additional Limits Coverage

1. Newly Tenanted Property Additional Limits Coverage only applies if the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage, and such Limit of Insurance is:
   a. A **Specific Limit of Insurance**; and
   b. Not part of a **Blanket Limit of Insurance**.
2. If:
   a. The Limit of Insurance for Business Income and Extra Expense Coverage is inadequate to cover the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration** at a **building**, or a portion of a

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building, at a **location** which was previously unoccupied by a tenant and is now leased or rented to one or more tenants; and

b. Such inadequate limits are due to you not yet:

(1) Reporting the **business income** and **extra expense** values from such tenants to us; and

(2) Requesting us to increase such Limit of Insurance;

then we will increase such Limit or Insurance to include the income from such lease(s) or rental contract(s).

3. The **suspension** must be due to direct physical loss or damage to property at such **location** caused by or resulting from a **covered cause of loss.**

4. Newly Tenanted Property Additional Limits Coverage ends on the earliest of the following dates:

a. One hundred and twenty (120) consecutive calendar days from the date you lease or rent the property to a tenant;

b. The date you report the **business income** and **extra expense** values to us; or

c. The date this Policy expires.

5. When you report the **business income** and **extra expense** values to us, you will owe us additional premium from the date the **location** was leased or rented to any such tenant.

6. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Limit of Insurance shown in the Declarations applicable to Newly Tenanted Property Additional Limits Coverage.

C. Impaired Tenantability Under Contract of Sale Coverage

1. If the Declarations show a Limit of Insurance for Business Income and Extra Expense Coverage and Newly Acquired Location Coverage, then we will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **period of restoration**.

2. The **suspension** of **operations** must be due to direct physical loss or damage to property at a newly acquired location not specifically described in the Declarations caused by or resulting from a **covered cause of loss** which occurs before you became the deeded owner of such newly acquired location but while such newly acquired location was under a **contract of sale** to you.

3. Payments under Impaired Tenantability Under Contract of Sale Coverage are included within, not in addition to, the applicable Limit of Insurance for Newly Acquired Location Coverage shown in the Declarations.

D. Real Estate Managers Contract Cancellation

1. The following is added to the definition of **business income**, Item XIV.A.5.a.(1), contained in the Property-Gard Pinnacle Coverage Form - 250000:

Income you earned from written property management contracts entered into prior to the covered loss or damage.

III. Deductible

A. The deductible provisions described under Section X. of the Property-Gard Pinnacle Coverage Form - 250000 apply to coverage provided under this Endorsement.

B. The deductible shown in the Declarations for Time Element Loss will apply to **time element loss** covered under this Endorsement unless a specific deductible is shown in the Declarations applicable to this Endorsement.

IV. Additional Definitions

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The following are additional definitions applicable only to this Endorsement:

A. **Blanket Limit of Insurance** means a Limit of Insurance that applies to:

   1. **Business income** and **extra expense** at more than one **location**; or
   2. **Business income** and **extra expense** and:
      a. **Business personal property**; or
      b. **Business real property**; or
      c. **Business personal property** and **business real property**;
      d. Any other coverage;

      applicable at one or more **buildings.**

B. **Building** means a type of **business real property** which is a structure used to support or shelter your **operations**.

C. **Contract of sale** means a written contract to purchase **business real property** at a location.

D. **Emergency event** means an external, unforeseen event or a condition at a **location** which places the people at such **location** in imminent danger of direct physical harm or loss of life, but only if the event or condition is caused by or results from a **covered cause of loss.**

E. **Evacuation expense** means the necessary expense you incur to evacuate and transport the following people from the **location** of an **emergency event** to temporary facilities:

   1. You, a partner, or **member** of **your business;**
   2. **Managers**, officers, directors, and other employees;
   3. Trustees or other people with legal authority over **your business**; and
   4. Your tenants and their customers.

   Evacuation expense includes the necessary expense you incur, upon repair or replacement of the **location**, to return such described people from the temporary facilities to the **location**.

F. **Specific Limit of Insurance** means a Limit of Insurance which applies only to **business income** and **extra expense** at a specifically identified **location**.

V. This Endorsement is otherwise subject to all the terms, conditions, exclusions, limitations, and provisions of the Policy to which it is attached.

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Property-Gard Pinnacle® - Condominium Endorsement - 250059 01 13

Policy Amendment - Commercial Property Coverage Section

This Endorsement modifies insurance provided under the Property-Gard Pinnacle Coverage Form - 250000.

I. Item I.A. contained in the Property-Gard Pinnacle Coverage Form - 250000 is deleted in its entirety and replaced by the following, but only with respect to coverage provided by this Endorsement:

A. If Limits of Insurance for Business Real Property or Business Personal Property are shown in the Declarations, then we will pay for direct physical loss or damage to:

1. **Property Insured** that is:

2.

a. Owned by you;

b. Owned jointly by all individual condominium unit owners; or

c. **Personal property of others**, but only to the extent of your interest in the labor, materials or services furnished or arranged by you on such **personal property of others**; and

2. The following personal property, regardless of ownership, contained within an individual condominium unit not owned by you, but only when your Condominium Declarations, or other similar recorded document, requires you to insure such property:

a. Fixtures, improvements and alterations that are a part of the building or structure; and

b. Appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping;

while at a **location**, including such property in the open (or in a **vehicle** in the open) within 1000 feet of such **location**, caused by or resulting from a **covered cause of loss** during the Policy Period.

II. Section III. Property Not Insured contained in the Property-Gard Pinnacle Coverage Form - 250000 is amended by adding the following but only with respect to coverage provided by this Endorsement:

Unless specifically covered in the Declarations, we do not cover:

1. Property which the Condominium Declarations, or other similar recorded document, make the individual condominium unit owners responsible to insure; or

2. Property owned by, used by, or in the care, custody or control of individual condominium unit owners, except for personal property listed in paragraph A.2. of Item I. above.

III. Section VII. Mortgage Holders or Loss Payee Provisions contained in the Property-Gard Pinnacle Coverage Form - 250000 is amended by deleting Item VII.A.2.a. and replacing it with the following, but only with respect to coverage provided by this Endorsement:

a. (1) If an individual condominium at the **location** is terminated, then we will pay for covered loss or damage to **business real property** to each Loss Payee shown in the Declarations in their order of precedence, as interests may appear.

(2) If an individual condominium at a **location** is not terminated, then we will pay for covered loss or damage to **business real property** to you or the designated insurance trustee, if any, in accordance with Item XII., Loss Conditions, D. Loss Payment, contained in the Property-Gard Pinnacle Coverage Form - 250000, as modified by this Endorsement.

This Form must be attached to Change Endorsement when issued after the policy is written.
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IV. Item XII.D. Loss Payment is amended by adding the following, but only with respect to coverage provided by this Endorsement:

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

V. Section XIII. General Conditions is amended as follows but only with respect to coverage provided by this Endorsement:

A. Item XIII.P. is deleted and replaced by the following:

P. Other Insurance

1. Except as provided in XIII.P.3. below, if you have other insurance subject to the same plan, terms, conditions, and provisions as the insurance provided under this Policy, then we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Policy bears to the total Limits of Insurance for all insurance covering such loss or damage on the same basis.

2. Except as provided in XIII.P.3. below, if there is other insurance covering the same covered loss or damage, other than that described above in XIII.P.1., then subject to the deductible shown in the Declarations, 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. Our payment for any covered loss or damage is subject to the terms and conditions of this Policy and the applicable Limit of Insurance shown in the Declarations.

3. An individual condominium unit owner may have other insurance covering the same property as this insurance. This insurance is intended to be primary, and not to contribute with such other insurance.

B. Item XIII.T. is deleted and replaced with the following:

T. Subrogation

1. Other Than Transit Coverage

Except as provided in XIII.T.3. below, if any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, then 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:

a. Prior to loss to your covered property or covered income.

b. After a loss to your covered property or covered income only if, at the time of loss, that party is one of the following:

(1) Someone insured by this insurance;

(2) A business firm owned or controlled by you or that owns or controls you; or

(3) Your tenant.

This will not restrict your insurance.

2. Transit Coverage

Except as provided in XIII.T.3. below, with respect to covered property under Transit Coverage, you are permitted to accept released value bills of lading from carriers for hire. You are not permitted to enter into any special agreements with carriers or bailees releasing them from their common law or statutory liability. We will not be liable for any loss or damage which, without our written consent, has been settled or compromised by you.

3. Waiver of Rights of Recovery

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We waive our rights to recover payment against:

a. Any individual condominium unit owner described in the Declarations in his or her capacity as an individual condominium unit owner, including the developer, and members of his or her household;

b. You; and

c. Members of your board of directors for acts or omissions within the scope of their duties for you;

but we reserve our rights to recover damages from the developer for which the developer may be held liable in its capacity as a developer.

C. The following is added:

No act or omission by any individual condominium unit owner will void the policy or be a condition to recovery under this Policy, unless the individual condominium unit owner is acting within the scope of their authority on behalf of you.

VI. Section XIV. Definitions, contained in the Property-Gard Pinnacle Coverage Form - 250000 is amended as follows, but only with respect to coverage provided by this Endorsement:

A. Item XIV.A.7. **business real property** is deleted and replaced by the following:

7. **Business real property** means the following types of property:

a. Buildings or structures, foundations, completed alterations, repairs, and additions to such buildings or structures; fixtures that are not contained within individual units, permanently installed machinery and equipment; awnings; or glass forming a part of the structure, including lettering and ornamentation, whether located on the exterior or interior of such building or structure;

b. Underground pipes, flues, or drains necessary for the service of **business real property**;

c. Radio or television towers, antennas, and satellite dishes, including attachments;

d. Personal property used to maintain or service the building including fire extinguishing equipment; outdoor furniture; floor covering; and appliances used for refrigerating, ventilating, cooking, dishwashing, or laundering that are not contained within individual units;

e. Outdoor fixtures and structures, including light standards, fences, signs, well-housings; and artificial trees, shrubs, plants, and lawns; and

f. **Buildings while in the course of construction**.

Business real property does not mean trees, shrubs, plants, or lawns growing outdoors; any item which meets the definition of **fine arts**; or any item that is insured under Fine Arts Coverage contained in this Coverage Form.

B. Item XIV.A.51. **Personal Effects** is deleted and replaced by the following:

51. **Personal effects** means apparel, tools, and other personal possessions owned by you, your partners, **members**, officers, **managers**, directors, trustees, or employees (including leased employees). **Personal effects** does not mean:

a. A **vehicle**; or

b. Any apparel, tools, or personal possessions:

(1) Of your officers and employees that may be situated in an individual condominium unit owned by such officers or employees; or

(2) Which are covered elsewhere by this Policy or by any other insurance.

C. Item XIV.A.52. **Personal property of others** is deleted and replaced by the following:

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52. **Personal property of others** means personal property that does not belong to you and is in your care, custody, or control. **Personal property of others** does not mean:
    a. Personal property you lease or rent from others;
    b. **Personal effects**; or
    c. Property of individual condominium unit owners or your customers unless the property is in your care, custody or control and you are legally liable for the loss or damage.

VII. This Endorsement is otherwise subject to all the terms, conditions, exclusions, limitations, and provisions of the Policy to which it is attached.

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Property-Gard Pinnacle® - Crisis Management Coverage - 250062 01 13

Policy Amendment - Commercial Property Coverage Section

This Endorsement modifies insurance provided under the Property-Gard Pinnacle Coverage Form - 250000.

I. Section V.E., Extensions of Coverage Applicable only to Business Income and Extra Expense Coverage, provided under the Property-Gard Pinnacle Coverage Form - 250000, is amended to include the following:

A. Crisis Event Response Communication Cost

1. We will pay your **crisis event response communication cost** resulting from a **covered crisis event** at a location for sixty (60) consecutive days after a **covered crisis event** occurs.

2. No deductible applies to Crisis Event Response Communication Cost.

3. a. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Crisis Event Response Communication Cost.

   b. The most we will pay under this Extension of Coverage in all occurrences or **loss events** during any one Policy Period is the **Annual Aggregate** Limit of Insurance shown in the Declarations applicable to Crisis Event Response Communication Cost.

B. Crisis Event Business Income and Extra Expense Coverage

1. Business Income and Extra Expense Coverage

   We will pay for the actual loss of **business income** and necessary **extra expense** you sustain due to the necessary **suspension** of **operations** during the **crisis event period of restoration** caused by or resulting from a **covered crisis event** at a location.

2. Extended Business Income and Extra Expense Coverage

   a. If a **business income** and **extra expense** loss is covered under Crisis Management Coverage provided by this Endorsement, then subject to the Limit of Insurance for Crisis Event Business Income and Extra Expense Coverage:

      (1) We will pay for the actual loss of **business income** you sustain during the period that begins on the date your **operations** are resumed and 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 **covered crisis event** occurred; or

         (b) Thirty (30) consecutive calendar days after the date your **operations** are resumed.

      (2) We will pay the necessary **extra expense** you incur for advertising, direct mail, discount coupons, or other promotional expense you incur to attract customers back to **your business** during the period that begins on the date your **operations** are resumed and 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 **covered crisis event** occurred; or

         (b) Thirty (30) consecutive calendar days after the date your **operations** are resumed.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Allianz Global Risks US Companies** as named in the policy.

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3. a. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Crisis Event Business Income and Extra Expense.

   b. The most we will pay under this Extension of Coverage in all occurrences or **loss events** during any one Policy Period is the **Annual Aggregate** Limit of Insurance shown in the Declarations applicable to Crisis Event Business Income and Extra Expense.

C. Post Crisis Event Expense Coverage

1. We will pay **post crisis event expense** incurred as a result of a **covered crisis event** at a location. Payments under Post Crisis Event Expense Coverage will begin immediately after the **covered crisis event** and will apply for up to sixty (60) consecutive days.

2. No deductible applies to Post Crisis Event Expense Coverage.

3. a. The most we will pay under this Extension of Coverage in any one occurrence or **loss event** is the Per Occurrence or Loss Event Limit of Insurance shown in the Declarations applicable to Post Crisis Event Expense Coverage.

   b. The most we will pay under this Extension of Coverage in all occurrences or **loss events** during any one Policy Period is the **Annual Aggregate** Limit of Insurance shown in the Declarations applicable to Post Crisis Event Expense Coverage.

D. Additional Exclusions

In addition to any other exclusions which apply in this Policy, the following exclusions apply to this Endorsement for any loss, damage, or expense regardless of whether any other cause or event contributes concurrently or in any sequence to the loss:

1. Exclusions Applicable to Crisis Event Response Communication Cost, Crisis Event Business Income and Extra Expense Coverage, and Post Crisis Event Expense Coverage:

   a. Illegal acts by you, any of your partners, **members**, **managers**, officers, directors, or trustees; or

   b. Any claim or suit by a third party for bodily injury or property damage including defense costs related to such bodily injury or property damage.

2. Exclusions Applicable to Crisis Event Business Income and Extra Expense Coverage:

   a. Any **covered crisis events** described in Item I.I.1.e. in this Endorsement.

E. Additional General Conditions

The following is added to Item XIII. General Conditions contained in the Property-Gard Pinnacle Coverage Form - 250000, but only with respect to Crisis Management Coverage provided by this Endorsement:

1. Other insurance includes insurance coverage, self insured retentions, or non-insurance services which provide the same or similar services as provided under this Endorsement.

F. Additional Loss Conditions

The following additional loss conditions are added to Item XII. Loss Conditions contained in the Property-Gard Pinnacle Coverage Form - 250000, but only with respect to Crisis Management Coverage provided by this Endorsement:

1. Item XII.C.1.b. contained in the Property-Gard Pinnacle Coverage Form - 250000 is deleted and replaced with the following:

   Notice of a Covered Crisis Event

   You must notify us of any suspected **covered crisis event** or any event that is likely to lead to a **covered crisis event** within forty-eight (48) hours of first becoming aware of it.

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G. Valuation

a. Item VI.B. the valuation provisions applicable to **time element loss**, contained in the Property-Gard Pinnacle Coverage Form - 250000, apply to loss of **business income** and necessary **extra expense** you sustain caused by or resulting from a **covered crisis event** at a location.

b. The amount of **crisis event response communication cost** will be determined based on the documented additional expenses incurred by you to manage your organization's communications to your employees, shareholders, customers, government authorities, news media and other members of the public after the **covered crisis event**.

c. The amount of **post crisis event expense** will be determined based on the documented additional expenses incurred by you after the **covered crisis event.**

H. Deductible

1. The deductible provisions described under Section X. of the Property-Gard Pinnacle Coverage Form - 250000 apply to coverage provided under this Endorsement.

2. The deductible shown in the Declarations for Time Element Loss will apply to loss or expense covered under this Endorsement unless a specific deductible is shown in the Declarations applicable to this Endorsement.

I. Additional Definitions

The following are additional definitions applicable only to this Endorsement:

1. **Covered crisis event** means the following occurring at a location that results in significant adverse regional or national news media coverage of you, unless otherwise excluded by this Endorsement:

a. Violent acts: An actual, attempted, or threatened act committed with malicious intent against any person(s) that results in physical injury or death to such person(s). Violent acts do not include an actual, attempted, or threatened act by an insured.

b. Premises contamination: The necessary closure of a location due to any sudden, accidental, and unintentional contamination or impairment of such location by **pollutants** which also results in bodily injury, illness, or death of any person(s). This includes contamination by **communicable disease** or Legionnaires' disease, but does not include contamination by **fungus**.

c. Contaminated food:

(1) A **public health authority** orders the closure of a location due to the contamination of food; or

(2) An announcement you or a government body makes warning the public of a health hazard because of the discovery or reasonable suspicion that contaminated food has been served to your patrons at a location.

d. Specified crimes: The following crimes, whether committed, attempted, or threatened:

(1) Criminal use of a firearm;

(2) Sexual assault;

(3) Stalking of one or more of your employees or customers; or

(4) Child abduction or kidnapping: The wrongful and illegal seizure of a child under age ten (10) by someone other than the child's parent or guardian;

e. Other crisis incidents:

(1) Explosion;

(2) Fire;

(3) Construction accident;

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(4) Equipment failure; or

(5) Workplace accident.

2. **Crisis event period of restoration** means the period of time that begins immediately after the time of the **covered crisis event** and ends on the earlier of:

   a. The date when your **operations** are resumed; or

   b. The date when your **operations** should be resumed using reasonable speed.

3. **Crisis event response communication cost** means necessary expenses you incur for public relations services that are directly related to assisting you in minimizing negative publicity and restoring your reputation following a **covered crisis event**.

4. **Post crisis event expense** means:

   a. Necessary expense incurred by persons who were physically present the location at the time the **covered crisis event** occurred for:

      (1) Medical treatment;

      (2) Psychological counseling or other mental health treatment; or

      (3) Travel to or from a place of treatment for such treatments;

   b. Necessary expense incurred for:

      (1) Funeral expenses for persons physically present at the location at the time the **covered crisis event** occurred who die as a result of the **covered crisis event**; and

      (2) Travel expenses for the immediate family to attend the funeral of such deceased person.

   Post crisis event expense does not include expenses which are paid directly or indirectly to the person(s) who threatened, perpetrated, or participated in the **covered crisis event**, or their families.

5. **Public health authority** means the governmental authority having jurisdiction over your **operations** relative to health and hygiene standards necessary for the protection of the public.

II. This Endorsement is otherwise subject to all the terms, conditions, exclusions, limitations, and provisions of the Policy to which it is attached.

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Property-Gard Pinnacle® - Colorado State Exception Endorsement 250071 01 13

Policy Amendment - Commercial Property Coverage Section

This Endorsement modifies insurance provided under the Property-Gard Pinnacle Coverage Form - 250000.

I. Section XIII. General Conditions, Item C.1.b., is deleted in its entirety and replaced by the following.

b. (1) We may cancel this Policy by mailing or delivering to you, at your last known address, and to your agent or broker, written notice of cancellation, including the effective date of the cancellation and a statement of the reasons for such cancellation, at least:

(a) 10 days before the effective date of cancellation, if cancellation is for nonpayment of premium;

(b) 30 days before the effective date of cancellation, if cancellation is for any other reason provided the policy has been in effect for 60 days or less; or

(c) 45 days before the effective date of cancellation, if cancellation is for any other reason provided this policy has been in effect for more than 60 days.

(2) We shall not cancel this Policy pursuant to Items b.(1)(b) or b.(1)(c) above, except for one or more of the following reasons:

(a) A false statement knowingly made by the insured on the application for insurance; or

(b) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the insured has notified the insurer of the change and the insurer accepts such change.

II. This Endorsement is otherwise subject to all the terms, conditions, exclusions, limitations, and provisions of the Policy to which it is attached.

This Form must be attached to Change Endorsement when issued after the policy is written.
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GENERAL LIABILITY

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Exclusion of Certified Acts of Terrorism - 145912 01 15

Policy Amendment

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage
Liquor Liability Coverage
Owners and Contractors Protective Liability Coverage
Pollution Liability Coverage
Products/Completed Operations Liability Coverage
Railroad Protective Liability Coverage
Underground Storage Tank Liability Coverage
Farm Liability Coverage (Except as to Workers' Compensation Residence Employees)
Businessowners Coverage (Section II - Liability)
Employer's Liability Stop Gap Insurance Coverage
Directors and Officers Liability Insurance Coverage
Employment Practices Liability Insurance Coverage

A. The following exclusion is added:

This insurance does not apply to **any injury or damage,** or any **loss** or **claim expense** in connection with any **claim,** arising, directly or indirectly, out of **a certified act of terrorism.**

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 to which this endorsement is applicable, and includes but is not limited to bodily **injury, property damage, personal and advertising injury, injury,** act, error or omission in the performance of **professional services** or **environmental damage** as may be defined in any applicable Coverage.

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, as amended, to be an act of terrorism pursuant to such Act, as amended. The federal Terrorism Risk Insurance Act, as amended, sets forth the following criteria for a **certified act of terrorism:**

   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, as amended; and

   b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. Application of Other 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, Coverage Section, or Policy, such as losses excluded by a Nuclear Hazard Exclusion, a War Exclusion, or a War Liability Exclusion.

All other terms and conditions of the policy remain unchanged.

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Silica Particles Exclusion - 145917 03 19

Policy Amendment

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage
Liquor Liability Coverage
Owners and Contractors Protective Liability Coverage
Pollution Liability Coverage
Products/Completed Operations Liability Coverage
Railroad Protective Liability Coverage
Underground Storage Tank Liability Coverage
Farm Liability Coverage
American Business Coverage (Section II)
Garage Coverage (Section II)

The following exclusion is added:

This insurance does not apply to any claim or liability arising, in whole or in part, directly or indirectly out of, or which is in any way related to, **Silica**.

As used in this exclusion, the term **Silica** includes, but is not limited to, silicon dioxide, silica, silica products, silica fibers, silica dust, any other silica byproducts, and silica, whether alone or in combination with any substance, product or material.

Without limiting the foregoing, this exclusion applies to every injury, damage, loss, cost or expense otherwise covered by this policy, if any.

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Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism - 145921 01 06

Policy Amendment(s)

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage
Liquor Liability Coverage
Owners and Contractors Protective Liability Coverage
Pollution Liability Coverage
Products/Completed Operations Liability Coverage
Railroad Protective Liability Coverage
Underground Storage Tank Liability Coverage
Errors and Omissions Liability Coverage
Professional Liability Coverage
Directors and Officers Liability Insurance Coverage
Employment Practices Liability Insurance Coverage
Employers' Liability Stop Gap Insurance Coverage
American Business Coverage (Section II)
Farm Liability Coverage

A. The following definitions are added and apply under this endorsement:

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

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

      (1) Use or threat of force or violence; or

      (2) Commission or threat of a dangerous act; or

      (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

   b. When one or both of the following applies:

      (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

      (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. **Any injury or damage** means any injury or damage covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to **bodily injury, property damage, personal and advertising injury, injury,** act, error or omission in the performance of **professional services** or **environmental damage** as may be defined in any applicable Coverage Part or Policy.

B. The following exclusion is added:

Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism

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

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

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2. Radioactive material is released, and it appears that one purpose of the **terrorism** was to release such material; or
3. The **terrorism** is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the **terrorism** was to release such materials.

In the event of any incident of **terrorism** that is not subject to this exclusion, coverage does not apply to **any injury or damage** that is otherwise excluded under this Coverage Part or Policy.

All other terms and conditions of the policy remain unchanged.

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Civil Union Amendatory Endorsement - 145983 10 13

Policy Amendment

The following provision is added to the policy:

Spouse, wherever used in the policy, is amended to include civil union and domestic partnerships as recognized by any applicable federal, state or local law.

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GENERAL LIABILITY COVERAGE SECTION – DECLARATIONS

- These Declarations, together with the Common Policy Declarations and Policy Conditions, Coverage Form(s) and any Endorsement(s), complete this policy.
- If one or more numbers are shown in the Location(s) column of these Declarations, then each number represents that specific **location(s)** as displayed on the Common Policy Declarations. If the word **"ALL"** is shown in the Location(s) column shown in these Declarations, then such word means all **locations** as displayed on the Common Policy Declarations **except** operations at locations that are specifically excluded.

Audit Period
Annual

Commercial General Liability Coverage Form (CG 00 01 04 13)

Coverage Description	Limits of Insurance
Commercial General Liability Coverage Part	
General Aggregate Limit (Other than Products – Completed Operations)	$ 2,000,000
Products-Completed Operations Aggregate Limit	$ 2,000,000
Personal & Advertising Injury Limit	$ 1,000,000
Each Occurrence Limit	$ 1,000,000
Damage To Premises Rented To You Limit-Any One Premises	$ 100,000
Medical Expense Limit- Any One Person	$ 5,000

Classification(s)

Location(s)	Coverage(s)	Class Code(s)	Classification Description(s)	Basis of Premium	Exposure
1	Premises/Operations (Products Included)	62003	Condominiums - Residential - Association Risk Only	Units	4
1	Premises/Operations (Products Included)	62000	Condominiums - Commercial - Bank or Mercantile, Manufacturing or Office (Association Risk Only)	Area	900

Endorsements

Designated Location(s) General Aggregate Limit (CG 25 04 05 09)

Location Number	Designated Location(s)
1	627 West Pacific Avenue, Telluride, CO 81435

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Designated Premises or Project Coverage Limitation (CG 70 83 07 98)

Description and/or Location of Premises		Description of Project
1	627 West Pacific Avenue, Telluride, CO 81435	Condominiums Association

Fungi or Bacteria Exclusion (CG 72 77 03 19)

Specified Location (If Applicable)
All

Exclusion - Development, Construction or Reconstruction (CG 72 98 03 19)

Specified Location(If Applicable)
All

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

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

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

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

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

b. Contractual Liability

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

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

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

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

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

c. Liquor Liability

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

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

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

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

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

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

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

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

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

d. Workers' Compensation And Similar Laws

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

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e. Employer's Liability

"Bodily injury" to:

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

(a) Employment by the insured; or

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

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

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury. This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

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

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

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

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

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

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

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

(i) Any insured; or

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

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

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

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

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

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

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

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

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

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

g. Aircraft, Auto Or Watercraft

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

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

This exclusion does not apply to:

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

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

(a) Less than 26 feet long; and

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

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

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

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

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

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

h. Mobile Equipment

“Bodily injury” or “property damage” arising out of:

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

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

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i. War

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

(1) War, including undeclared or civil war;

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

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

j. Damage To Property

"Property damage" to:

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

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

(3) Property loaned to you;

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

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

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

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

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

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

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

k. Damage To Your Product

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

l. Damage To Your Work

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

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

m. Damage To Impaired Property Or Property Not Physically Injured

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

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

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

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

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n. Recall Of Products, Work Or Impaired Property

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

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

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

o. Personal And Advertising Injury

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

p. Electronic Data

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

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

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

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

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

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

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

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

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

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

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

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

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

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

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

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

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2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

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

b. Material Published With Knowledge Of Falsity

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

c. Material Published Prior To Policy Period

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

d. Criminal Acts

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

e. Contractual Liability

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

f. Breach Of Contract

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

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

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

h. Wrong Description Of Prices

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

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

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

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

j. Insureds In Media And Internet Type Businesses

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

(1) Advertising, broadcasting, publishing or telecasting;

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

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

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

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

k. Electronic Chatrooms Or Bulletin Boards

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

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l. Unauthorized Use Of Another's Name Or Product

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

m. Pollution

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

n. Pollution-related

Any loss, cost or expense arising out of any:

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

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

o. War

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

(1) War, including undeclared or civil war;

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

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

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

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

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

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

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

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

COVERAGE C – MEDICAL PAYMENTS

1. Insuring Agreement

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

(1) On premises you own or rent;

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

(3) Because of your operations;

provided that:

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

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

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

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

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

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

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

2. Exclusions

We will not pay expenses for “bodily injury”:

a. Any Insured

To any insured, except “volunteer workers”.

b. Hired Person

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

c. Injury On Normally Occupied Premises

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

d. Workers' Compensation And Similar Laws

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

e. Athletics Activities

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

f. Products-Completed Operations Hazard

Included within the “products-completed operations hazard”.

g. Coverage A Exclusions

Excluded under Coverage **A**.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

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

a. All expenses we incur.

b. Up to $250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

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

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

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

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

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

These payments will not reduce the limits of insurance.

2. If we defend an insured against a “suit” and an indemnitee of the insured is also named as a party to the “suit”, we will defend that indemnitee if all of the following conditions are met:

a. The “suit” against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an “insured contract”;

b. This insurance applies to such liability assumed by the insured;

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c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

(a) Cooperate with us in the investigation, settlement or defense of the "suit";

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

(c) Notify any other insurer whose coverage is available to the indemnitee; and

(d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

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

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

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

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

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

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

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

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

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

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

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

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

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by;

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

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

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

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

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

(2) Until your legal representative has been appointed.

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

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

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

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

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

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

SECTION III – LIMITS OF INSURANCE

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

a. Insureds;

b. Claims made or "suits" brought; or

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

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

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

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

c. Damages under Coverage **B**.

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

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

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

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

   b. Medical expenses under Coverage **C**

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

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

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

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

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

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

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

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

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

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

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

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

(2) Notify us as soon as practicable.

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

c. You and any other involved insured must:

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

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

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

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

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

3. Legal Action Against Us

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

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

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

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

4. Other Insurance

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

a. Primary Insurance

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

b. Excess Insurance

(1) This insurance is excess over:

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

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

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

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

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

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

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

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

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

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

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

c. Method Of Sharing

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

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

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5. Premium Audit

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

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

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

6. Representations

By accepting this policy, you agree:

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

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

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

7. Separation Of Insureds

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

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

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

8. Transfer Of Rights Of Recovery Against Others To Us

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

9. When We Do Not Renew

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

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

SECTION V – DEFINITIONS

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

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

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

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

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4. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in Paragraph **a.** above;

(2) The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

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

9. "Insured contract" means:

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

b. A sidetrack agreement;

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

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

e. An elevator maintenance agreement;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

c. Vehicles that travel on crawler treads;

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

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

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

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

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

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

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

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

(1) Equipment designed primarily for:

(a) Snow removal;

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

(c) Street cleaning;

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

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

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

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

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

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

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

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

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

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

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

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

16. “Products-completed operations hazard”:

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

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

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

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

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

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

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

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

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

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

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

17. “Property damage” means:

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

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

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

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

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

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

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

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

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

21. "Your product":

a. Means:

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

(a) You;

(b) Others trading under your name; or

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

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

b. Includes:

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

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

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

22. "Your work":

a. Means:

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

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

b. Includes:

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

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

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COMMERCIAL GENERAL LIABILITY
CG 20 04 11 85

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - CONDOMINIUM UNIT OWNERS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

WHO IS AN INSURED (Section II) is amended to include as an insured each individual unit owner of the insured condominium, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that unit owner's exclusive use or occupancy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

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

Damages arising out of:

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

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

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

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

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

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

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

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

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Communicable Disease

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

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

a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

b. Testing for a communicable disease;

c. Failure to prevent the spread of the disease; or

d. Failure to report the disease to authorities.

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

2. Exclusions

This insurance does not apply to:

Communicable Disease

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

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

a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

b. Testing for a communicable disease;

c. Failure to prevent the spread of the disease; or

d. Failure to report the disease to authorities.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT- RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to:

"Bodily injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

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

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

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

This exclusion applies:

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

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

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

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

This insurance does not apply to:

Personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

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

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

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

This exclusion applies:

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

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

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

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POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY
CG 25 04 05 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Location(s):
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A**, and for all medical expenses caused by accidents under Section **I** – Coverage **C**, which can be attributed only to operations at a single designated "location" shown in the Schedule above:

1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.

2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

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

3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.

4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.

B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I –** Coverage **A**, and for all medical expenses caused by accidents under Section **I –** Coverage **C,** which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:

1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and

2. Such payments shall not reduce any Designated Location General Aggregate Limit.

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C. When coverage for liability arising out of the “products-completed operations hazard” is provided, any payments for damages because of “bodily injury” or “property damage” included in the “products-completed operations hazard” will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.

D. For the purposes of this endorsement, the **Definitions** Section is amended by the addition of the following definition:

“Location” means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

E. The provisions of Section **III –** Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

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Designated Premises or Project Coverage Limitation - CG 70 83 07 98

Policy Amendment(s) Commercial General Liability

Schedule

Description and/or locations of premises and/or project

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

This insurance applies only to **BODILY INJURY, PROPERTY DAMAGE, PERSONAL AND ADVERTISING INJURY** and medical expenses arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule; or
2. The project shown in the Schedule.

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Complete Lead Poisoning and Lead Contamination Exclusion
CG 70 92 03 19

This insurance does not apply to any injury, damage, liability, loss, cost or expense in whole or in part caused by, resulting from, arising out of, or in any way related to **lead,** including, but not limited to:

(1) The manufacture, sale, distribution, handling, use, installation, removal, abatement, containment, storage, emission, release, inhalation, ingestion, absorption, or transmission of or exposure to **lead;**

(2) Any supervision, instructions, recommendations, notices, warnings or advice given or which should have been given in connection with **lead;**

(3) Any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, remediate, neutralize, or in any way respond to or assess the extent or the effects of **lead**; or

(4) Any claim, **suit** or proceeding for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, remediating, neutralizing or in any way responding to, or assessing the effects of **lead.**

We shall have no obligation of any kind, including, but not limited to, any obligation to investigate, defend, pay defense costs, settle, or pay settlements or judgements as to any claim, **suit** or proceeding involving or allegedly involving, **lead.**

As used in this exclusion, **lead** includes, but is not limited to the mineral **lead** (chemical element & symbol {lead (Pb)} Atomic number 82) in any form, whether or not the **lead** is:

(1) Pure;

(2) Contained in, or on, or incorporated into, products, goods or materials;

(3) Solid, liquid, gaseous or in fumes; or

(4) Contained in any part of any building, structure, building material, product or any other real or personal property.

This exclusion does not apply to any **Bodily injury** or **Property damage** that is caused by a sudden, abrupt striking by, or impact with, **lead,** which causes an immediate and conspicuous manifestation of physical injury to persons or property.

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Complete Asbestos Exclusion - CG 70 93 03 19

This insurance does not apply to any injury, damage, liability, loss, cost or expense in whole or in part caused by, resulting from, arising out of, or in any way related to **asbestos**, including, but not limited to:

(1) The manufacture, sale, distribution, handling, use, installation, removal, abatement, containment, storage, transportation, disposal, existence, presence, emanation, emission, release, inhalation, ingestion, absorption, or transmission of or exposure to **asbestos**;

(2) Any supervision, instructions, recommendations, notices, warnings or advice given or which should have been given in connection with **asbestos**;

(3) Any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, remediate, neutralize, or in any way respond to or assess the extent or the effects of **asbestos**; or

(4) Any claim, **suit** or proceeding for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, remediating neutralizing or in any way responding to, or assessing the effects of **asbestos**.

We shall have no obligation of any kind, including, but not limited to, any obligation to investigate, defend, pay defense costs, settle, or pay settlements or judgements as to any claim, **suit** or proceeding involving or allegedly involving **asbestos.**

As used in this exclusion, **asbestos** includes, but is not limited to the mineral **asbestos** in any form, whether or not the **asbestos** is:

(1) A fiber, particle, or dust;

(2) Contained in, or on, or incorporated into, products, goods or materials; or

(3) Contained in any part of any building, structure, building material, product or any other real or personal property.

This exclusion does not apply to any **bodily injury** or **property damage** that is caused by a sudden, abrupt striking by, or impact with, **asbestos**, which causes an immediate and conspicuous manifestation of physical injury to persons or property.

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MultiCover® - Without Medical Payments - CG 71 93 03 19

Policy Amendment(s) Commercial General Liability Coverage Form

Your Commercial General Liability Coverage Form is revised as follows:

1. **Broadened Named Insured**

   A. SECTION II - WHO IS AN INSURED, item 3., is deleted and replaced by the following:

      3. Any organization that you own at the inception of this policy, or newly acquire or form during the policy period, and over which you maintain during the policy period majority ownership or majority interest, will qualify as a Named Insured if:

         a. There is no other similar insurance available to that organization; and

         b. The first Named Insured shown in the Declarations has the responsibility of placing insurance for that organization; and

         c. That organization is incorporated or organized under the laws of the United States of America.

         However:

         (1) Coverage under this provision 3 is afforded only until the next occurring annual anniversary of the beginning of the policy period shown in the Declarations, or the end of the policy period, whichever is earlier; and

         (2) Coverage A does not apply to **bodily injury** or **property damage** that occurred before you acquired or formed the organization; and

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

   B. SECTION II - WHO IS AN INSURED, the last paragraph, is deleted and replaced by the following:

      No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations. However, this does not apply to a limited liability company that meets all of the conditions in Section II - Who Is An Insured, item 3., above.

2. **Additional Insured**

   If an Additional Insured endorsement is attached to this policy that specifically names a person or organization as an additional insured, then this Section 2. Additional Insured does not apply to such person or organization.

   SECTION II - WHO IS AN INSURED, subsection 2.e., is added as follows:

   e. Any person or organization is included as an additional insured, but only to the extent such person or organization is legally obligated to pay for **bodily injury**, **property damage** or **personal and advertising injury** caused by your acts or omissions. With respect to the insurance afforded to such additional insured, all of the following additional provisions apply:

      (1) You have agreed in a written **insured contract** that such person or organization be added as an additional insured under this policy;

      (2) The **bodily injury**, **property damage** or **personal and advertising injury** for which said person or organization is legally obligated to pay occurs subsequent to the execution of such **insured contract;**

      (3) The most we will pay is the lesser of either the amount of insurance available under the applicable Limits of Insurance shown in the Declarations or the limits of insurance required by the **insured contract;**

      (4) The insurance afforded to such additional insured only applies to the extent permitted by law;

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(5) Such person or organization is an additional insured only with respect to:

(a) Their ownership, maintenance, or use of that part of the premises, or land, owned by, rented to, or leased to you, except such person or organization is not an insured with respect to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization;

(b) Your ongoing operations performed for that insured;

(c) Their financial control of you, except such person or organization is not an insured with respect to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization;

(d) The maintenance, operation or use by you of equipment leased to you by such person or organization;

(e) Operations performed by you or on your behalf and for which a state or political subdivision has issued a permit, provided such operations are not performed for such state or political subdivision, and are not included within the **products-completed operations hazard;** or

(f) Their liability as a grantor of a franchise to you.

(6) This insurance does not apply to **bodily injury, property damage, personal and advertising injury, occurrence** or offense:

(a) Which takes place at a particular premises after you cease to be a tenant of that premises;

(b) Which takes place after all work, including materials, parts or equipment furnished in connection with such work to be performed by or on behalf of the additional insured at the site of the covered operations, has been completed;

(c) Which takes place after that portion of **your work** out of which the injury or damage arises has been put to its intended use by any other person or organization other than another contractor or subcontractor engaged in performing operations for a principal as part of the same project; or

(d) Which takes place after the expiration of any equipment lease to which (4)(d) above applies;

(7) With respect to architects, engineers or surveyors, coverage does not apply to **bodily injury, property damage** or **personal and advertising injury** arising out of the rendering or failure to render any professional services by or for you, including:

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

(b) Supervisory, inspection, architectural, or engineering services.

These exclusions apply even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the **occurrence** which caused the **bodily injury** or **property damage**, or the offense which caused the **personal or advertising injury**, involved the rendering of or the failure to render any professional services by or for you.

3. **Additional Insured - Vendors**

If an Additional Insured Vendors endorsement is attached to this policy that specifically names a person or organization as an additional insured, then this Section 3. Additional Insured - Vendors does not apply to that person or organization.

Unless the **products-completed operations hazard** is excluded from this policy, SECTION II - WHO IS AN INSURED, item 2.f. is added as follows:

f. Any vendor of yours is included as an additional insured, but only with respect to **bodily injury** or **property damage** caused by **your products** which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

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(1) The insurance afforded such vendor does not apply to:

(a) **Bodily injury** or **property damage** for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed by the vendor in full compliance with the manufacturer's written instructions at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) **Bodily injury** or **property damage** arising out of the liability of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products or any ingredient, part or container, entering into, accompanying or containing such products;

(3) The most we will pay is the lesser of either the amount of insurance available under the applicable Limits of Insurance shown in the Declarations or the limits of insurance required by the contract or agreement; and

(4) The insurance afforded to such vendor only applies to the extent permitted by law.

4. **Additional Insured - Limited Primary and Noncontributory Provision**

The following is added as a second paragraph to Section IV Conditions, Condition 4. Other Insurance, following paragraph b.(2):

However, if you have added any person, organization or vendor of yours as an additional insured to this policy by way of this MultiCover® endorsement and have agreed in a written **insured contract** that this insurance is primary and non-contributory with other insurance available to that additional insured, this insurance is primary and we will not seek contribution from such additional insured's other insurance, provided that the additional insured is a Named Insured under such other insurance.

5. **Waiver of Subrogation**

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, item 8., is deleted and replaced by the following:

8. Transfer of Rights of Recovery Against Others to Us and Blanket Waiver of Subrogation

a. 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 the loss to impair those rights. At our request, the insured will bring **suit** or transfer those rights to us and help us enforce them.

b. If required by a written **insured contract** executed prior to the **occurrence** or offense, we waive any right of recovery we may have against any person or organization named in such **insured contract**, because of payments we make for injury or damage arising out of your operations or **your work** for that person or organization.

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6. **Cancellation - 90 Days**

Common Policy Conditions endorsement IL0017, A. Cancellation, item 2.b. is deleted and replaced by the following:

b. 90 days before the effective date of cancellation if we cancel for any other reason.

7. **Liberalization**

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, the following is added as an additional Condition:

Liberalization

If we adopt a change in our forms or rules which would broaden the coverage provided by any form that is a part of this policy without an extra premium charge, the broader coverage will apply to this policy. This extension is effective upon the approval of such broader coverage in your state.

8. **Fire, Explosion, Sprinkler Leakage, or Lightning Legal Liability Coverage**

A. SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, the last paragraph, is deleted and replaced by the following:

Exclusions c. through n. do not apply to damage by fire, explosion, sprinkler leakage, or lightning to premises while:

1. Rented to you;
2. Temporarily occupied by you with the permission of the owner; or
3. Managed by you under a written agreement with the owner.

A separate limit of insurance applies to this coverage as described in Section III - LIMITS OF INSURANCE.

B. SECTION III - LIMITS OF INSURANCE, item 6., is deleted and replaced by the following:

6. Subject to 5. above, the Damage to Premises Rented To You Limit shown in the Declarations, for **property damage** to any one premises while rented to you, or in the case of damage by fire, explosion, sprinkler leakage, or lightning while rented to you, temporarily occupied by you with the permission of the owner, or managed by you under a written agreement with the owner, is the greater of:

   a. $1,000,000 Any One Premises; or

   b. The Damage To Premises Rented To You Limit shown in the Declarations.

C. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 4. Other Insurance, b. Excess Insurance, (1)(a), items (i) and (iii), are deleted and replaced by the following:

(i) That is Fire, Explosion, Sprinkler Leakage or Lightning insurance for premises while rented to you, temporarily occupied by you with permission of the owner, or managed by you under a written agreement with the owner;

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

D. SECTION V - DEFINITIONS, 9. **Insured Contract**, item a., is deleted and replaced by the following:

(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, explosion, sprinkler leakage, or lightning to premises while rented to you, temporarily occupied by you with permission of the owner, or managed by you under a written agreement with the owner, is not an **insured contract;**

9. **Damage to Invitees' Automobiles from Falling Trees or Tree Limbs - Limited Coverage**

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This coverage applies to direct physical damage to automobiles owned by invitees subject to all of the following:

1. Provided such damage originates from trees on premises owned, managed, leased or rented by an insured;
2. Coverage applies only to invitees of an insured or an insured's tenant;
3. Such damage is directly caused by wind-driven falling trees or tree limbs;
4. The most we will pay for any one loss is the lowest of:
   a. the actual cash value of the damaged automobile as of the time of the loss; or
   b. the cost of repairing the damaged automobile; or
   c. the cost of replacing the damaged automobile with another automobile of like kind and quality.

   Regardless of the number of occurrences, losses or claims, this coverage is subject to a limit of $25,000 in any one policy period;
5. This coverage is not subject to the General Liability General Aggregate Limit; and
6. We will make payments under this coverage without regard to fault.

10. **Non-Owned or Chartered Watercraft**

    SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, item g. Aircraft, Auto, or Watercraft, item (2), is deleted and replaced by the following:

    (2) A watercraft you do not own that is:
    (a) Less than 51 feet long; and
    (b) Not being used for public transportation or as a common carrier;

11. **Chartered Aircraft**

    SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. Aircraft, Auto Or Watercraft, item (6), is added as follows:

    (6) An aircraft in which you have no ownership interest and that you have chartered with crew.

12. **Coverage Territory - Broadened**

    SECTION V - DEFINITIONS, item 4.a., is deleted and replaced by the following:

    a. The United States of America (including its territories and possessions), Puerto Rico, Canada, Bermuda, the Bahamas, The Cayman Islands and the British Virgin Islands;

13. **Personal and Advertising Injury - Contractual**

    Unless **personal and advertising injury** is excluded from this policy the following applies:

    SECTION I - COVERAGES, COVERAGE B, 2. Exclusions, item e., is deleted.

14. **Fellow Employee Coverage**

    SECTION II - WHO IS AN INSURED, 2.a., item (1) is deleted and replaced by the following:

    (1) **Personal and advertising injury:**

    However, subsections (a), (b), (c) and (d) of item (1) remain unchanged.

15. **Bodily Injury Definition - Broadened**

    SECTION V - DEFINITIONS, 3. **Bodily Injury** is deleted and replaced by the following:

    Bodily injury means bodily injury, sickness or disease sustained by a person including death or mental anguish resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.

16. **Expected or Intended Injury - Amendment to Exclusion**

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SECTION I. Coverage A Bodily Injury and Property Damage Liability, 2. EXCLUSIONS, a. Expected or Intended Injury, is deleted and replaced by the following:

a. Expected or Intended Injury

Bodily injury or **property damage** expected or intended from the standpoint of the insured.

This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property.

17. **Unintentional Failure to Disclose Hazards**

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, item 6. Representations, the following is added:

d. If you unintentionally fail to disclose any hazards existing at the inception date of this policy, we will not deny coverage under this Coverage Form because of such failure. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

18. **Supplementary Payments - Increased Limits**

SECTION I - COVERAGES, SUPPLEMENTARY PAYMENTS - COVERAGES A AND B, items 1.b. and 1.d., are deleted and replaced by the following:

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

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

19. **Duties in the Event of an Occurrence, Offense, Claim or Suit - Amended**

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, item 2.a. is deleted and replaced by the following:

(1) You must see to it that we or any licensed agent of ours are notified of a General Liability **occurrence** or offense which may result in a claim as soon as practicable after it becomes known to:

(a) You, if you are an individual;

(b) Your partner or member, if you are a partnership or joint venture;

(c) Your member, if you are a limited liability company;

(d) Your executive officer if you are an organization other than a partnership, joint venture or limited liability company; or

(e) Your authorized representative or insurance manager.

Knowledge of an **occurrence** or offense by persons other than those listed above does not imply that those listed above also have such knowledge.

(2) To the extent possible, notice should include:

(a) How, when and where the **occurrence** or offense took place;

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

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

20. **Non Employment Discrimination Liability**

Unless **personal and advertising injury** is excluded from this policy the following applies:

A. SECTION V - DEFINITIONS, 14. **Personal and advertising injury**, item h. is added as follows:

h. **Discrimination.**

B. B. SECTION V - DEFINITIONS, item 23. is added as follows:

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23. **Discrimination** means the unlawful treatment of a person or class of persons because of their specific race, color, religion, gender, age, or national origin in comparison to one or more persons who are not members of the specified class.

C. SECTION I - COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions, the following are added:

q. **Discrimination** directly or indirectly related to the past employment, employment or prospective employment of any person or class of persons by any insured;

r. **Discrimination** directly or indirectly related to the sale, rental, lease or sublease or prospective sale, rental, lease or sublease of any dwelling or permanent lodging by or at the direction of any insured;

s. **Discrimination**, if insurance thereof is prohibited by law; or

t. Fines, penalties, specific performance, or injunctions levied or imposed by a governmental entity, governmental code, law, or statute because of **discrimination.**

All other terms and conditions of the policy apply.

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Personal and Advertising Injury Hazard Redefined - CG 72 75 03 19

Policy Amendment(s) Commercial General Liability Coverage Form

Your Commercial General Liability Coverage Form is revised as follows:

SECTION V - DEFINITIONS, 14. **Personal and Advertising Injury,** item c., is replaced by the following:

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 or organization occupies, committed by or on behalf of its owner, landlord or lessor;

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Fungi or Bacteria Exclusion - CG 72 77 03 19

Policy Amendment(s) Commercial General Liability

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

Schedule

Specified Location (If Applicable)

Information required to complete this schedule, if not shown above, will be shown in the declarations.

With respect to the location(s) shown in the above Schedule, the Commercial General Liability Coverage Part is amended as follows.

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

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

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

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

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

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

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

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

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

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

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

All other terms and conditions of the policy remain unchanged.

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Emergency First Aid Endorsement- CG 72 86 12 08

Policy Amendment(s) Commercial General Liability Coverage Form

An **employee** at work on the Named Insured's premises will be construed to be acting within the course and scope of their employment while performing emergency first aid upon another person. If that other person is a co-employee, Exclusion E., Employer's Liability, will not apply.

A **volunteer worker** performing duties related to the conduct of your business on the Named Insured's premises will be construed to be acting within the course and scope of such duties while performing emergency first aid upon another person.

The coverage provided by this endorsement will not apply if the **employee** or **volunteer worker** is a medical professional.

All other terms and conditions remain unchanged.

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Exclusion - Development, Construction or Reconstruction - CG 72 98 03 19

Policy Amendment(s) Commercial General Liability Coverage Form

Your Commercial General Liability Coverage Form is revised as follows:

Schedule

Specified Location (If Applicable)

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

With respect to any development, construction or reconstruction operations or work that take place at any time prior to, during, or after the policy period, including any structural work or alterations or **common interest property** conversion construction operations or work, but not to include regular maintenance of existing properties and tenant improvements, this insurance does not apply to **bodily injury** or **property damage** arising out of **your work**, regardless of:

1. Whether such operations or work are conducted by you or on your behalf or whether the operations or work are conducted for yourself or for others; or
2. Whether premises you sell, give away or abandon are **your work** and were never occupied, rented or held for rental by you; or
3. Whether you assume liability under that part of any contract or agreement that indemnifies any person or organization for **bodily injury** or **property damage** arising out of such operations or work.

Unless a **location** is specified in the above Schedule, this exclusion applies anywhere such operations or work are conducted by you or on your behalf. If a specific **location** is designated in the Schedule of this endorsement, this exclusion applies only to the described operations or work conducted at that **location**.

For the purpose of this endorsement, location means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

As used in this endorsement, **common interest property** is defined as real property which consists of separately owned units and an undivided ownership interest in common areas. **Common interest property** includes but is not limited to condominiums, townhouses, cooperatives, planned communities and time shares.

All other terms and conditions of the policy remain unchanged.

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BUSINESS AUTO

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD

This endorsement modifies insurance provided under the following:

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

The **CONCEALMENT, MISREPRESENTATION OR FRAUD** Condition is replaced by the following:
CONCEALMENT, MISREPRESENTATION OR FRAUD
We will not pay for any loss or damage in any case of:

1. Concealment or misrepresentation of a material fact; or

2. Fraud; committed by you or any other insured ("insured") at any time and relating to coverage under this policy.

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BUSINESS AUTO COVERAGE SECTION - DECLARATIONS

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 Autos section of the Business Auto Coverage Form next to the name of the coverage.**

Audit Period
Annual

Business Auto Coverage Form (CA 00 01 10 13)

Schedule of Coverage

Coverages	Covered Auto Symbols	Limit of Insurance
Liability	8,9	$ 1,000,000

Schedule of Exposure

State	Coverages	Basis of Premium	Exposure
CO	Hired Auto Liability	Cost of Hire	
CO	Non-Owned Auto Liability	Number of Employees	15

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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.

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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.

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.

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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.

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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".

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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".

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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".

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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

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(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.

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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;

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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.

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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

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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

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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.

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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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Colorado, 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.

Changes In Conditions

A. The last paragraph in the **Other Insurance** Condition in the Auto Dealers and Business Auto Coverage Forms and the last paragraph in the **Other Insurance - Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are replaced by the following:

When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, the loss will be paid in accordance with the following method:

1. All applicable policies will pay on an equal basis until the policy with the lowest limit of insurance is exhausted.

2. If any loss remains and there:

a. Are two or more remaining policies whose applicable limits of insurance have not been exhausted, then such policies will continue to pay in accordance with Paragraph **1.;** or

b. Is one remaining policy, then such policy will continue to pay until its limit of insurance has been exhausted.

B. The following condition is added:

If the "insured's" whereabouts for service of process cannot be determined through reasonable effort, the "insured" agrees to designate and irrevocably appoint us as the agent of the "insured" for service of process, pleadings or other filings in a civil action brought against the "insured" or to which the "insured" has been joined as a defendant or respondent in any Colorado court if the cause of action concerns an incident for which the "insured" can possibly claim coverage. Subsequent termination of the insurance policy does not affect the appointment for an incident that occurred when the policy was in effect. The "insured" agrees that any such civil action may be commenced against the "insured" by the service of process upon us as if personal service had been made directly on the "insured". We agree to forward all communications related to service of process to the last-known e-mail and mailing address of the policyholder in order to coordinate any payment of claims or defense of claims that are required.

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Explanation of Premium Basis - CA 70 03 10 01

Policy Amendment

This Endorsement modifies insurance provided under the:
Business Auto Coverage Form
Garage Coverage Form

A. Cost of Hire

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.

B. For Public Autos

Gross Receipts means the total amount to which you are entitled for transporting passengers, mail or merchandise during the policy period regardless of whether you or any other carrier originate the transportation. Gross Receipts does not include:

1. Amounts you pay to railroads, steamship lines, airlines and other motor carriers operating under their own ICC or PUC permits.
2. Advertising Revenue.
3. Taxes which you collect as a separate item and remit directly to a governmental division.
4. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing units operated during the policy period.

C. For Rental or Leasing Concerns

Gross receipts means the total amount to which you are entitled for the leasing or rental of **autos** during the policy period and includes taxes except those taxes which you collect as a separate item and remit directly to a governmental division.

Mileage means the total of all live and dead mileage developed by all the **autos** you leased or rented to others during the policy period.

All other terms and conditions of the policy remain unchanged.

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Exclusion of Terrorism - CA 70 77 01 06

Policy Amendment

This Endorsement modifies insurance provided under the:
Business Auto Coverage Form
Business Auto Physical Damage Coverage Form
Garage Coverage Form
Motor Carrier Coverage Form
Single Interest Automobile Physical Damage Insurance Policy

A. The following definitions are added and apply under this endorsement:

1. **Terrorism** means activities against persons, organizations or property of any nature:
   a. That involve the following or preparation for the following:
      (1) Use or threat of force or violence; or
      (2) Commission or threat of a dangerous act; or
      (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
   b. When one or both of the following applies:
      (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
      (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
2. **Any injury or damage**, **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 injury**, **personal and advertising injury**, **loss**, loss of use, rental reimbursement after **loss** or **covered pollution costs 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 or 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**:

This form must be attached to Change Endorsement when issued after the policy is written.
One of the **Allianz Global Risks US Companies** as named in the policy.

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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.

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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 Paragraphs B. or C., coverage does not apply to **any injury or damage**, **loss or expense** that is otherwise excluded under this Coverage Form, Policy or any applicable endorsement.

All other terms and conditions of the policy remain unchanged.

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About Allianz

Your insurance company is part of the Allianz Group – an organization with a 125-year history of partnering with clients and delivering exceptional insurance products around the world.

Allianz is the world's largest property & casualty insurance company by revenue and has one of the strongest financial ratings of the leading global property & casualty insurers. The strength of its financial ratings and quality of its people make Allianz the insurer of choice for thousands of mid-size businesses and the majority of Global Fortune 500® companies.

Allianz is also ranked "one of the world's most admired companies" by Fortune and "one of the top 100 global brands" by Interbrand.

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