

Sierra Specialty Insurance Company(A Stock Insurance Company)  
An AmTrust Financial Company  
A- (Excellent) XV by A.M. Best

## Program Administrator

Blitz Insurance Agency, LLC [www.blitzinsurance.com](http://www.blitzinsurance.com)

General Inquiry: [underwriting@blitzinsurance.com](mailto:underwriting@blitzinsurance.com)

Claim Reporting: [claims@blairandco.net](mailto:claims@blairandco.net)

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COMMON POLICY

Sierra Specialty Insurance Company

4455 LBJ Freeway, Suite 700  
Dallas, TX 75244

DECLARATIONS

Phone: (877) 528-7878

Policy #: JPP05583CA000 Application #: AC-TX-0523-C565 Prior Policy #: NEW				May 23, 2024 to May 23, 2025 At 12:01 AM Standard Time of First Named Insured Address			
ITEM ONE - Named Insured and Mailing Address							
Legal Business Name		Doing Business As		Mailing Address		Business type	
Best Drywall Contractor				1234 E Main St , Dallas 75204 TX		Partnership	

IN RETURN FOR THE PAYMENT OF THE PREMIUM AND SUBJECT TO ALL THE TERMS OF THIS POLICY WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

ITEM TWO - Business Description	
Contractors	
ITEM THREE - Product Premiums	
This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.	
Product	Premium
General Liability	\$3,208.00
General Liability Extension	\$450.00
Contractors Inland Marine Bundle	\$100.00
Commercial Property	\$3,994.00
Commercial Property Coverage Extension	\$1,151.00
Premium shown is payable:	\$8,903.00
Blitz Broker Fee	\$250.00
Stamping Fee	\$3.66
Surplus Lines Tax	\$443.92
Total:	\$9,600.58

FORMS AND ENDORSEMENTS MADE A PART OF THIS POLICY AT TIME OF ISSUE - SEE SCHEDULE OF FORMS AND ENDORSEMENTS

Surplus Lines Agent

Blitz Broker  
123-12-11234

Read Your Policy Carefully

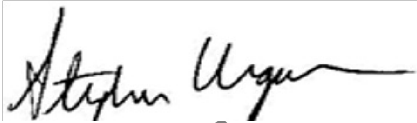
This policy is a legal contract between you and us. The information on this page is not the insurance contract and only the actual policy provisions will control. The policy sets forth in detail the rights and obligations of both you and us. **It is therefore important that you read your policy carefully.**

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of the policy.

This policy is signed by the President and Secretary of the insurance company and, if required by State law, this policy shall not be valid unless countersigned on the Declaration page by its authorized representative



President



Secretary

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## Forms List

Form Number	Form Name
BLZ AC 100 01 22	COMMON POLICY DECLARATIONS
BLZ AC 118 01 22	FORMS LIST
IL 00 17 11 98	COMMON POLICY CONDITIONS
BLZ AC 124 03 24	AMENDMENT TO COMMON POLICY CONDITIONS
BLZ AC 105 08 23	MINIMUM EARNED PREMIUM
IL 00 03 09 08	CALCULATION OF PREMIUM
BLZ AC 104 02 24	CLAIMS NOTIFICATION
CPS33007 0524	POLICYHOLDER NOTICE - SERVICE OF PROCESS
BLZ AC 115 08 23	FRAUD STATEMENT
BLZ AC 107 01 22	US TERRORISM RISK INSURANCE ACT OF 2002 (AS AMENDED) - NOT PURCHASED
IL 09 53 01 15	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
BLZ AC 120 01 22	POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE
BLZ AC 106 01 22	SANCTION LIMITATION AND EXCLUSION CLAUSE
IL P 001 01 04	US TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS
IL 00 21 09 08	NUCLEAR ENERGY LIABILITY EXCLUSION
IL 09 35 07 02	EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES
BLZ AC 123 12 22	EXCLUSION - ELECTRONIC MEDIA
BLZ AC 113 01 22	ACTIVE LICENSE WARRANTY
BLZ GL 100 01 22	COMMERCIAL GENERAL LIABILITY DECLARATIONS
CG 00 01 04 13	COMMERCIAL GENERAL LIABILITY COVERAGE FORM - OCCURRENCE
BLZ GL 221 01 24	CONTRACTORS INLAND MARINE BUNDLE
BLZ GL 252 01 24	CONTRACTORS LIABILITY EXTENSION - DEFENSE INSIDE THE LIMITS
CG 04 37 12 23	LOSS OF ELECTRONIC DATA RESULTING FROM PHYSICAL INJURY TO TANGIBLE PROPERTY LIABILITY COVERAGE - SUBJECT TO CYBER INCIDENT EXCLUSION
BLZ GL 212 01 24	LOST KEY COVERAGE ENDORSEMENT
BLZ GL 126 04 24	CONTRACTORS WARRANTY

BLZ GL 150	ADDITIONAL INSURED - GRANTOR OF LICENSES - AUTOMATIC STATUS WHEN REQUIRED BY LICENSOR
CG 20 01 12 19	PRIMARY AND NONCONTRIBUTORY - OTHER INSURANCE CONDITION
BLZ GL 203 02 24	WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WRITTEN CONTRACT)
CG 20 35 12 19	ADDITIONAL INSURED - GRANTOR OF LICENSES AUTOMATIC STATUS WHEN REQUIRED BY LICENSOR
BLZ GL 117 08 23	AUDIT PREMIUMS - AMENDATORY ENDORSEMENT
BLZ GL 171 12 23	CLASSIFICATION LIMITATION
BLZ GL 193 01 24	CLASSIFICATION - REMODELING LIMITATION
CG 21 32 05 09	COMMUNICABLE DISEASE EXCLUSION
CG 03 00 01 96	DEDUCTIBLE LIABILITY INSURANCE
BLZ GL 186 01 24	EXCLUSION - EARTH OR LAND MOVEMENT

Form Number	Form Name
CG 21 47 12 07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
BLZ GL 172 04 24	EXCLUSION - ABSOLUTE EMPLOYEE AND WORKER INJURY AND LIABILITY
CG 21 46 07 98	ABUSE OR MOLESTATION EXCLUSION
CG 21 06 05 14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
BLZ GL 161 04 24	EXCLUSION - ANIMAL
BLZ GL 206 02 24	EXCLUSION - ANY FIREARM OR OTHER WEAPON
BLZ GL 181 01 24	EXCLUSION ASBESTOS
BLZ GL 211 02 24	EXCLUSION - BREACH OF CONTRACT
CG 22 79 04 13	EXCLUSION - CONTRACTORS PROFESSIONAL LIABILITY
BLZ GL 204 04 24	EXCLUSION - CROSS LIABILITY
CG 21 54 12 19	EXCLUSION - DESIGNATED OPERATIONS COVERAGE BY A CONTROLLED (WRAP-UP) INSURANCE PROGRAM (VARIABLE FORM. INDICATE: "ALL OPERATIONS COVERED BY A CONSOLIDATED WRAP-UP PROGRAM")
BLZ GL 232 01 24	EXCLUSION - DESIGNATED OPERATIONS
CG 21 86 12 04	EXCLUSION - EXTERIOR INSULATION AND FINISH SYSTEMS
BLZ GL 105 08 23	EXCLUSION - FINES, PENALTIES, PUNITIVE OR EXEMPLARY DAMAGES

BLZ GL 129 01 22	EXCLUSION - FOR HAZARDS OF LEAD
BLZ GL 184 01 24	EXCLUSION HYDRAULIC FRACTURING
BLZ GL 207 02 24	EXCLUSION - INTELLECTUAL PROPERTY
BLZ GL 253 02 24	EXCLUSION - MICROORGANISMS, BIOLOGICAL ORGANISMS, BIOAEROSOLS OR ORGANIC CONTAMINANTS
BLZ GL 202 02 24	EXCLUSION - MULTI-UNIT HABITATIONAL CONVERSION
BLZ GL 102 08 23	EXCLUSION - NEW ENTITIES
BLZ GL 153 02 24	EXCLUSION - OCCUPATIONAL DISEASE
CG 21 73 01 15	EXCLUSION - CERTIFIED ACTS OF TERRORISM
CG 40 32 05 23	EXCLUSION - PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCE (PFAS)
BLZ GL 106 01 22	EXCLUSION - PROFESSIONAL LIABILITY
BLZ GL 120 01 22	EXCLUSION - RACKETEER INFLUENCED CORRUPTION ORGANIZATIONS (RICO)
BLZ GL 178 12 23	EXCLUSION - SWIMMING POOL POP-UP
BLZ GL 241 02 24	EXCLUSION - TAINTED DRYWALL MATERIAL
BLZ GL 109 01 22	EXCLUSION - TOTAL LIQUOR
BLZ GL 164 04 24	EXCLUSION - TOTAL PESTICIDES, PESTS AND BUGS, VIRUS, BACTERIA OR BIOLOGICAL CONTAMINANT
CG 21 09 06 15	EXCLUSION - UNMANNED AIRCRAFT
BLZ GL 175 12 23	EXCLUSION - WILDFIRE
CG 21 67 12 04	FUNGI OR BACTERIA EXCLUSION
BLZ GL 118 01 22	NON-STACKING ENDORSEMENT
CG 20 01 12 19	PRIMARY AND NONCONTRIBUTORY - OTHER INSURANCE CONDITION
CG 21 96 03 05	SILICA OR SILICA-RELATED DUST EXCLUSION
CG 21 49 09 99	TOTAL POLLUTION EXCLUSION ENDORSEMENT
CG 24 04 12 19	WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

Form Number	Form Name
BLZ CP 100 01 22	COMMERCIAL PROPERTY DECLARATIONS
CP 10 30 09 17	CAUSES OF LOSS - SPECIAL FORM

CP 00 10 10 12	BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CP 00 30 10 12	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
CP 04 05 09 17	ORDINANCE OR LAW COVERAGE
BLZ CP 107 08 23	COMMERCIAL PROPERTY COVERAGE EXTENSION
CP 00 90 07 88	COMMERCIAL PROPERTY CONDITIONS
CP 12 11 09 17	BURGLARY AND ROBBERY PROTECTIVE SAFEGUARDS
BLZ CP 134 01 22	LOCKED VEHICLE WARRANTY
CP 04 11 09 17	PROTECTIVE SAFEGUARDS
CP 10 75 12 20	CYBER INCIDENT EXCLUSION
BLZ CP 139 10 22	EXCLUSION OF LOSS DUE TO PESTICIDES, PESTS, BUGS, PLANT VIRUS OR DISEASE
CP 01 40 07 06	EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
CP 03 20 04 18	MULTIPLE DEDUCTIBLE FORM
BLZ CP 166 05 23	THEFT FROM UNATTENDED VEHICLE EXCLUSION
BLZ TX 100 01 22	TEXAS FLOOD INSURANCE DISCLOSURE NOTICE
BLZ TX 101 01 22	TEXAS PERIOD TO FILE A CLAIM OR BRING LEGAL ACTION AGAINST US NOTICE - WINDSTORM OR HAIL - CATASTROPHE AREA



## COMMON POLICY CONDITIONS

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

### A. Cancellation

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

### B. Changes

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

### C. Examination Of Your Books And Records

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

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

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

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

### E. Premiums

The first Named Insured shown in the Declarations:

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

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

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

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.

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

## **AMENDMENT TO COMMON POLICY CONDITIONS**

This endorsement modifies insurance provided under the following:

### **ALL COVERAGE PARTS**

**This Endorsement modifies the Policy's Common Policy Conditions as follows:**

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

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.

The following paragraphs are added:

#### **G. Cancellation Of One Coverage Part In Package Policy**

1. We reserve the right to cancel separate coverage parts under this Policy, subject to the applicable Cancellation provision in the Policy. Our cancellation of one or more coverage parts shall not constitute a cancellation of the entire Policy unless otherwise indicated in the Notice of Cancellation.
2. In the event of Cancellation of one or more coverage parts of this Policy, we will return any premium refund due for the cancelled coverage part or parts only. We will not return premium for any coverage parts under this Policy that were not canceled.

#### **H. Right to Rescind Singular Coverage Parts In Package Policy**

1. In the event we resort to rescission, we reserve the right to rescind one or more coverage parts of the Policy on an individual or joint basis. Rescission of one or more coverage parts will not constitute rescission of the entire Policy unless so indicated in the notice of Rescission.
2. In the event of rescission by us of one or more coverage parts of this Policy, we will return your premium for the rescinded coverage part or parts only. We will not return premium for any coverage parts under this Policy that were not rescinded.

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

## **MINIMUM EARNED PREMIUM ENDORSEMENT**

This endorsement modifies and amends insurance provided under the following:

### **ALL COVERAGE PARTS**

This endorsement sets forth the minimum earned premium for the policy. The minimum earned premium for this policy is calculated with the following:

1. The minimum and deposit premium for the annual policy period is **25%** of the total policy premium as shown on the policy declarations page plus any premium adjustment by endorsement and any additional premium developed by audit.
2. Audits that indicate a return premium will not reduce the minimum as stated in paragraph 1.
3. If the insured cancels this policy and the policy **is not** subject to audit, the return premium will be the appropriate pro-rated amount of the unearned policy premium; however, in no event will the Company retain less than **25%** of the minimum earned premium shown in paragraph 1. above.
4. If the insured cancels this policy and the policy **is** subject to audit, the earned premium will be determined by final audit; however, in no event will it be less than **25%** of the minimum premium as described in paragraph 1. above.
5. If the Company cancels the policy for any reason, other than for non-payment of premium, the return premium will be the appropriate pro-rated amount of the unearned policy premium without any minimum premium restrictions.
  - a. If the policy **is** subject to audit, the Company has the right but is not required to determine the final earned premium by final audit.
6. If the Company cancels the policy for non-payment of premium, the premium will be calculated as follows:
  - a. If the policy **is not** subject to audit, the return premium will be the appropriate prorated amount of the unearned policy premium; however, in no event will the Company retain less than 25% of the minimum earned premium shown in paragraph 1. above
  - b. If the policy **is** subject to an audit, the Company has the right but is not required to determine the final earned premium by final audit. If no audit is performed the return premium will be the appropriate pro-rated amount of the unearned policy premium; however, in no event will it be less than 25% of the minimum premium as described in paragraph 1. Above
7. In the event of a total loss or a "constructive total loss" to Covered Property by a Covered Cause of Loss, the entire policy premium will be fully earned and no return premium will be due. "Constructive total loss" means the Covered Property damaged by a Covered Cause of loss is treated as a total loss because the cost of repairing the damaged Covered Property exceeds the actual cash value of the Covered Property at the time of loss.

All other terms and conditions of this policy remain unchanged.

BLZ AC 105 08 23

Page 1 of 1

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.

BLZ-K1 AC 104 02 24

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

## **CLAIMS NOTIFICATION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE FORM COMMERCIAL PROPERTY COVERAGE FORM**

It is agreed that the following is hereby added to SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

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

- e. You and any other involved insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. Notice must be given to:

- (1) Blitz Insurance Agency, LLC  
c/o Blair & Company 3111 Attention:  
Claims  
Department, Springbank  
Lane, Suite C Charlotte,  
NC 28226

or

- (2) Via e-mail to: [claims@blairandco.net](mailto:claims@blairandco.net)

or

- (3) Via phone to: (800) 487-1263

or

- (4) Online at: <https://www.blairandco.net/submit-a-claim/>

**POLICYHOLDER NOTICE – SERVICE OF PROCESS**

Service of process for any suit instituted against Sierra Specialty Insurance Company concerning this Policy may be made upon the Superintendent, Commissioner, or Director of Insurance or other person specified for that purpose in the statute or his/her successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder and arising out of this Policy.

Sierra Specialty Insurance Company has designated:

Mr. Stephen Ungar, Secretary  
Sierra Specialty Insurance Company  
59 Maiden Lane, 43<sup>rd</sup> Floor  
New York, NY 10038

as the person(s)/organization to whom the Superintendent, Commissioner, or Director of Insurance or other specified person is authorized to mail such process or a true copy thereof, in compliance with the applicable statutes governing said service of process in the state or jurisdiction in which a cause of action under this Policy arises.

## Sierra Specialty Insurance Company

BLZ AC 115 08 23

**FRAUD STATEMENTS****General Statement:**

Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects the person to criminal and [NY: substantial] civil penalties.

**Applicable in AL, AR, DC, LA, MD, NM, RI and WV**

Any person who knowingly (or willfully)\* presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully)\* presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. \*Applies in MD Only.

**Applicable in CO**

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**Applicable in FL and OK**

Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony (of the third degree)\*. \*Applies in FL Only.

**Applicable in KS**

Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

**Applicable in KY, NY, OH and PA**

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties (not to exceed five thousand dollars and the stated value of the claim for each such violation)\*. \*Applies in NY Only.

**Applicable in ME, TN, VA and WA**

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties (may)\* include imprisonment, fines and denial of insurance benefits. \*Applies in ME Only. **Applicable in NJ**

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**Applicable in OR**

Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Signature on file with carrier

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Applicant's Signature

---

Date

BLZ AC 115 08 23

Page 1 of 1

BLZ AC 107 01 22

TERRORISM COVERAGE – NOT PURCHASED

**U.S. TERRORISM RISK INSURANCE ACT  
OF 2002 (AS AMENDED) – NOT PURCHASED**

*This Endorsement is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended as summarized in the disclosure notice.*

It is hereby noted that the Company has made available coverage for "insured losses" directly resulting from an "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA") and the Insured has declined or not confirmed to purchase this coverage.

**This Insurance therefore affords no coverage for losses directly resulting from any "act of terrorism" as defined in TRIA except to the extent, if any, otherwise provided by this policy.**

All other terms, conditions, insured coverage, and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.



POLICY NUMBER:

IL 09 53 01 15

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

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

**SCHEDULE**

The **Exception Covering Certain Fire Losses** (Paragraph C) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy
All states and locations as listed in the Declarations	Commercial Property Coverage Part, Commercial Inland Marine Coverage Part, Equipment Breakdown Coverage Part
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A.** 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, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

**IL 09 53 01 15**

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

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**IL 09 53 01 15**

**B.** The following exclusion is added:

**CERTIFIED ACT OF TERRORISM EXCLUSION**

We will not pay for loss or damage 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.

**C. Exception Covering Certain Fire Losses** The following exception to the exclusion in Paragraph **B.** applies only if indicated and as indicated in the Schedule of this endorsement. If a "certified act of terrorism" results in fire, 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. 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.

**D. 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 or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

### Disclosure of Federal Participation in Payment of Terrorism Losses

## Cap on Insurer Participation in Payment of Terrorism Losses

### Disclosure of Premium

### Acceptance or Rejection of Terrorism Insurance Coverage

Signature on file with carrier      Policyholder/Applicant's Signature

Date: 05/23/2024

SPECIMEN

**SANCTION LIMITATION AND EXCLUSION CLAUSE**

**SANCTION LIMITATION AND EXCLUSION CLAUSE**

No insurer or reinsurer shall be deemed to provide cover, and no insurer or reinsurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the insurer or reinsurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the United States of America.

SPECIMEN

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

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

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

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

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers; as "Specially Designated Nationals and Blocked Persons". This list can be located

on the United States Treasury's web site – <http://www.treas.gov/ofac>.

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

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**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

United States of America, or any agency thereof, with any person or organization.

**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

**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".

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

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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

and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a selfsupporting 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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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES**

This endorsement modifies insurance provided under the following:

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

**A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.

**1.** The failure, malfunction or inadequacy of:

**a.** Any of the following, whether belonging to any insured or to others:

- (1) Computer hardware, including microprocessors;
- (2) Computer application software;
- (3) Computer operating systems and related software;
- (4) Computer networks;
- (5) Microprocessors (computer chips) not part of any computer system; or
- (6) Any other computerized or electronic equipment or components; or



- b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.

**B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:

1. In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland

Marine Coverage Part or the Standard Property Policy; or

**2.** Under the Commercial Property Coverage Part:

- a. In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss Special Form; or

- b. In a Covered Cause of Loss under the Causes Of Loss Basic Form or the Causes Of Loss Broad Form; we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.

- c. We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

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

## **EXCLUSION – ELECTRONIC MEDIA**

This endorsement modifies insurance provided under the following:

**ALL COVERAGE PARTS**

The coverage under this policy does not apply to any loss, injury, damage, claim or "suit", including but not limited to any "bodily injury", "property damage", or "personal and advertising injury", based upon or arising directly or indirectly out of any:

1. Misdirection of electronic mail, communications or other electronic media, including but not limited to any media or communications sent through any intranet, extranet, electronic chat room, bulletin board or through the use of any internet, cellular or other data-transmitting connection, including through any cellular phone or similar device;
2. Loss or interception of any client or customer information transmitted via electronic means by any insured or any other party, with or without the knowledge or consent of an insured;
3. Introduction of any unauthorized corrupting or harmful computer code, including but not limited to computer viruses, spyware, Trojan horses, worms, logic bombs, or mutations of any of the preceding, to any computer system, server or network of any insured or any third party; or

4. Unintentional or unauthorized access, or access that exceeds authorization granted by an insured to any electronic device, computer, computer system, server or network, including but not limited to any ransomware or malware attack.

This exclusion applies regardless of whether the loss, injury, damage, "bodily injury", "property damage", or "personal and advertising injury" results from any intentional or unintentional act of any insured.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

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

### **ACTIVE LICENSE WARRANTY**

This Endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COMMERCIAL PROPERTY COMMERCIAL AUTO LIABILITY**

As a condition of coverage provided under the policy(s) to which this endorsement is attached, the Named insured must at all times during the policy term:

- (1) Hold an active and valid license in good standing issued by each State where the insured's business operation(s) take place.
- (2) Hold an active and valid license for the type of cannabis or hemp operation(s) conducted by the Named Insured, if applicable.
- (3) Hold all licenses, permits or other authorizations required by all applicable local jurisdictions relating to the insured's operation(s) that are active, valid and in good standing.

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





## COMMERCIAL GENERAL LIABILITY

Sierra Specialty Insurance Company

4455 LBJ Freeway, Suite 700

Dallas, TX 75244

### DECLARATIONS

Phone: (877) 528-7878

Policy Number		Policy Period	
Policy #: JPP05583CA000 Application #: AC-TX-0523-C565 Prior Policy #: NEW		May 23, 2024 to May 23, 2025 At 12:01 AM Standard Time of First Named Insured Address	
ITEM ONE - Named Insured and Mailing Address			
Legal Business Name	Doing Business As	Mailing Address	Business type
Best Drywall Contractor		1234 E Main St , Dallas 75204 TX	Partnership

IN RETURN FOR THE PAYMENT OF THE PREMIUM AND SUBJECT TO ALL THE TERMS OF THIS POLICY WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

ITEM THREE - Schedule of Coverages			
Coverage	Limit	Deductible	Premium
General Liability	\$1,000,000 Occurrence / \$2,000,000 Aggregate	\$0 Per Claim	\$1,473.00
Personal And Advertising Injury	\$1,000,000 Per Occurrence	\$0 Per Claim	Included
Medical payments	\$5,000 Any One Person	N/A	Included
Damage To Premises Rented to You	\$100,000 Any One Premise	\$0 Per Claim	Included
Products & Completed Operations	\$1,000,000 Occurrence / \$2,000,000 Aggregate	\$0 Per Claim	\$1,735.00
Total Premium:			\$3,208.00
THIS INSURANCE DOES NOT APPLY TO "BODILY INJURY", "PROPERTY DAMAGE" OR "PERSONAL AND ADVERTISING INJURY" WHICH OCCURS BEFORE THE RETROACTIVE DATE, IF ANY, SHOWN BELOW.			
Retroactive Date: N/A			
ITEM TWO - Business Description			
Contractors			

## Schedule of Classifications - General Liability

Classification		Exposure	ProdOps Rate
91583 Contractors - subcontracted work - in connection with building construction, reconstruction, repair or erection - one or two family dwellings91585 Contractors - subcontracted work - in connection with construction, reconstruction, repair or erection of buildings - Not Otherwise Classified† subject to the General Aggregate Limit		\$75,000.00 Total Cost	\$4.172 per \$1,000 Total Cost
92338 Dry Wall or Wallboard Installation† subject to the General Aggregate Limit		\$200,000.00 Payroll	\$7.109 per \$1,000 of Payroll
Estimated Annual Premium (Subject to Audit): \$1,735.00			
Audit Period: Annually			
General Liability Extension Coverages			
		Deductible	\$0.00 Per Claim
Coverage	Limit	Premium	
Limited E&O - Defense Inside Limits	\$25,000 Occurrence / \$50,000 Aggregate	\$150.00	
Lost Key	\$25,000 Occurrence / \$50,000 Aggregate	\$150.00	
Loss of Electronic Data Resulting from Physical Injury to Tangible Property	\$25,000 Occurrence / \$50,000 Aggregate	\$150.00	

Total Premium		\$450.00
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		<b>Deductible</b>	\$1,000.00
<b>Coverage</b>	<b>Limit</b>	<b>Premium</b>	

The following coverages and limits apply to each described property as shown below. Coverages are defined in the policy and are subject to the terms and conditions contained in the policy, including amendments and endorsements.

<b>Classification</b>	<b>Exposure</b>	<b>General Liability Rate</b>
91583 Contractors - subcontracted work - in connection with building construction, reconstruction, repair or erection - one or two family dwellings 91585 Contractors - subcontracted work - in connection with construction, reconstruction, repair or erection of buildings - Not Otherwise Classified	\$75,000.00 Total Cost	\$2.382 per \$1,000 Total Cost
92338 Dry Wall or Wallboard Installation	\$200,000.00 Payroll	\$6.473 per \$1,000 of Payroll
<b>Estimated Annual Premium (Subject to Audit): \$1,473.00</b>		

#### **Schedule of Classifications - Products and Completed Operations**

The following coverages and limits apply to each described property as shown below. Coverages are defined in the policy and are subject to the terms and conditions contained in the policy, including amendments and endorsements.

Contractor's Equipment and Miscellaneous Tools	\$2,500.00 Per Occurrence	\$100.00
Installation Floater	\$2,500.00 Per Occurrence	Included
Contractors' Equipment Rental Reimbursement	\$2,500.00 Per Occurrence	Included
<b>Total Premium</b>		\$100.00
<b>Coverage Modifications</b>		
\$100,000 Sublimit For Assault And/Or Battery Applies		

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Additional Insureds		
Form Description	Form Number	Premium
Grantor of Licenses Automatic	BLZ GL 150 01 22	\$0.00
Primary and Noncontributory - Other Insurance Condition	CG 20 01 19 19	\$0.00
Waiver of Subrogation Blanket	BLZ GL 203 02 24	\$0.00
Total		\$0.00

Optional Premium Charges for Additional Insureds coverage are fully earned

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## Read Your Policy Carefully

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This policy is a legal contract between you and us. The information on this page is not the insurance contract and only the actual policy provisions will control. The policy sets forth in detail the rights and obligations of both you and us. **It is therefore important that you read your policy carefully.**

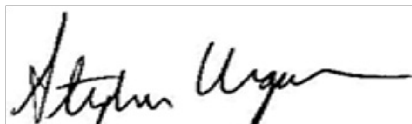
We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of the policy.

This policy is signed by the President and Secretary of the insurance company and, if required by State law, this policy shall not be valid unless countersigned on the Declaration page by its authorized representative



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**President**



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**Secretary**

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# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

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

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

## SECTION I – COVERAGES COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

### 1. Insuring Agreement

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

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

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

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

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and

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

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under

Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

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

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

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

### 2. Exclusions

This insurance does not apply to:

- a. **Expected Or Intended Injury** "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from

the use of reasonable force to protect persons or property.

#### **b. Contractual Liability**

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

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

#### **c. Liquor Liability**

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

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

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

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol; if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

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

**d. Workers' Compensation And Similar Laws** Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

#### **e. Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (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".

(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.

#### **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 "productscompleted 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 "productscompleted operations hazard".

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

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

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

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

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

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

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

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property"; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury "Bodily injury" arising out of "personal and advertising injury".**

**p. Electronic Data**

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

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

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, CDROMs, 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.

**2. Exclusions**

This insurance does not apply to:

**a. Knowing Violation Of Rights Of Another**  
"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

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

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

**c. Material Published Prior To Policy Period**  
"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

**d. Criminal Acts**

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

**e. Contractual Liability**

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

**f. Breach Of Contract**

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

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

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

**h. Wrong Description Of Prices** "Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

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

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

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

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

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

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

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

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

**k. Electronic Chatrooms Or Bulletin Boards**

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

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

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

**m. Pollution**

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

**n. Pollution-related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".



**o. War**

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

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

**p. Recording And Distribution Of Material Or Information In Violation Of Law** "Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

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

**COVERAGE C – MEDICAL PAYMENTS 1. Insuring Agreement**

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

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations; provided that:
  - (a) The accident takes place in the "coverage territory" and during the policy period;
  - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
  - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

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

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

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

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

**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;
  - 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:

**(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**.
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 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 selfinsured amounts under all that other insurance.

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

#### c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

### 5. Premium Audit

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

- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

## 6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

## 7. Separation Of Insureds

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

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

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

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

## 9. When We Do Not Renew

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

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

## SECTION V – DEFINITIONS

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

## 2. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

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

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

## 4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:

- (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
- (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
- (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

- 5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

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

"insured contract";

- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of

construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

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

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

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

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

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

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

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

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

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

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

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

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

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or

financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- 13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - f. The use of another's advertising idea in your "advertisement"; or
  - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- 15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 16. "Products-completed operations hazard":
  - a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
    - (1) Products that are still in your physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
      - (a) When all of the work called for in your contract has been completed.



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

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

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

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

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

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

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

17. "Property damage" means:

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

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, CDROMs, 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 shortterm workload conditions.

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

21. "Your product":

a. Means:

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

(a) You;

(b) Others trading under your name; or

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

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

b. Includes:

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

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

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

**22. "Your work":**

**a. Means:**

- (1)** Work or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work or operations.

**b. Includes:**

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.

SPECIMEN

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONTRACTORS INLAND MARINE BUNDLE

This Endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

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

COVERAGE	LIMIT
Contractors' Equipment and Miscellaneous Tools	\$ 2,500
Installation Floater	\$ 2,500
Contractors' Equipment Rental Reimbursement	\$ 2,500
PREMIUM	\$ 200

The premium and limits above shall apply unless otherwise stated on the Declarations page.

#### A. Coverage

We will pay for direct physical loss or damage to Covered Property from any of the Covered Causes of Loss.

##### 1. Covered Property

- a. "Contractors' equipment";
- b. Miscellaneous tools; or
- c. Installation floater

##### 2. Property Not Covered

Covered property does not include:

- a. Automobiles, motor trucks, motorcycles, trailers, semi-trailers or any other vehicles designed and principally used for highway transportation unless unlicensed and not operated on public roads;
- b. Aircraft or watercraft;
- c. Accounts, bills, currency, deeds, money, notes securities and evidence of debt;
- d. Buildings or structures at a "job site";
- e. Equipment owned, leased or rented to others;
- f. Plans, blueprints, designs or specifications;
- g. Property while underground, underwater, airborne or waterborne;
- h. Property which has become a part of any structure;
- i. Land (including land on which the property is located) or water; or j. "Stock".

##### 3. Covered Causes of Loss

Covered Causes of Loss means direct physical loss of or damage to Covered Property except those causes of loss listed in Section **B. Exclusions**.

##### 4. Coverage Extension

In addition to Section **C. Limits of Insurance:**

**Contractors Equipment Rental Reimbursement**

We will pay necessary expenses you incur for rental of "substitute contractors' equipment" when all of the following apply.

- a. You sustain a loss to Covered Property caused by resulting from a Covered Cause of Loss;
- b. The Covered Property is necessary to continue your normal operations or work in progress; and
- c. You do not have the equivalent, "contractors' equipment" or "miscellaneous tools" available.

The most we will pay under this Coverage Extension for your rental expenses is the Contractors' Equipment Rental Reimbursement Limit shown in the Schedule above for any one loss. There is a three-day deductible period so you will be responsible for all expenses incurred during the first 72 hours following the loss for rental of "substitute contractors' equipment". The coverage will end when one of the following first occurs:

- d. The "contractors' equipment" or "miscellaneous tools" are replaced
- e. The "contractors' equipment" or "miscellaneous tools" are restored to service; or
- f. The need for the "substitute contractors' equipment" no longer exists.

You must take all reasonable steps to repair or replace the "contractors' equipment" or "miscellaneous tools" and resume your normal business operations or work in progress as quickly as possible.

**B. Exclusions**

1. We will not pay for damage to Covered Property caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

**a. Governmental Action**

Seizure or destruction of Covered Property by order of governmental authority.

But we will pay for loss or damage to Covered Property caused by or resulting from acts of destruction ordered by a governmental authority taken at the time of a fire to prevent its spread.

**b. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused

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

**c. War And Military Action**

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

**d. Electrical Current or Charge**

Loss or damage to Covered Property caused by electricity other than lightning unless fire ensues and then only for loss or damage to such Covered Property caused by such ensuing fire.

**e. Repair or Maintenance of Covered Property**

Any repair, adjusting, servicing, remodeling, or maintenance process involving Covered Property unless fire or explosion ensues, and then only for loss to Covered Property caused by such ensuing fire or explosion;

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

- a. Dishonest or criminal acts (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not such dishonest or criminal act occurs during your normal hours of operation.

This exclusion does not apply to loss of Covered Property due to intentional acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives, however, theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered;

- b. Unexplained disappearance;
  - c. Shortage discovered upon taking inventory;
  - d. Theft from any unattended vehicle unless at the time of theft the vehicle's windows, doors and compartments were closed and locked, and there are visible signs that the theft was the result of forced entry; or
  - e. Loss resulting from your failure to use reasonable means to save and preserve the property at the time and after any loss.
3. We will not pay for a loss or damage caused by or resulting from any of the following. But if loss or damage to Covered Property by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss:
- a. Any loss resulting from mechanical or electrical breakdown or failure, including the cost and expense of repairing any defective part; or
  - b. Gradual deterioration, wear and tear, faulty design, obsolescence, rust, inherent vice, decay, loss of market, or loss of use.

#### **C. Limits of Insurance**

The most we will pay for loss or damage in any one occurrence is:

- 1. The Contractors' Equipment and Miscellaneous Tools Limit shown in the Schedule above for loss or damage to "contractors' equipment" or "miscellaneous tools".
  - a. You may allocate this limit of insurance among "contractors' equipment" or "miscellaneous tools" as you desire.
  - b. Subject to Paragraph B.2.a., the most we will pay in any one occurrence for loss caused by theft of "miscellaneous tools" is \$2,500.
- 2. The Installation Floater Limit shown in the Schedule above for loss or damage to Covered property within the "installation floater".

#### **D. Deductible**

- 1. We will not pay for loss or damage to Covered Property in any one occurrence until the amount of adjusted loss or damage exceeds:
  - a. \$1,000 for loss or damage to "contractors' equipment";
  - b. \$1,000 for loss or damage to "miscellaneous tools" for all covered causes of loss except theft;
  - c. \$1,000 for theft of "miscellaneous tools"; or
  - d. \$1,000 in any one occurrence for loss or damage to property included within the "installation floater".

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in

determining application of the Deductible in Paragraph 1. above. Only the highest applicable Deductible will be applied per occurrence.

2. We will then pay the amount of the adjusted loss or damage in excess of the Deductible described in Paragraph 1. above, up to the applicable Limits of Insurance.

#### **E. Additional Conditions**

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

##### **1. Valuation**

The following is added to **Valuation** in the Commercial Inland Marine Conditions

- a. In the event of loss or damage to "contractors' equipment" or "miscellaneous tools" owned by you and purchased new within a five year period prior to the loss or damage, we will determine the value of the "contractors' equipment" or "miscellaneous tools" at Replacement Cost (without deduction for depreciation).
  - (1) We will not pay more on a Replacement Cost basis than the lesser of:
    - (a) The cost to replace the "contractors' equipment" or "miscellaneous tools" with other "contractors' equipment" or "miscellaneous tools" of similar quality and capability and used for the same purpose; or
    - (b) The amount you actually spend that is necessary to repair or replace the "contractors' equipment" or "miscellaneous tools".
  - (2) We will pay on an Actual Cash Value basis until the lost or damaged "contractors' equipment" or "miscellaneous tools" is actually repaired or replaced.
  - (3) "Contractors equipment" or "miscellaneous tools" not repaired or replaced within 180 days of the date of loss or damage will remain on an Actual Cash Value basis, and will not be subject to Replacement Cost basis.
- b. In the event of loss or damage to "contractors' equipment" or "miscellaneous tools" leased or rented from others, if the written lease or rental agreement requires that you insure the "contractors' equipment" or "miscellaneous tools" on a Replacement Cost basis, we will determine the value of the at Replacement Cost subject to Paragraphs **a.(1)(a)** through **a.(1)(c)** above.
- c. In the event of a loss or damage to "installation floater" property, we will determine the value on a Replacement Cost basis.

##### **2. Coverage Territory**

This coverage applies only while to Covered Property is located within, or is in transit between, the continental United States, (Alaska and Hawaii while on land), the District of Columbia, and Canada, but subject always to the limitations, conditions, exclusions and exceptions stated herein.

##### **3. Loss Payment**

For Covered Property in which both you and a Loss Payee have an insurable interest, we will:

- d. Adjust losses with you; and
- e. Upon proof of the Loss Payee's insurable interest, pay any claim jointly to you and the Loss Payee, as interests may appear.

**F. Definitions**

1. "Contractors' equipment" means your mobile machinery and equipment normally used in your contracting, servicing, installation, erection, fabrication, repair or moving operations or projects, and similar mobile machinery and equipment of others, that you lease or rent and that is in your care, custody or control.
2. "Installation floater" means all materials, supplies, fixtures, machinery and equipment of any nature whatsoever intended for installation:
  - a. While at the "job site";
  - b. While at any temporary storage location; or
  - c. While in transit to a "job site".
3. "Job site" means the premises where the Covered Property will be used or permanently located at completion of the construction, erection, fabrication or installation.
4. "Miscellaneous tools" means:
  - a. Your portable powered and non-powered hand tools;
  - b. Portable powered and non-powered hand tools that you borrow, rent or lease from others while in your care, custody, or control; and
  - c. Property usually assembled and disassembled at job sites, including fences, scaffolding, cribbing, and temporary construction forms, such as false work.
5. "Substitute contractors' equipment" means substitute equipment similar to the "contractors' equipment" or "miscellaneous tools" used in your business operations that you must rent in order to continue as nearly as possible your normal business operations or work in progress due to loss or damage caused by or resulting from a Covered Cause of Loss to your "contractors' equipment" or "miscellaneous tools". "Substitute contractors' equipment" are only those items which are necessary:
  - a. To continue your normal business operations; and
  - b. You do not have other "contractors' equipment" available for similar use.
6. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

Limits and deductibles noted on this endorsement apply unless otherwise listed on the policy Declarations.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONTRACTORS LIABILITY EXTENSION (ERRORS AND OMISSIONS COVERAGE) – DEFENSE INSIDE THE LIMITS

This Endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

#### SCHEDULE

Contractor Services:		
Errors and Omissions Coverage Limit Each Claim or "Suit"	\$25,000	Errors
and Omissions Coverage Aggregate Limit	\$25,000	
Limits will be noted above unless otherwise noted on the policy Declarations page.		

A. The following is added to **SECTION I—COVERAGES: COVERAGE D—CONTRACTORS DAMAGES LIABILITY**

#### 1. Insuring Agreement

a. We will pay those sums that you become legally obligated to pay as damages because of "contractor property damage" caused by an "error or omission" to which this insurance applies.

b. We will have the right and duty to defend you against any "suit" seeking those damages. However, we will have no duty to defend you against any "suit" seeking damages for "contractor property damage" to which this insurance does not apply. We may, at our discretion, investigate any "error or omission" and settle any claim or "suit" that may result.

But:

(1) The amount we will pay for damages is

limited as described in **SECTION III—LIMITS OF INSURANCE**; and

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

(3) The obligation or liability to pay sums or perform acts or services explicitly provided for under Supplementary Payments—Coverages **A** and **B**, apply to Coverage **D**.

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

c. This insurance applies to an "error or omission" only if:

(1) The "contractor property damage" is caused by your "error or omission" in rendering or failing to render the Contractor Services shown in the Schedule above for others for a fee;

(2) The “contractor property damage” is caused by an “error or omission” that takes place in the “coverage territory”;

(3) The “contractor property damage” occurs during the policy period; and

(4) 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 “error or omission” or claim, knew that the “contractor property damage” had occurred, in whole or in part. If such a listed insured knew, prior to the policy period, that “contractor property damage” occurred, then any continuation, change or resumption of such “contractor property damage” during or after the policy period will be deemed to have been known prior to the policy period.

d. Our obligation to pay damages on your behalf applies only to the amount of damages in excess of any deductible stated in the Declarations.

e. Subject to the limit applicable to this Contractors Liability Extension (Errors and Omissions Coverage), the most we will pay to repair any “property damage” to “your work” or “your product” caused by your “error or omission” in rendering or failing to render Contractor Services shown in the Schedule above performed by you is:

(1) One hundred percent (100%) of the “actual original cost” if repairs are made by someone other than you or other than a company you are affiliated with; or

(2) Eighty percent (80%) of the “actual original cost” if repairs are made by you or a company with which you are affiliated.

## **2. Exclusions** This insurance

does not apply to:

### **a. Aircraft, Auto or Watercraft**

“Contractor property damage” arising out of, attributable to, or in any way related to the owner- ship, maintenance, use or entrustment to others of any aircraft, “auto” or watercraft:

(1) Owned or operated by or rented or loaned to any insured; or

(2) Operated by any “employee” in the course of his or her employment by any insured or while performing duties related to the conduct of any insured’s business. Use includes operation and “loading or unloading.”

This exclusion applies even if the cause of action against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the “error or omission” 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.

### **b. Architectural and Engineering Liability**

“Contractor property damage” arising out of, attributable to, or in any way related to the rendering of or failure to render the following services:

(1) The preparation, approval, or failure to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; or

(2) Supervisory or inspection activities performed as part of any related architectural or engineering activities.

This exclusion applies regardless of whether such services are provided to others: (a) By you or on your behalf; or

(b) By independent professionals you have provided or hired to provide engineering, architectural or surveying services in connection with construction work you perform.

**c. Asbestos, "Pollutants," "Fungus" and Lead**

"Contractor property damage" arising out of, attributable to, or in any way related to asbestos, "pollutants," "fungus" or lead in any form or transmitted in any manner, including any loss, cost, or expense arising out of any:

- (1) Request, demand, or order that any insured or others test for, monitor, clean up, remove, remediate, contain, treat, detoxify, neutralize or in any way respond to or assess the effects of asbestos, "pollutants," "fungus" or lead; or
- (2) Claim or "suit" by or on behalf of any governmental authority for damages resulting from the testing for, monitoring, cleaning up, removing, remediating, containing, treating, detoxifying, neutralizing or in any way responding to or assessing the effects of asbestos, "pollutants," "fungus" or lead.

**d. Bankruptcy**

Any liability arising out of, attributable to, or in any way related to your insolvency or bankruptcy or the insolvency or bankruptcy of any person or entity for which any insured may be liable.

**e. Claim or Suit by Related Organization**

Any liability arising from a claim or "suit" brought against any insured by any organization or entity (or its assignees) which is wholly or partly owned, operated or managed by any insured, or which has directly or indirectly any interest in your ownership or management.

**f. Construction Materials**

- (1) Any cost or expense for additional products or materials that would not have been incurred had the correct recommendations or specifications been made;
- (2) Any material or products that have been recalled, identified as not conforming to industry safety standards, identified as illegal, banned, outlawed, identified to be in violation of statute,

or not approved for sale or use in the United States of America by any industry or governmental authority or agency. This exclusion also applies to any work related to any such material or products;

- (3) Any liability arising from, attributable to, or in any way related to a decision to substitute a material or product or to deviate from a process or procedure that was specified on:

- (a) Blueprints;
- (b) Work orders;
- (c) Contracts; or
- (d) Engineering specifications.

**g. Contractual Liability**

"Contractor property damage" for which any insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

**h. Contractor Services Not in the Schedule**

Any liability arising out of services performed by or for any insured other than the Contractor Services shown in the Schedule above.

**i. Criminal or Fraudulent Acts**

"Contractor property damage" arising out of, attributable to, or in any way related to criminal or fraudulent acts by or at the direction of any insured.

**j. Delay**

"Contractor property damage" arising out of, attributable to, or in any way related to a delay or failure regarding:

- (1) The completion of a contract or project; or (2)

The completion a contract or project on time.

**k. Electronic Data**

“Contractor property damage” arising out of, attributable to, or in any way related to the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

For purposes of 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, CDROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**l. Estimates, Financing and Legal Work**

Any “contractor property damage” because of an “error or omission”:

- (1) In the preparation of estimates of probable job costs or cost estimates being exceeded, estimates of profit or return on capital;
- (2) In advising or failing to advise on financing of the work or project; or
- (3) In advising or failing to advise on any legal work, title checks, form of insurance or suretyship.

**m. Expected or Intended**

“Contractor property damage” expected or intended from the standpoint of the insured.

**n. Exterior Insulation and Finish System**

“Contractor property damage” arising out of, attributable to, or in any way related to the “exterior insulation and finish system.”

**o. Manufacturer’s Warranties**

“Contractor property damage” arising out of, attributable to, or in any way related to manufacturer’s warranties or guarantees, whether express or implied.

**p. Non-Monetary Damages**

Any claim or “suit” alleging, arising out of, based upon, or attributable to any proceeding in which the relief sought is other than monetary damages, including but not limited to:

- (1) Injunctive relief;
- (2) Declaratory relief;
- (3) Disgorgement;
- (4) Any other equitable remedy; or
- (5) Relief arising out of any kind of criminal proceedings.

**q. Fines, Penalties, Punitive or Exemplary Damages**

Civil or criminal fines or penalties imposed by law, punitive or exemplary damage or any other type of non-compensatory damages, the multiplied portion of multiplied damages, taxes, any amount for which an insured is not financially liable, or matters which are deemed uninsurable under the law pursuant to which this coverage shall be construed.

**r. Subcontracted Work**

“Contractor property damage” arising out of, attributable to, or in way related to of work that was performed on your behalf by a subcontractor or any person or organization other than an insured.

B. Paragraph 1.a.(2) of **COVERAGE A—BODILY INJURY AND PROPERTY DAMAGE LIABILITY, SECTION I—COVERAGES** is replaced by the following:

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

C. Paragraph 1.a.(2) of **COVERAGE B—PERSONAL AND ADVERTISING INJURY,**

**SECTION I—COVERAGES** is replaced by the following:

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

D. Paragraphs 1. and 2. of **SECTION III—LIMITS OF INSURANCE**, are replaced by the following:

1. The Limits of Insurance shown in the Declarations and/or Schedule above and the rules below are 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** and Coverage **D**.

E. The following is added to **SECTION III—LIMITS OF INSURANCE**

Subject to General Aggregate Limit, the Errors and Omissions Coverage Aggregate Limit is the most we will pay for the sum of all damages under Coverage **D**.

Subject to the Errors and Omissions Coverage Aggregate Limit above, the Errors and Omissions Coverage Limit Each Claim or "Suit" shown in the Schedule above is the most we will pay as the result of any one claim or "suit." Any claim, "suit" or aggregation of claims or "suits"

resulting from any one "error or omission" will be considered one claim or "suit."

F. The following definitions are added to **SECTION V—DEFINITIONS**:

"Actual original cost" means the original amount paid to the insured by the claimant for the original work.

"Contractor property damage" means "property damage" caused by your "error or omission" in rendering or failing to render the Contractor Services shown in the Schedule above, for others for a fee and includes:

- (1) "Property damage" to "your product";
- (2) "Property damage" to "your work";
- (3) "Property damage" to property you own, rent, or occupy;
- (4) "Property damage" to property loaned to you;
- (5) "Property damage" to personal property in the care, custody or control of the insured; or
- (6) "Property damage" to "impaired property" arising out of a defect, deficiency, inadequacy, or dangerous condition in "your product" or "your work."

"Error or omission" means any actual or alleged negligent act, error or omission resulting in "contractor property damage" and arising out of the performance of the Contractor Services shown in the Schedule above.

"Exterior insulation and finish system" means a type of building exterior wall cladding system that provides exterior walls with an insulated finished surface and waterproofing in an integrated composite material system.

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

Coverage provided under this policy is specifically limited to, and applies only to, those operations described under the Classification section of the Supplemental Declarations.

This insurance excludes coverage as to any Classification, Class Code or Operation not specifically listed on the Supplemental Declarations.

Limits and deductibles noted within this endorsement apply unless otherwise listed on the policy Declarations.

SPECIMEN

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

## LOSS OF ELECTRONIC DATA RESULTING FROM PHYSICAL INJURY TO TANGIBLE PROPERTY LIABILITY COVERAGE – SUBJECT TO CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

<b>Loss Of Electronic Data Limit:</b>	<b>\$</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

- A. Exclusion p.** under Paragraph **2. Exclusions 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.**

**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:

- (1) "Bodily injury"; or
- (2) Loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data" that results from physical injury to tangible property.

- B. For the purposes of the coverage provided by this endorsement, the following 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:

"Bodily injury" or "property damage" arising out of a "cyber incident".

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

- C. The following paragraph is added to Section III – Limits Of Insurance:**

Subject to the Each Occurrence Limit in Paragraph 5., the Loss Of Electronic Data Limit shown in the Schedule of this endorsement is the most we will pay under Coverage **A** for "property damage" because of all loss of "electronic data" arising out of any one "occurrence".

- D. For the purposes of the coverage provided by this endorsement, the following definitions are added to the Definitions Section:**

1. "Cyber incident" means any:

- a. Unauthorized access to or use of any computer system.
- b. Malicious code, virus or any other harmful code that is directed at, enacted upon or

or prevent or restrict access to or the use of any part of any computer system or otherwise disrupt its normal functioning or operation.

- c. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

2. "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.

E. For the purposes of the coverage provided by this endorsement, the definition of "property damage" in the **Definitions** Section is replaced by the following:

"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;
- 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; or
- c. Loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate "electronic data", resulting from physical injury to tangible property. All such loss of "electronic data" 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## LOST KEY COVERAGE ENDORSEMENT

This Endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Lost Key Coverage	
Limits of Insurance	Deductible
\$25,000 Each Occurrence/ \$25,000 Aggregate unless otherwise stated on the Declarations page	\$ 0 Each Occurrence

"Property damage" coverage provided under Coverage **A** (Section **I—Coverages**) also applies to the loss of keys which are in your possession or the possession of your "employees," agents or anyone acting on your behalf, subject to the following provisions:

1. Exclusion **j.(4)** of Coverage **A** (Section **I—Coverages**) relating to "property damage" to personal property in your care, custody or control does not apply.
2. Coverage does not apply to "property damage" caused by misappropriation, secretion, infidelity or dishonest acts by you or anyone acting on your behalf.



3. Our liability for all damages because of "property damage" to which this endorsement applies is limited to the actual cost of keys, re-keying locks or, if required, replacement locks with like kind and quality, including cost of their installation, subject to the Each Occurrence and Aggregate Limits of Insurance shown in the Schedule of this endorsement for Lost Key Coverage.
4. Our obligation to pay damages on your behalf applies only to the amount of damages in excess of the deductible amount as stated in the Schedule of this endorsement. The stated deductible amount shall apply to all damages sustained as the result of paragraph 3. above.
5. The Lost Key Coverage Aggregate limit of insurance is part of, and not in addition to, the General Aggregate Limit of Insurance shown on the Declarations.

Liability limits on noted on this endorsement apply unless otherwise listed on the policy Declarations.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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## **CONTRACTORS WARRANTY**

This endorsement modifies insurance provided under the following:

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

Such coverage as is afforded by the policy to which this endorsement is attached shall not apply to "occurrences" or offenses arising out of operations performed by an "independent contractor" unless, as a condition precedent:

1. The insured receives a written agreement from each and every "independent contractor" holding the insured harmless for all liabilities incurred by the independent contractor and;

2. The insured obtains certificates of insurance from each and every "independent contractor" indicating that it maintains General Liability insurance coverage with limits equal to those maintained by the Named Insured under the policy to which this endorsement is attached. The limits must be in the same amounts as provided by this policy and the Named Insured must be listed as an additional insured under that policy, and;
3. The insurance policy of the "independent contractor" remains in force until the completion of the independent contractor's work for the insured.

An "independent contractor" is defined as:

A person, business, or corporation that provides goods or services under a written contract or a verbal agreement. An independent contractor does not include vendors that provide products to you for rebranding by you.

The coverage provided by this policy is excess over and above any other valid and collectable insurance available to the "independent contractor".

All other terms and conditions of the policy remain unchanged.

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

## **ADDITIONAL INSURED – GRANTOR OF LICENSES AUTOMATIC STATUS WHEN REQUIRED BY LICENSOR**

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

- A. **Section II - Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) that grants licenses to you when you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be named as an additional insured on your policy. Such person(s) or organization(s) is an insured only with respect to their liability as grantor of licenses to you.

However, the insurance afforded to such additional insured:

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

A person(s) or organization(s) status as an additional insured under this endorsement ends when:

1. The license granted to you by such person(s) or organization(s) expires; or
2. Your license is terminated or revoked by such person(s) or organization(s) prior to expiration of the license as stipulated by the contract or agreement.

- B. With respect to the insurance afforded to these additional insureds, the follow is added to **Section III – Limits Of Insurance**: The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement you have entered into with the additional insured; or
  2. Available under the applicable limits of insurance;
- whichever is less.

This endorsement shall not increase the applicable limits of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

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

The following is added to the **Other Insurance** (2) You have agreed in writing in a contract or Condition and supersedes any provision to the agreement that this insurance would be contrary: primary and would not seek contribution **Primary And Noncontributory Insurance** from any other insurance available to the additional insured.

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and

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

## **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WRITTEN CONTRACT)**

This endorsement modifies insurance provided under the following:

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

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of SECTION IV – **COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery against a person(s) or organization(s) because of payments we make under this Coverage Part, to whom the insured has waived its right of recovery in a written contract or agreement with that person(s) or organization(s). Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person(s) or organization(s) prior to loss.

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**COMMERCIAL GENERAL LIABILITY  
CG 20 35 12 19**

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## **ADDITIONAL INSURED – GRANTOR OF LICENSES – AUTOMATIC STATUS WHEN REQUIRED BY LICENSOR**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. Section II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) that grants licenses to you when you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be named as an additional insured on your policy. Such person(s) or organization(s) is an insured only with respect to their liability as grantor of licenses to you.

However, the insurance afforded to such additional insured:

1. Only applies to the extent permitted by law; and
2. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person(s) or organization(s) status as an additional insured under this endorsement ends when:

1. The license granted to you by such person(s) or organization(s) expires; or
2. Your license is terminated or revoked by such person(s) or organization(s) prior to expiration of the license as stipulated by the contract or agreement.

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

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement you have entered into with the additional insured; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

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**COMMERCIAL GENERAL LIABILITY  
BLZ GL 117 08 23**

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## **AUDIT PREMIUMS – AMENDATORY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

PRODUCTS / COMPLETED OPERATIONS LIABILITY COVERAGE FORM

A. Section IV – Commercial General Liability Conditions of the Commercial General Liability Coverage Form is modified as follows:

1. Paragraph 5.b. Premium Audit is replaced by:
  - b. Premium shown in this coverage part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the named insured.
2. Paragraph 5.d. Premium Audit is added:
  - d. The advance premium shown on the Commercial General Liability Declarations shall be the minimum premium for the policy period and is nonrefundable.

B. Section IV – Products/Completed Operations Liability Conditions of the Commercial General Liability Coverage Form is modified as follows:

1. Paragraph 5.b. Premium Audit is replaced by:
  - b. Premium shown in this coverage part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the named insured.
2. Paragraph 5.d. Premium Audit is added:
  - d. The advance premium shown on the Commercial General Liability Declarations shall be the minimum premium for the policy period and is nonrefundable.

*Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the abovementioned Policy, other than as above stated*

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**GENERAL LIABILITY  
BLZ GL 171 12 23**

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**CLASSIFICATION LIMITATION**

This Endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM PRODUCTS/COMPLETED OPERATIONS  
LIABILITY COVERAGE FORM**

Coverage provided under this policy is specifically limited to, and applies only to, those operations described under the Classification section of the Supplemental Declarations.

This insurance excludes coverage as to any Classification, Class Code or Operation not specifically listed on the Supplemental Declarations.

SPECIMEN



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## CLASSIFICATION - REMODELING LIMITATION

This Endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

#### SCHEDULE

CLASSIFICATION	CODE
Carpentry - Construction of Residential Property not exceeding three (3) stories in height	91340
Carpentry - Interior	91341
Ceiling or Wall Installation - Metal	91436
Door, Window or Assembled Millwork Installation, Metal	91746
Driveway, Parking or Sidewalk - Paving or Repaving	92215
Drywall or Wallboard Installation	92338
Floor Covering Installation - Not Ceramic, Tile or Stone	94569
Home Furnishings Installation	96053
Masonry	97447
Painting Exterior - Buildings or Structures - three (3) stories or less in height	98304
Painting Interior - Buildings or Structures	98305
Paperhanging	98344
Plastering or Stucco Work	98449
Siding Installation	98967
Tile, Slate, Marble, Mosaic or Terrazzo Work - Interior Construction	99746

The Remodeling Classification shown on the Commercial General Liability Coverage Part Declarations includes only those classes shown in the Schedule above, and only when such work is conducted by you or your "employees" while in the course of your remodeling activities.

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**Page 1 of 2**  
**GENERAL**  
**LIABILITY**  
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**SPECIMEN**

**COMMERCIAL GENERAL LIABILITY**  
**CG 21 32 05 09****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.

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POLICY NUMBER:

**COMMERCIAL GENERAL LIABILITY**  
**CG 03 00 01 96****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DEDUCTIBLE LIABILITY INSURANCE**

This endorsement modifies insurance provided under the following:

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

## SCHEDULE

Coverage	Amount and Basis of Deductible PER CLAIM or PER OCCURRENCE	
Bodily Injury Liability	\$ N/A	\$ N/A
OR		
Property Damage Liability	\$ N/A	\$ N/A
OR		
Bodily Injury Liability and/or Property Damage Liability Combined	\$ See Declarations	\$ See Declarations

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**APPLICATION OF ENDORSEMENT** (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury" and "property damage", however caused):

- (2) "Property damage"; or  
(3) "Bodily injury" and  
"property damage"  
combined

as the result of any one "occurrence".

If damages are claimed for care, loss of services or death resulting at any time from "bodily injury", a separate deductible amount will be applied to each person making a claim for such damages.

With respect to "property damage", person includes an organization.

**A.** Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.

**B.** You may select a deductible amount on either a per claim or a per "occurrence" basis. Your selected

**2. PER OCCURRENCE BASIS.** If the deductible amount indicated in the

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deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:

Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:

**1. PER CLAIM BASIS.** If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:

- a. Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury";
- b. Under Property Damage Liability Coverage, to all damages sustained by any one person because of "property damage"; or
- c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages sustained by any one person because of:

- (1) "Bodily injury";

- a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
- b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or
- c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:

- (1) "Bodily injury";
- (2) "Property damage"; or
- (3) "Bodily injury" and "property damage" combined

as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".

**C.** The terms of this insurance, including those with respect to:

1. Our right and duty to defend the insured against any "suits" seeking those damages; and
2. Your duties in the event of an "occurrence", claim, or "suit"

apply irrespective of the application of the deductible amount.

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

SPECIMEN

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - EARTH OR LAND MOVEMENT

This Endorsement modifies insurance provided under the following:

This policy does not apply to "bodily injury"/"**bodily injury**," "property damage"/"**property damage**," "personal and advertising injury" or "damages"/"**damages**" caused, directly or indirectly or in whole or in part, by the movement, in any direction, of earth or land, regardless of:

1. The cause or source of such earth or land movement;
2. Whether such earth or land movement arises from natural or man-made forces or causes; or 3. Whether such earth or land movement occurs:
  - a. Independently of;
  - b. As a result of;
  - c. In concurrence or connection; or
  - d. In any sequence associated with any other natural or man-made forces, causes, events or operations.

Earth or land movement includes, but is not limited to, subsidence, settling, sinking, rising, slipping, falling away, caving in, shifting, expanding, contracting, dissolving, eroding, mudflow, sliding, tilting of land or earth, earthquakes, volcanic eruption and weather.

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## EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**  
This insurance does not apply to: "Bodily injury" to:
- (1) A person arising out of any:
    - (a) Refusal to employ that person;
    - (b) Termination of that person's employment;
  - or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
  - (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed. This exclusion applies:
    - (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
    - (2) Whether the insured may be liable as an employer or in any other capacity; and
    - (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.
- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**  
This insurance does not apply to: "Personal and advertising injury" to:
- (1) A person arising out of any:
    - (a) Refusal to employ that person;
    - (b) Termination of that person's employment;
  - or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
  - (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed. This exclusion applies:
    - (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
    - (2) Whether the insured may be liable as an employer or in any other capacity; and
    - (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.





THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - ABSOLUTE EMPLOYEE AND WORKER INJURY AND LIABILITY

This Endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

With respect to this endorsement, paragraph **e. Employer's Liability** of subsection **2. Exclusions** of **SECTION I—COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is replaced by:

#### **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:

**i.** Whether the insured may be liable as an employer or in any other capacity; and **ii.** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

The following is added to **SECTION I—COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, subsection **2. Exclusions** of the policy: This insurance does not apply to:

#### **1. "Bodily injury" to:**

- a.** An "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured;
- b.** Any contractor, subcontractor, sub-subcontractor or anyone hired or retained by or for any insured; or
- c.** Any employee or anyone directly or indirectly employed by such contractor, subcontractor or sub-subcontractor or anyone for whose acts such contractor, subcontractor or sub-subcontractor may be liable

if such "bodily injury" arises out of and in the course of their employment or retention of such contractor, subcontractor or sub-subcontractor, regardless of whether or not it is caused in part by you; or

#### **2. Any obligation of any insured to defend, indemnify or contribute with another because of "bodily injury" to:**

- a.** An "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured;
- b.** Any contractor, subcontractor, sub-subcontractor or anyone hired or retained by or for any insured; or

- c. An employee of any contractor, subcontractor or sub-subcontractor; or "Bodily injury" to the spouse, child, parent, brother or sister of that employee of any contractor, sub- contractor or sub-subcontractor, or that contractor, subcontractor or sub-subcontractor, or that "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured as a consequence of items 1. or 2. above.

This applies to all claims and "suits" by any person or organization for damages, indemnity and/or any obligation to share damages with or repay someone else who must pay damages because of the injury.

The following exclusion is added to **SECTION I—COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, subsection 2. **Exclusions** of the policy:

"Bodily injury" to:

1. Any worker; or
2. The spouse, child, parent, brother or sister of that worker as a consequence of paragraph 1. above.

The following is added to **SECTION I—COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**, section 2. **Exclusions** of the policy: This insurance does not apply to:

1. "Personal or advertising injury" to:
  - a. An "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured;
  - b. Any contractor, subcontractor, sub-subcontractor or anyone hired or retained by or for any insured; or
  - c. Any employee or anyone directly or indirectly employed by such contractor, subcontractor or sub-subcontractor or anyone for whose acts such contractor, subcontractor or sub-subcontractor may be liableif such "personal or advertising injury" arises out of and in the course of their employment or retention of such contractor, subcontractor or sub- subcontractor, regardless of whether or not it is caused in part by you, or
2. Any obligation of any insured to defend, indemnify or contribute with another because of "personal and advertising injury" to:
  - a. An "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured;
  - b. Any contractor, subcontractor or sub-subcontractor hired or retained by or for any insured; or
  - c. Any employee of any contractor, subcontractor or sub-subcontractor; or
3. "Personal and advertising injury" to the spouse, child, parent, brother or sister of that employee of any contractor, subcontractor or sub- subcontractor, or that contractor, subcontractor or subsubcontractor, or that "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured as a consequence of items 1. or 2. above.

This applies to all offenses, claims and "suits" by any person or organization for damages, indemnity and/or any obligation to share damages with or repay someone else who must pay damages because of the injury.

Definition 9. of **SECTION V—DEFINITIONS** is replaced by:

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 fifty (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.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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## **ABUSE OR MOLESTATION EXCLUSION**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.,

2. The negligent:

**Exclusions of Section I – Coverage A – Bodily a. Employment; Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I – Coverage B – b. Investigation; Personal And Advertising Injury Liability: c. Supervision;**

This insurance does not apply to "bodily injury",

"property damage" or "personal and advertising injury" arising out of:

d. Reporting to the proper authorities, or failure to so report; or

e. Retention;

1. The actual or threatened abuse or molestation by of a person for whom any insured is or ever was anyone of any person while in the care, custody legally responsible and whose conduct would be or control of any insured, or excluded by Paragraph 1. above.

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## 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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## **EXCLUSION - ANIMAL**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

The following is added to Paragraph 2. Exclusions of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph 2. Exclusions of **SECTION I – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, or caused by, any animal.

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## **EXCLUSION – ANY FIREARM OR OTHER WEAPON**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

The following is added to Paragraph 2. **Exclusions** of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **SECTION I – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to:

“Bodily Injury”, “Property damage” or “Personal and Advertising Injury” arising out of the use, sale, or demonstration of any firearm or other weapon by any person, whether or not caused:

- a. By, at the instigation of, or with the direct or indirect involvement of you or your “employees”, patrons or other persons in, on, near or away from your premises;
- b. By or arising out of your failure to properly supervise or keep your premises in a safe condition;
- c. By or arising out of any insured's act or omission in connection with the prevention, suppression or failure to warn, including but not limited to negligent supervision, hiring, employment, training or monitoring of others; or
- d. By or arising out of negligent, reckless or wanton conduct by you, your “employees”, patrons or other persons.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - ASBESTOS

This Endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following is added to Paragraph 2. Exclusions of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**

This insurance does not apply to:

#### Asbestos

1. "Bodily injury", "property damage" or "personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "asbestos".
2. Any loss, cost or expense arising, in whole or in part, out of any:
  - a. Request, demand, order or statutory or regulatory requirement that any insured or any other person or entity test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "asbestos"; or
  - b. Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "asbestos".

This exclusion will apply without regard to the source or sources of "asbestos", or the basis of the insured's alleged liability. This exclusion includes defects or negligence in design, construction or materials, or any other event, conduct or misconduct, which may have or is claimed to have precipitated, caused or acted jointly, concurrently or in any sequence with "asbestos" in causing "bodily injury", "property damage" or "personal and advertising injury".

The following is added to **SECTION V – DEFINITIONS**:

“Asbestos” means asbestos in any form, including without limitation:

- a. Asbestos-containing dust, fibers, particles and compounds;
- b. Serpentine asbestos and amphibole asbestos; or
- c. Asbestos that includes the minerals chrysotile, actinolite, tremolite, anthophyllite, crocidolite, or amosite.

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## **EXCLUSION – BREACH OF CONTRACT**

This endorsement modifies insurance provided under the following:

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

The following exclusion is added to **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, paragraph 2. **Exclusions** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** and **SECTION I – COVERAGES – PRODUCTS/COMPLETED OPERATIONS BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, paragraph 2. **Exclusions** of the **PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**:

**Breach of Contract**

Any claim for “bodily injury” or “property damage” arising from, directly or indirectly, breach of an express contract, including breach of an implied in law or implied in fact contract. This exclusion does not apply to liability for damages that an insured would have in the absence of the contract.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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

## **EXCLUSION – CONTRACTORS –**

# PROFESSIONAL LIABILITY

This endorsement modifies insurance provided under the following:

## COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

1. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
  - a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and
  - b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform. This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the

supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional services by you or on your behalf with respect to the operations described above.

2. Subject to Paragraph 3. below, professional services include:
  - a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
  - b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

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

## EXCLUSION - CROSS LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

## COMMERCIAL GENERAL LIABILITY COVERAGE FORM PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM

It is agreed this insurance does not apply to:

- (1) Any claim made or "suit" brought for damages or liability of any kind by any Named Insured or any "employee", "volunteer worker", "temporary worker", "executive officer", director, stockholder, partner or member of any Named Insured against any other Named Insured or any "employee", "volunteer worker", "temporary worker", "executive officer", director, stockholder, partner or member of any Named Insured because of "bodily injury", "property damage" or "personal and advertising injury"; or

- (2) Any claim made or "suit" brought for damages by the spouse, child, parent, brother or sister of any "employee", "volunteer worker", "temporary worker", "executive officer", director, stockholder, partner or member of any Named Insured as a consequence of (1) above.

It is further agreed the Company shall not have the obligation to indemnify, defend, adjust, investigate or pay any cost or expense of any kind for any claim made or "suit" brought which is excluded under the terms of this endorsement.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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POLICY NUMBER:

**COMMERCIAL GENERAL LIABILITY**  
**CG 21 54 12 19**

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

# EXCLUSION – DESIGNATED OPERATIONS COVERED BY A CONTROLLED (WRAP-UP) INSURANCE PROGRAM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

## SCHEDULE

Description And Location(s) Of Operation(s):
All operations covered by a consolidated (wrap-up) program
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- 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" or "property damage":
1. Arising out of your ongoing operations; or
  2. Included in the "products-completed operations hazard";  
at the location(s) described in the Schedule of this endorsement, but only if you are enrolled in a "controlled (wrap-up) insurance program" with respect to the "bodily injury" or "property damage" described in Paragraphs **A.1.** and **A.2.** above at such location(s).
- This exclusion applies whether or not the "controlled (wrap-up) insurance program":
- a. Provides coverage identical to that provided by this Coverage Part;
  - b. Has limits adequate to cover all claims; or
  - c. Remains in effect.
- B.** The following definition is added to the **Definitions** section:
- "Controlled (wrap-up) insurance program" means a centralized insurance program under which one party has secured either insurance or selfinsurance covering some or all of the contractors or subcontractors performing work on one or more specific project(s).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **DESIGNATED OPERATIONS EXCLUSION**

This Endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM LIQUOR LIABILITY COVERAGE FORM  
ERRORS AND OMISSIONS COVERAGE PART PROFESSIONAL LIABILITY INSURANCE  
PRODUCT/COMPLETED OPERATIONS LIABILITY COVERAGE FORM**

### **SCHEDULE**

**Description of Excluded Operations:**

Any and all scaffolding and roofing work.
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This insurance does not apply to any medical incident, "damages," "bodily injury," "property damage," "personal and advertising injury," or "injury" arising out of the operations shown in the Schedule above.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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## EXCLUSION EXTERIOR INSULATION AND FINISH SYSTEMS

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:

1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar

system, is used on the part of that structure containing that component, fixture or feature.

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

"Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:

1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
3. A reinforced or unreinforced base coat;
4. A finish coat providing surface texture to which color may be added; and
5. Any flashing, caulking or sealant used with the system for any purpose.

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## EXCLUSION – FINES, PENALTIES, PUNITIVE OR EXEMPLARY DAMAGES

This endorsement modifies insurance provided under the following:

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

This insurance does not apply to fines, penalties, and punitive or exemplary damages, any action or investigation of any governing authority, including any obligation to share or repay fines,



penalties or damage to others. This exclusion includes any amount awarded above actual damages due to the application of any city, county, state or federal statute which allows a damage award to be multiplied.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

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## **EXCLUSION – FOR HAZARDS OF LEAD**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance does not apply to:

- (1) "Bodily injury" caused in whole or in part, either directly or indirectly, by lead paint or lead contamination, or arising out of or incidental to the inhalation, ingestion, use, handling, or contact with lead paint or lead contamination or absorption of lead in any form;
- (2) Any actual or alleged "property damage" or "personal injury or advertising injury" arising out of any form of lead;
- (3) Any loss, cost or expense arising out of any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of lead; or
- (4) Any loss, cost or expense arising out of any claim or suit by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of lead.

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# EXCLUSION – HYDRAULIC FRACTURING

This Endorsement modifies insurance provided under the following:

## COMMERCIAL GENERAL LIABILITY COVERAGE FORM ERRORS AND OMISSIONS COVERAGE PART

A. The following is added to **Paragraph 2. Exclusions of Section I—Coverage A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** of the Commercial General Liability Coverage Part and **Paragraph 2. Exclusions of SECTION I—COVERAGE** of the Errors And Omissions Coverage Part:

This insurance does not apply to:

### Hydraulic Fracturing

1. "Bodily injury," "property damage" or "error or omission":
  - a. Arising, in whole or in part, out of any operation involving substances under pressure being pumped underground with the objective of creating fractures in geologic formations to facilitate the release and extraction of hydrocarbons, including, but not limited to, oil or natural gas. Such operations include, but are not limited to, "hydraulic fracturing," "gas fracking" and/or the actual, alleged, threatened or suspected contact with, exposure to, existence of or presence of any "flowback" or the handling, transporting, storage, release or disposal of any "flowback" by any insured or by any other person or entity; or
  - b. Caused, directly or indirectly or in whole or in part, by the movement, in any direction, of earth or land arising, in whole or in part, out of any operation involving substances under pressure being pumped underground with the objective of creating fractures in underground geologic formations to facilitate the release and extraction of hydrocarbons, including, but not limited to, oil or natural gas. Such operations include, but are not limited to, "hydraulic fracturing" or "gas fracking."
2. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, remediating or disposing of, or in any way responding to or assessing the effects of "hydraulic fracturing," "gas fracking" or "flowback," by any insured or by any other person or entity.

We will have no duty to settle any claim or defend any "suit" against the insured arising out of or in any way related to items **1.** or **2.** Above.

B. The following is added to Paragraph 2. Exclusions of **Section I—Coverage B. Personal And Advertising Injury Liability** of the Commercial General Liability Coverage Part:

This insurance does not apply to:

### Hydraulic Fracturing

1. "Personal and advertising injury":
  - a. Arising, in whole or in part, out of any operation involving substances under pressure being pumped underground with the objective of creating fractures in underground geologic formations to facilitate the release and extraction of hydrocarbons, including, but not limited to, oil or natural gas. Such operations include, but are not limited to, "hydraulic fracturing," "gas fracking" and/or the actual, alleged, threatened or suspected contact with, exposure to, existence of or presence of any "flowback" or the handling, transporting, storage, release or disposal of any "flowback" by any "insured" or by any other person or entity; or
  - b. Caused, directly or indirectly or in whole or in part, by the movement, in any direction, of earth or land arising, in whole or in part, out of any operation involving substances under pressure

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being pumped underground with the objective of creating fractures in underground geologic formations to facilitate the release and extraction of hydrocarbons, including, but not limited to, oil or natural gas. Such operations include, but are not limited to, "hydraulic fracturing" or "gas fracking."

2. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, remediating or disposing of, or in any way responding to or assessing the effects of "hydraulic fracturing," "gas fracking" or "flowback," by any insured or by any other person or entity.

We will have no duty to settle any claim or defend any "suit" against the insured arising out of or in any way related to items **1.** or **2.** above.

For purposes of this endorsement, the following definitions apply:

1. "Hydraulic fracturing," or hydrofracking means the process by which water, "proppants," chemicals and/or other fluid additives are injected at high pressure into underground geologic formations to create fractures, to facilitate the extraction of any hydrocarbons including but not limited to natural gas and/or oil.
2. "Flowback" means any substance containing returned "hydraulic fracturing" fluid, including but not limited to water, "proppants," "hydraulic fracturing" fluid additives; and, any hydrocarbon compounds, salts, conventional pollutants, organics, metals, and naturally occurring radioactive material brought to the surface with the water.
3. "Gas fracking" or liquefied propane/butane gas fracturing means the waterless process by which propane gel and "proppants" are injected at high pressure into underground geologic formations to create fractures, to facilitate the release and extraction of natural gas.
4. "Proppant" means particles that are used to keep fractures open after a hydraulic fracturing treatment.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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## **EXCLUSION – INTELLECTUAL PROPERTY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE**

- A. The following exclusion is added to **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. **Exclusions** and **SECTION I – COVERAGES, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**, Paragraph 2. **Exclusions**:

#### **Intellectual Property**

“Bodily injury”, “property damage” or “personal and advertising injury” arising out of the actual or alleged infringement, misappropriation or violation of intellectual property rights or laws, including but not limited to:

- (1) Trademarks,
- (2) Trade dress,
- (3) Trade names,
- (4) Slogans,
- (5) Style of doing business,
- (6) Copyrights,
- (7) Patent rights,
- (8) Trade secret rights,
- (9) Publicity rights,
- (10) Domain names,
- (11) Moral rights, or
- (12) Rights against unfair competition

- B. **SECTION I – COVERAGES, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**, Paragraph 2. **Exclusions**, subparagraph f. **Breach Of Contract** is replaced by the following:

#### **f. Breach Of Contract**

This insurance does not apply to “personal and advertising injury” caused by or arising out of a breach of contract.

- C. **SECTION I – COVERAGES, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**, Paragraph 2. **Exclusions**, subparagraph i. **Infringement Of Copyright, Patent, Trademark Or Trade Secret** is deleted.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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

## **EXCLUSION – MICROORGANISMS, BIOLOGICAL ORGANISMS, BIOAEROSOLS OR ORGANIC CONTAMINANTS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph 2. **Exclusions of SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. **Exclusions of SECTION I – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY** and **COVERAGE C – MEDICAL PAYMENTS**:

This insurance does not apply to:

1. "Bodily injury", "property damage", "personal and advertising injury", or medical payments arising out of, related to, caused by or in any way connected with the exposure to, presence of, formation of, existence of or actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any microorganisms, biological organisms, bioaerosols or organic contaminants including, but not limited to, mold, mildew, fungus, spores, yeast or other toxins, mycotoxins, allergens, infectious agents, wet or dry rot or rust, or any materials containing them at any time, regardless of the cause of growth, proliferation or secretion.
2. Any loss, cost or expense arising out of any:
  - a. Request, demand, order, or requirement by or on behalf of any authority, governmental or otherwise, that any insured or others abate, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, remediate or dispose of, or in any way respond to, or assess the effects of microorganisms, biological organisms, bioaerosols or organic contaminants including, but not limited to, mold, mildew, fungus, spores, yeast, or other toxins, mycotoxins, allergens, infectious agents, wet or dry rot or rust, or any materials containing them at any time, regardless of the cause of growth, proliferation or secretion; or
  - b. Claim or "suit" by or on behalf of any authority, governmental or otherwise, for damages because of abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of microorganisms, biological organisms, bioaerosols or organic contaminants including, but not limited to, mold, mildew, fungus, spores, yeast, or other toxins, mycotoxins, allergens, infectious agents, wet or dry rot or rust, or any materials containing them at any time, regardless of the cause of growth, proliferation or secretion.

We shall have no duty to investigate, defend, or indemnify any insured in any action or proceeding alleging damages arising out of direct or indirect contact with, any exposure to, or the ingestion, inhalation or absorption of any microorganisms, biological organisms, bioaerosols, or organic contaminants including, but not limited to, mold, mildew, fungus, spores, yeast or other toxins, mycotoxins, allergens, infectious agents, wet or dry rot or rust, or any materials containing them at any time, regardless of the cause of growth, proliferation or secretion.

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

All other terms and conditions of this policy remain unchanged

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

## **EXCLUSION – MULTI-UNIT HABITATIONAL CONVERSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
ERRORS AND OMISSIONS COVERAGE PART

### **A. Exclusions**

The following exclusion is added to Paragraph 2.

**Exclusions of Section I - Coverage A – Bodily Injury and Property Damage Liability** and Paragraph 2. **Exclusions of Section I - Coverage B - Personal and Advertising Injury Liability:**

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, related to, caused by, or associated with, in whole or in part, "your work," ownership or financial interest in any building which is converted to "residential property" during the Policy Period set forth in the Declarations. This exclusion applies regardless of whether the conversion was performed by you or on your behalf.

However, this exclusion does not apply to:

1. "Your work" on "residential property" which meets all of the following criteria:
  - a. The work has been for repair and/or renovation only;
  - b. The work has been performed on an existing structure that already has a Certification of Occupancy at the time

that such operations first commenced;  
and

- c. The repair and/or renovation work is contracted directly with an individual unit owner or individual home owner.
2. "Your work" on or associated with that portion of "mixed-use building(s)" that is not "residential property".

We shall have no duty or obligation to defend any loss, claim, or "suit" excluded by the endorsement; nor to pay any investigation or other loss adjustment expense.

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### **B. Definitions**

For the purposes of this endorsement, the following definitions apply:



1. "Apartments" are defined as a multi-family residence where there is common ownership of individual units and common areas, but where all individual units are held for lease or rent by tenants who have no ownership interest in the units they lease or rent.
2. "Mixed-use building(s)" are defined as a building or a group of buildings that contain both "residential property" and commercial space.
3. "Residential property" is defined as property designed for domicile, including, but not limited to, single family dwelling, multi-unit subdivision, master planned community, cooperative, tract housing, townhome / townhouses, duplex, condominiums, lofts, timeshares, and "mixed-use building(s)"; as well as all common areas. "Residential property" does not include "apartments," military barracks, multi-unit dormitory buildings, hotels, motels, nursing homes or assisted living facilities.

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

## **EXCLUSION – NEW ENTITIES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS COVERAGE PART

Paragraph 3. of **Section II – Who Is An Insured** does not apply.

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

## **EXCLUSION – OCCUPATIONAL DISEASE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**  
**PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM**

This insurance does not apply to:

- 1) any “bodily injury” to any insured’s employee(s) arising from an “occupational disease(s);” or
- 2) any “bodily injury” to any person or any claims by any person that they sustained “bodily injury” or the fear of sustaining “bodily injury” arising out of any contact with, handling of, inhalation, absorption, or exposure to any environmental, chemical, or toxic agent or substance, including any dust or fumes there from, arising out of the insured’s operations, completed operations, or products.

“Occupational disease(s)” means any physical or mental disease, condition, or disability of any employee(s) of any insured arising out of the insured’s operations or conditions of employment, including any disease, condition or disability from a repetitive operation or any contact with, handling of, inhalation, absorption, or exposure to any environmental, chemical, or toxic agent or substance including any dust or fumes there from arising out of the insured’s operations.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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

## EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

**A.** The following exclusion is added: This insurance does not apply to:

**TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of 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 Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal

Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; 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.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS)

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:

**Perfluoroalkyl And Polyfluoroalkyl Substances**

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "perfluoroalkyl or polyfluoroalkyl substances", by any insured or by any other person or entity.

**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:

**Perfluoroalkyl And Polyfluoroalkyl Substances**

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "perfluoroalkyl or polyfluoroalkyl substances", by any insured or by any other person or entity.

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

"Perfluoroalkyl or polyfluoroalkyl substances" means any:

1. Chemical or substance that contains one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by

fluorine atoms, including but not limited to:

containers, a. Polymer, oligomer, furnished in nonpolymer chemicals that homologues, isomers, telomers, derivatives, precursor chemicals,

2. Good or product, including monomer or materials, parts or equipment and their connection with such goods or products, salts, consists of or contains any chemical or substance described in Paragraph C.1.

- b. Perfluoroalkyl acids (PFAA), such as perfluorooctanoic acid (PFOA) and its salts, or perfluorooctane sulfonic acid (PFOS) and its salts;
- c. Perfluoropolyethers (PFPE);
- d. Fluorotelomer-based substances; or
- e. Side-chain fluorinated polymers; or

degradation products or by-products;

SPECIMEN

## **EXCLUSION – PROFESSIONAL LIABILITY**

This endorsement modifies insurance provided under the following:

## **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

It is agreed that this policy shall not apply to liability arising out of the rendering of or failure to render professional services, or any error or omission, malpractice or mistake of a professional nature committed by or on behalf of the "Insured" in the conduct of any of the "Insured's" business activities.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

SPECIMEN

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **EXCLUSION – RACKETEER INFLUENCED CORRUPTION ORGANIZATIONS (RICO)**

The endorsement modified 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** and **Coverage B Personal And Advertising Injury Liability**, subsection 2. **Exclusions**:

#### **2. Exclusions**

This insurance does not apply to:

"Bodily injury," "property damage," or "personal and advertising injury" arising out of any claim or "suit" directly or indirectly brought about by, arising out of or attributable to any actual or alleged civil or criminal violation of the Racketeer Influenced Corruption Organizations Act, 18 USC Sections 1961 et seq., or any comparable state or local law, and any amendments thereto, or any rules or regulations promulgated thereunder.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – SWIMMING POOL POP UP

This Endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following exclusion is added to paragraph 2. Exclusions of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY OF SECTION I—COVERAGES**, and paragraph 2. Exclusions of **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY OF SECTION 1-COVERAGES**:

This insurance does not apply to “bodily injury,” “property damage” and/or “personal and advertising injury” arising out of a “swimming pool pop up”.

The following definition is added to **SECTION VI-DEFINITIONS**:

“Swimming pool pop up” means any elevation of an inground swimming pool which is caused by underground water pressure or high-water table.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**



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

## **EXCLUSION – TAINTED DRYWALL MATERIAL**

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 – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph 2. **Exclusions** of **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to:

1. Any liability, loss, injury or damages of any kind, including "reduction in value", costs or expenses, actually or allegedly arising out of, related to, resulting from, caused by, contributed to, or in any other way connected with the actual or alleged manufacture, creation, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, release, abatement, replacement or handling of, exposure to, ingestion of, testing for or failure to test for, or failure to warn, advise of, or disclose the presence of "tainted drywall material", whether or not the "tainted drywall material" is or was at any time or in any form airborne, contained in a product, or a component part of a product, carried on clothing or other items, inhaled, ingested, absorbed, transmitted in any fashion, or found in any form whatsoever.
2. Any liability, loss, cost or expense including, but not limited to, payment for investigation or defense, fines, penalties, interest or other costs or expenses, arising out of or related to any:
  - a. Clean up or removal of "tainted drywall material" or products or materials containing "tainted drywall material";
  - b. Actions necessary to monitor, assess, or evaluate the actual, alleged or threatened release of "tainted drywall material" or products or material containing "tainted drywall material";
  - c. Disposal of actual or alleged "tainted drywall material" or the taking of action necessary to prevent, minimize, or mitigate damage to the public health or welfare or to the environment, which may otherwise result;
  - d. Compliance with any law or regulation regarding "tainted drywall material";
  - e. Existence, storage, handling, or transportation of "tainted drywall material"; or
  - f. Supervision, instructions, recommendations, warranties (express or implied), warnings, or advice given or which should have been given with respect to "tainted drywall material".
3. Any obligation to share damages with or repay someone else in connection with Paragraphs 1. or 2. of this exclusion.

We will have no duty to investigate, defend, or indemnify any insured against any loss, claim, "suit", demand, fine, or other proceeding alleging injury or damages of any kind including, but not limited to "bodily injury", "property damage", "personal and advertising injury", medical payments, "reduction in value", or cost or expense to which this endorsement applies.

**B. SECTION V – DEFINITIONS** is amended by the addition of the following:

"Tainted drywall material" means any:

- a. Drywall, plasterboard, sheetrock, or gypsum board; or

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- b. Material used in the manufacture of drywall, plasterboard, sheetrock, or gypsum board which:

- (1) Produces sulfuric odors, sulfuric gas, or sulfuric acid;
- (2) Causes or contributes to the corrosion or oxidation of metal, including but not limited to metal in pipes, wiring, heating, ventilation, or air conditioning systems;
- (3) Contains synthetic gypsum, fly ash or any other material derived from coal-fired power plants; or
- (4) Contains arsenic or any radioactive compounds.

"Reduction in value" means the actual or alleged diminution in value, impairment, devaluation, or loss of use of tangible property, whether or not physically injured.

All other terms and conditions of this policy remain unchanged

## EXCLUSION – TOTAL LIQUOR

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Section I-Coverage, Liquor Liability 2.c. Exclusion of the Commercial General Liability Coverage Form, is replaced by the following:

This insurance does not apply to "bodily injury", "property damage", "personal and advertising injury", or any injury, loss or damage arising out 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.
- (4) Any act or omission by any insured, any employee of any insured, or any other persons related to providing or failing to provide transportation, or any act of assuming or failing to assume responsibility for the well-being, supervision, or care of any person under or suspected to be under the influence of alcohol.

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), or (4) 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 itself considered the business of selling, serving or furnishing alcoholic beverages.

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

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

## **EXCLUSION – TOTAL PESTICIDES, PESTS AND BUGS, VIRUS, BACTERIA OR BIOLOGICAL CONTAMINANT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

PRODUCTS / COMPLETED OPERATIONS LIABILITY COVERAGE FORM

- A. The following is added to Section 2. Exclusions of Section I – Coverages – Coverage A – Bodily Injury and Property Damage Liability of the Commercial General Liability Coverage Form:

This insurance does not apply to:

**Pesticides, Pests and Bugs, Virus, Bacteria or Biological Contaminant**

"Bodily injury" or "property damage", claims, demands, or "suits", or other injury or damage or loss arising from:

1. The exposure to or presence of any pesticides, including but not limited to insecticides, herbicides, fungicides, fumigants, and organic chlorine or carbamate insecticides; exposure to any pesticides; ingestion, inhalation, or absorption of pesticides, including but not limited to asthma, respiratory illness, autism, learning disabilities, birth defects, reproductive dysfunction, diabetes, Parkinson's disease, Alzheimer's disease, any type of cancer, or neurologic symptoms and dysfunction.
- B. 2. Any injury or damages allegedly arising out of, caused by, or resulting from the actual or alleged exposure to or presence of pests and bugs, including but not limited to ants, aphids, barnacles, scale insects, broad mites and rest mites, fungus gnats, crickets, caterpillars, inchworms, cutworms, Cabbage Loopers, grasshoppers, leafhoppers, leaf miners, mealybugs, spider mites, thrips, slugs, snails, and whiteflies.
3. Exposure to or presence of plant viruses, fungus, bacteria or other biological pathogens, including but not limited to algae, bud rot, mold, mildew, fungus, tobacco mosaic virus white powdery mold, leaf Septoria, yellow leaf spot, zinc deficiency, pH fluctuations, nutrient burn, fusarium, as well as any chemical or compound produced or released by any biological contaminant or pathogen, including but not limited to mycotoxin toxin, spore, scent metabolite or other byproduct.
4. Any request, demand, claim, or order that any insured or others investigate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, abate, or mitigate, or in any way respond to or assess the presence or effects of pesticides, pests and bugs, virus, bacteria, fungus, fungal disease or other biological contaminant or pathogen, including any demand by you for reimbursement of any costs for such actions.
5. Any claim or suit by or on behalf of a governmental authority for damages because of testing for, removing, cleaning up,

monitoring, treating, remediating, detoxifying, neutralizing, or in any way responding to, or assessing the effects of pesticides, pests and bugs, virus, bacteria, fungus, fungal disease or other biological contaminant or pathogen.

The following is added to Section 2. Exclusions of Section I – Coverages – Coverage B – Personal and Advertising Injury Liability of the Commercial General Liability Coverage Form: This insurance does not apply to: **Pesticides, Pests and Bugs, Virus, Bacteria or Biological Contaminant**

“Personal and advertising injury”, claims, demands, or “suits”, or other injury or damage or loss arising from:

1. The exposure to or presence of any pesticides, including but not limited to insecticides, herbicides, fungicides, fumigants, and organic chlorine or carbamate insecticides; exposure to any pesticides; ingestion, inhalation, or absorption of pesticides, including but not limited to asthma, respiratory illness,

virus, bacteria, fungus, fungal disease or other biological contaminant or pathogen, including any demand by you for reimbursement of any costs for such actions.

5. Any claim or suit by or on behalf of a governmental authority for damages because of testing for, removing, cleaning up, monitoring, treating, remediating, detoxifying, neutralizing, or in any way responding to, or assessing the effects of pesticides, pests and bugs, virus, bacteria, fungus, fungal disease or other biological contaminant or pathogen.

C. The following is added to Section 2. Exclusions of Section I – Coverages – Products/Completed Operations Bodily

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autism, learning disabilities, birth defects, reproductive dysfunction, diabetes, Parkinson's disease, Alzheimer's disease, any type of cancer, or neurologic symptoms and dysfunction.

2. Any injury or damages allegedly arising out of, caused by, or resulting from the actual or alleged exposure to or presence of pests and bugs, including but not limited to ants, aphids, barnacles, scale insects, broad mites and rest mites, fungus gnats, crickets, caterpillars, inchworms, cutworms, Cabbage Loopers, grasshoppers, leafhoppers, leaf miners, mealybugs, spider mites, thrips, slugs, snails, and whiteflies.
3. Exposure to or presence of plant viruses, fungus, bacteria or other biological pathogens, including but not limited to algae, bud rot, mold, mildew, fungus, tobacco mosaic virus white powdery mold, leaf Septoria, yellow leaf spot, zinc deficiency, pH fluctuations, nutrient burn, fusarium, as well as any chemical or compound produced or released by any biological contaminant or pathogen, including but not limited to mycotoxin toxin, spore, scent metabolite or other byproduct.
4. Any request, demand, claim, or order that any insured or others investigate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, abate, or mitigate, or in any way respond to or assess the presence or effects of pesticides, pests and bugs,

Injury and Property Damage Liability:

This insurance does not apply to:

“Bodily injury” or “property damage”, claims, demands, or “suits”, or other injury or damage or loss arising from:

1. The exposure to or presence of any pesticides, including but not limited to insecticides, herbicides, fungicides, fumigants, and organic chlorine or carbamate insecticides; exposure to any pesticides; ingestion, inhalation, or

absorption of pesticides, including but not limited to asthma, respiratory illness, autism, learning disabilities, birth defects, reproductive dysfunction, diabetes, Parkinson's disease, Alzheimer's disease, any type of cancer, or neurologic symptoms and dysfunction.

2. Any injury or damages allegedly arising out of, caused by, or resulting from the actual or alleged exposure to or presence of pests and bugs, including but not limited to ants, aphids, barnacles, scale insects, broad mites and rest mites, fungus gnats, crickets, caterpillars, inchworms, cutworms, Cabbage Loopers, grasshoppers, leafhoppers, leaf miners, mealybugs, spider mites,

thrips, slugs, snails, and whiteflies.

3. Exposure to or presence of plant viruses, fungus, bacteria or other biological pathogens, including but not limited to algae, bud rot, mold, mildew, fungus, tobacco mosaic virus, white powdery mold, leaf Septoria, yellow leaf spot, zinc deficiency, pH fluctuations, nutrient burn, fusarium, as well as any chemical or compound produced or released by any biological contaminant or pathogen, including but not limited to mycotoxin toxin, spore, scent metabolite or other byproduct.

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4. Any request, demand, claim, or order that any insured or others investigate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, abate, or mitigate, or in any way respond to or assess the presence or effects of pesticides, pests and bugs, virus, bacteria, fungus, fungal disease or other biological contaminant or pathogen, including any demand by you for reimbursement of any costs for such actions.
5. Any claim or suit by or on behalf of a governmental authority for damages because of testing for, removing, cleaning up, monitoring, treating, remediating, detoxifying, neutralizing, or in any way responding to, or assessing the effects of pesticides, pests and bugs, virus, bacteria, fungus, fungal disease or other biological contaminant or pathogen.

D. For the purposes of this endorsement, the following definitions are added:

1. "Pesticide" means any solid, liquid, gaseous or thermal substance or mixture of substances intended for preventing,

destroying, repelling, or mitigating any pest, or any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

*Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the abovementioned Policy, other than as above stated*

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

## **EXCLUSION – UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. Exclusion 2.g. Aircraft, Auto Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

### **2. Exclusions**

This insurance does not apply to:

#### **g. Aircraft, Auto Or Watercraft (1) Unmanned Aircraft**

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

operation and "loading or unloading". This Paragraph **g.(1)** 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 that is an "unmanned aircraft".

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

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

This Paragraph **g.(2)** 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 (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

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

- (a) A watercraft while ashore on premises you own or rent;
- (b) A watercraft you do not own that is:
  - (i) Less than 26 feet long; and
  - (ii) Not being used to carry persons or property for a charge;
- (c) 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;
- (d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e) "Bodily injury" or "property damage" arising out of:
  - (i) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

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

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

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

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

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

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

"Unmanned aircraft" means an aircraft that is not:

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



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – WILDFIRE

This Endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

- A. The following exclusion is added to **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, and **COVERAGE B – PERSONAL ADVERTISING INJURY LIABILITY**, Paragraph 2. Exclusions:

This insurance does not apply to:

1. “Bodily Injury,” “Property Damage,” or “Personal and Advertising Injury,” arising out of or resulting from “wildfire”, whether directly or indirectly, in whole or in part, or
2. The cost of the insured becomes legally obligated to pay as reimbursement for firefighting, suppressing or bringing under control any “wildfire”.

- B. For the purposes of this endorsement, the following definition is added to the Definitions section:

**“Wildfire”** means any wildfire, wildland fire, forest fire, brush fire, vegetation fire, grass fire, peat fire, bushfire, hill fire, desert fire, veld fire, escaped prescribed fire, escaped wildland fire or any other uncontrolled or unplanned fire, including an uncontrolled or unplanned fire that consumes houses, buildings, or other structures and agricultural resources. “Wildfire” includes all damage associated with or resulting from such fire, including but not limited to smoke, heat, soot or fumes.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

**COMMERCIAL GENERAL LIABILITY**  
**CG 21 67 12 04****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART****A. The following exclusion is added to Paragraph 2. Exclusions of Section I Coverage A Bodily Injury And Property Damage Liability: 2. Exclusions**

This insurance does not apply to:

**Fungi Or Bacteria**

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

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

This insurance does not apply to:

**Fungi Or Bacteria**

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

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

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

## **NON-STACKING ENDORSEMENT**

### **ALL COVERAGE PARTS**

If this policy and any other policy issued to you by us apply to the same claim or "suit", the maximum Limit of Liability under all policies shall not exceed that of the policy with the highest applicable Limit of Liability.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

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

## **PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION**

This endorsement modifies insurance provided under the following:

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

The following is added to the **Other Insurance** (2) You have agreed in writing in a contract or Condition and supersedes any provision to the agreement that this insurance would be contrary: primary and would not seek contribution **Primary And Noncontributory Insurance** from any other insurance available to the additional insured.

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and

**COMMERCIAL GENERAL LIABILITY  
CG 21 96 03 05**

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

## **SILICA OR SILICA-RELATED DUST 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:

**Silica Or Silica-Related Dust**

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

**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:

**Silica Or Silica-Related Dust**

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

**C. The following definitions are added to the Definitions Section:**

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

**COMMERCIAL GENERAL LIABILITY  
CG 21 49 09 99**

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

# TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **f.** under Paragraph **2.**, **Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to: **f.**

## **Pollution**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- (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".

CG 21 49 09 99

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## COMMERCIAL PROPERTY

Sierra Specialty Insurance Company

4455 LBJ Freeway, Suite 700

Dallas, TX 75244

## DECLARATIONS

Phone: (877) 528-7878

Policy Number		Policy Period	
Policy #: JPP05583CA000		May 23, 2024 to May 23, 2025 At 12:01 AM Standard	
Application #: AC-TX-0523-C565		Time of First Named Insured Address	
Prior Policy #: NEW			
ITEM ONE - Named Insured and Mailing Address			
Legal Business Name	Doing Business As	Mailing Address	Business type
Best Drywall Contractor		1234 E Main St , Dallas 75204 TX	Partnership

IN RETURN FOR THE PAYMENT OF THE PREMIUM AND SUBJECT TO ALL THE TERMS OF THIS POLICY WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

ITEM TWO - Business Description			
Contractors			
ITEM THREE - Schedule of Coverages			
Coverage	Limit	Deductible	Premium
Building Coinsurance 80%	See schedule of locations	See schedule of locations	\$2,524.00
Ordinance or Law A Coinsurance 80%	See schedule of locations	See schedule of locations	\$379.00
Ordinance or Law B Coinsurance 80%	See schedule of locations	See schedule of locations	\$252.00
Ordinance or Law C Coinsurance 80%	See schedule of locations	See schedule of locations	\$252.00
Business Personal Property Coinsurance 80%	See schedule of locations	See schedule of locations	\$214.00
Business Income with Extra Expense Period of Restoration / Max Period of Indemnity: 6 months	See schedule of locations	See schedule of locations	\$201.00
Tenant Improvements & Betterments Coinsurance 80%	See schedule of locations	See schedule of locations	\$172.00



Property Coverage Extension	See schedule of locations	See schedule of locations	\$1,151.00
<b>Total Premium:</b>			<b>\$5,145.00</b>

FORMS AND ENDORSEMENTS MADE A PART OF THIS POLICY AT TIME OF ISSUE SEE SCHEDULE OF FORMS AND ENDORSEMENTS

### Schedule of Locations - Property

The following coverages and limits apply to each described property as shown below. Coverages are defined in the policy and are subject to the terms and conditions contained in the policy, including amendments and endorsements.

#### Address

1234 E Main St  
Dallas, TX 75204 (Loc 1)

**Construction:** Joisted Masonry

Coverage	Limits	Deductibles	Premium
Building Coinsurance 80%, RCV Valuation, Special Causes of Loss	\$450,000	\$10,000 Per Claim	\$2,524.00
Ordinance or Law A Coinsurance 80%, RCV Valuation, Special Causes of Loss	Included in Building Limit	\$10,000 Per Claim	\$379.00
Ordinance or Law B Coinsurance 80%, RCV Valuation, Special Causes of Loss	\$45,000	\$10,000 Per Claim	\$252.00
Ordinance or Law C Coinsurance 80%, RCV Valuation, Special Causes of Loss	\$45,000	\$10,000 Per Claim	\$252.00
Business Personal Property Coinsurance 80%, RCV Valuation, Special Causes of Loss	\$20,000	\$10,000 Per Claim	\$214.00
Business Income with Extra Expense Max Period of Indemnity: 6 months 1/6 Monthly Limit of Indemnity, RCV Valuation, Special Causes of Loss	\$25,000	72 hours	\$201.00

Tenant Improvements & Betterments Coinsurance 80%, RCV Valuation, Special Causes of Loss	\$20,000	\$10,000 Per Claim	\$172.00
Premium:			\$3,994.00

**Schedule of Locations - Property Coverage Extension**

The following coverages and limits apply to each described property as shown below. Coverages are defined in the policy and are subject to the terms and conditions contained in the policy, including amendments and endorsements.

**Address**

1234 E Main St  
Dallas, TX 75204 (Loc 1)

**Construction:** Joisted Masonry

Coverage	Limit	Deductible	Premium
Accounts Receivable RCV Valuation, Special Causes of Loss	\$10,000 Aggregate	\$5,000 Per Claim	\$10.00
Back-Up Sewage RCV Valuation, Special Causes of Loss	\$10,000 Aggregate	\$5,000 Per Claim	\$10.00
Door damage RCV Valuation, Special Causes of Loss	\$2,500		\$15.00
Employee Dishonesty RCV Valuation, Special Causes of Loss	\$10,000 Aggregate	\$5,000 Per Claim	\$10.00
Money & Securities RCV Valuation, Special Causes of Loss	\$10,000 Aggregate	\$5,000 Per Claim	\$10.00
Outdoor Property - Fences, Signs, Antennas, Satellite Dishes RCV Valuation, Special Causes of Loss	\$10,000 Aggregate	\$5,000 Per Claim	\$10.00
Outdoor Property - Trees, Shrubs, Plants RCV Valuation, Special Causes of Loss	\$2,500 Aggregate / \$500 Each	\$0 Per Claim	\$12.00
Personal Effects and Property of Others RCV Valuation, Special Causes of Loss	\$30,000 Aggregate / \$2,500 Item Max	\$500 Per Claim	\$11.00
Property in Transit RCV Valuation, Special Causes of Loss	\$10,000	\$2,500 Per Claim	\$1,000.00
Spoilage RCV Valuation, Special Causes of Loss	\$10,000 Aggregate	\$5,000 Per Claim	\$10.00

Tenant Glass Fixtures and Permanently Installed Machinery and Equipment RCV Valuation, Special Causes of Loss	\$35,000 Aggregate	\$5,000 Per Claim	\$43.00
Valuable Papers (other than electronic data) RCV Valuation, Special Causes of Loss	\$35,000 Aggregate	\$5,000 Per Claim	\$10.00
Premium:			\$1,151.00

### Read Your Policy Carefully

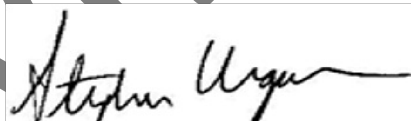
This policy is a legal contract between you and us. The information on this page is not the insurance contract and only the actual policy provisions will control. The policy sets forth in detail the rights and obligations of both you and us. **It is therefore important that you read your policy carefully.**

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of the policy.

This policy is signed by the President and Secretary of the insurance company and, if required by State law, this policy shall not be valid unless countersigned on the Declaration page by its authorized representative



**President**



**Secretary**

## CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section **G**. Definitions.

### A. Covered Causes Of Loss

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

### B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

#### a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

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

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

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

#### b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly

compacted soil and the action of water under the ground surface.

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

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

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

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

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

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

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5)**, is caused by an act of nature or is otherwise caused.

#### c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire

would be covered under this Coverage Part.

**d. Nuclear Hazard**

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

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

**e. Utility Services**

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

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

Failure of any utility service includes lack of sufficient capacity and reduction in supply. Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

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

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

**f. War And Military Action** (1) War,

including undeclared or civil war;

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

**g. Water**

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- (4) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings; or
- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

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

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

**h. "Fungus", Wet Rot, Dry Rot And Bacteria**

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungus", wet or dry rot or bacteria result from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot

And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

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

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

**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.

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

**(a)** Electrical current, including arcing;

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

**(c)** Pulse of electromagnetic energy; or

**(d)** Electromagnetic waves or microwaves.

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

**b.** Delay, loss of use or loss of market.

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

**d.(1)** Wear and tear;

**(2)** Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

**(3)** Smog;

**(4)** Settling, cracking, shrinking or expansion;

**(5)** Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

**(6)** Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

**(7)** The following causes of loss to personal property:

**(a)** Dampness or dryness of atmosphere;

**(b)** Changes in extremes of temperature; or

**(c)** Marring or scratching.

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

**f.** Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

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

**h.** Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

**(1)** You do your best to maintain heat in the building or structure; or

**(2)** You drain the equipment and shut off the supply if the heat is not maintained.

- i. Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party. This exclusion:

- (1) Applies whether or not an act occurs during your normal hours of operation;
- (2) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.

- j. 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.

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

- l. Collapse, including any of the following conditions of property or any part of the property:

- (1) An abrupt falling down or caving in;
- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above.

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

This exclusion, k., does not apply:

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

- (ii) Breakage of building glass;

- (iii) Weight of rain that collects on a roof; or

- (iv) Weight of people or personal property.

- m. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion, l., does not apply to damage to glass caused by chemicals applied to the glass.

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

3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.

- b. Acts or decisions, including the failure to act or decide, of



any person, group, organization or governmental body.

**c. Faulty, inadequate or defective:**

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation or remodeling; or
- (4) Maintenance;

of part or all of any property on or off the described premises.

**4. Special Exclusions**

The following provisions apply only to the specified Coverage Forms:

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

We will not pay for:

- (1) Any loss caused by or resulting from:
  - (a) Damage or destruction of "finished stock"; or
  - (b) The time required to reproduce "finished stock".This exclusion does not apply to Extra Expense.
- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:
  - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
  - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

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

- (5) Any other consequential loss.

**b. Leasehold Interest Coverage Form**

- (1) Paragraph **B.1.a.**, Ordinance Or Law, does not apply to insurance under this Coverage Form.

- (2) We will not pay for any loss caused by:

- (a) Your cancelling the lease;
- (b) The suspension, lapse or cancellation of any license; or
- (c) Any other consequential loss.

**c. Legal Liability Coverage Form**

- (1) The following exclusions do not apply to insurance under this Coverage Form:

- (a) Paragraph **B.1.a.** Ordinance Or Law;
- (b) Paragraph **B.1.c.** Governmental Action;
- (c) Paragraph **B.1.d.** Nuclear Hazard;
- (d) Paragraph **B.1.e.** Utility Services; and
- (e) Paragraph **B.1.f.** War And Military Action.

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

- (a) **Contractual Liability** We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:
  - (i) Your assumption of liability was executed prior to the accident; and

- (ii) The building is Covered Property under this Coverage Form.

**(b) Nuclear Hazard**

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

**5. Additional Exclusion**

The following provisions apply only to the specified property:

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

**C. Limitations**

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

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
  - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
  - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
  - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
    - (1) The building or structure first sustains damage by a Covered Cause of Loss to

its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or

- (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft. However, this limitation does not apply to:

- (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form;

or

- (2) Business Income Coverage or Extra Expense Coverage.

- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
  - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
  - (2) Changes in or extremes of temperature;
  - (3) Disease;
  - (4) Frost or hail; or
  - (5) Rain, snow, ice or sleet.

2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

- a. Animals, and then only if they are killed or their destruction is made necessary.
- b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:

- (1) Glass; or

- (2) Containers of property held for sale.

- c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property. However, this limitation does not apply:

- (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

- (2) To Business Income Coverage or to Extra Expense Coverage.

- 3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

- a. \$2,500 for furs, fur garments and garments trimmed with fur.

- b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.

- c. \$2,500 for patterns, dies, molds and forms.

- d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, **C.3.**, does not apply to Business Income Coverage or to Extra Expense Coverage.

- 4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

- a. Results in discharge of any substance from an automatic fire protection system; or

- b. Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

**D. Additional Coverage – Collapse** The coverage provided under this Additional Coverage, Collapse, applies only to

an abrupt collapse as described and limited in **D.1.** through **D.7.**

- 1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

- 2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;

- b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;

- c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.

- d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

- (1) A cause of loss listed in **2.a.** or **2.b.**;

- (2) One or more of the "specified causes of loss";

- (3) Breakage of building glass;

- (4) Weight of people or personal property;

or

- (5) Weight of rain that collects on a roof.

3. This **Additional Coverage – Collapse** does **not** apply to:

- a. A building or any part of a building that is in danger of falling down or caving in;
- b. A part of a building that is standing, even if it has separated from another part of the building; or
- c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
- b. Awnings, gutters and downspouts;
- c. Yard fixtures;
- d. Outdoor swimming pools;
- e. Fences;
- f. Piers, wharves and docks;
- g. Beach or diving platforms or appurtenances;
- h. Retaining walls; and
- i. Walks, roadways and other paved surfaces; if an abrupt collapse is caused by a cause of loss listed in **2.a.** through **2.d.**, we will pay for loss or damage to that property only if:

(1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and

(2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

- a. The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.**;
- b. The personal property which collapses is inside a building; and
- c. The property which collapses is not of a kind listed in **4.**, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.

8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in **D.1.** through **D.7.**

#### **E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria**

1. The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that

"fungus", wet or dry rot or bacteria are present.

3. The coverage described under **E.2.** of this Limited Coverage is limited to \$15,000.

Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

4. The coverage provided under this Limited

Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph **F.2.** (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.

6. The following, **6.a.** or **6.b.**, applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:

- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

- b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the

"period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

## **F. Additional Coverage Extensions 1. Property In Transit**

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:

- (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
- (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
- (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

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

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any

part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

### 3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays. This Coverage Extension **F.3.** does not increase the Limit of Insurance.

### G. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fireextinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
  - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
    - (1) The cost of filling sinkholes; or
    - (2) Sinking or collapse of land into manmade underground cavities.
  - b. Falling objects does not include loss or damage to:
    - (1) Personal property in the open; or
    - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
  - c. Water damage means:
    - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and

- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

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

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

## BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

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

additions, alterations or repairs to  
the building or structure.

### A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

#### 1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.** Property Not Covered, if a Limit Of Insurance is shown in the Declarations for that type of property.

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

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
  - (a) Machinery; and
  - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
  - (a) Fire-extinguishing equipment;
  - (b) Outdoor furniture;
  - (c) Floor coverings; and
  - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
  - (a) Additions under construction, alterations and repairs to the building or structure;
  - (b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making

**b. Your Business Personal Property** consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
  - (a) Made a part of the building or structure you occupy but do not own; and
  - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

**c. Personal Property Of Others** that is: (1) In your care, custody or control; and

- (2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or

structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

## 2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
  - b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
  - c. Automobiles held for sale;
  - d. Bridges, roadways, walks, patios or other paved surfaces;
  - e. Contraband, or property in the course of illegal transportation or trade;
  - f. The cost of excavations, grading, backfilling or filling;
  - g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
    - (1) The lowest basement floor; or
    - (2) The surface of the ground, if there is no basement;
  - h. Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);
  - i. Personal property while airborne or waterborne;
  - j. Bulkheads, pilings, piers, wharves or docks;
  - k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
  - l. Retaining walls that are not part of a building;
  - m. Underground pipes, flues or drains;
  - n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;
  - o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
  - p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
    - (1) Are licensed for use on public roads; or
    - (2) Are operated principally away from the described premises.
- This paragraph does not apply to:
- (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
  - (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
  - (c) Rowboats or canoes out of water at the described premises; or
  - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or
- q. The following property while outside of buildings:
  - (1) Grain, hay, straw or other crops;
  - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated



roof), all except as provided in the Coverage Extensions.

### 3. Covered Causes Of Loss

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

### 4. Additional Coverages

#### a. Debris Removal

- (1) Subject to Paragraphs (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
- (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
  - (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
  - (c) Remove any property that is  
Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
  - (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
  - (e) Remove deposits of mud or earth from the grounds of the described premises;
  - (f) Extract "pollutants" from land or water; or
  - (g) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
  - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or

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

- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

#### (5) Examples

The following examples assume that there is no Coinsurance penalty.

##### Example 1

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 50,000
Amount of Loss Payable:	\$ 49,500
	(\$50,000 – \$500)
Debris Removal Expense:	\$ 10,000
Debris Removal Expense Payable:	\$ 10,000
	(\$10,000 is 20% of \$50,000.)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

##### Example 2

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 80,000
Amount of Loss Payable:	\$ 79,500

(\$80,000 – \$500)

Debris Removal Expense: \$ 40,000

Debris Removal Expense Payable

Basic Amount: \$ 10,500

Additional Amount: \$ 25,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000, capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 is 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph (4). Thus, the total payable for debris removal expense in this example is \$35,500; \$4,500 of the debris removal expense is not covered.

#### **b. Preservation Of Property**

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

**c. Fire Department Service Charge** When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

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

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

No Deductible applies to this Additional Coverage.

**d. Pollutant Clean-up And Removal** We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12month period of this policy.

#### **e. Increased Cost Of Construction**

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in e.(3) through e.(9) of this Additional Coverage.
- (3) The ordinance or law referred to in e.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
  - (a) You were required to comply with before the loss, even when the building was undamaged; and
  - (b) You failed to comply with.

(5) Under this Additional Coverage, we will not pay for:

- (a) The enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
- (b) Any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

(6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

(7) With respect to this Additional Coverage:

(a) We will not pay for the Increased Cost of Construction:

- (i) Until the property is actually repaired or replaced at the same or another premises; and
- (ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

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

construction at the same premises.

(c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the new premises.

(8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

(9) The costs addressed in the Loss

Payment and Valuation Conditions and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of or compliance with an ordinance or law. The amount payable under this Additional Coverage, as stated in e.(6) of this Additional Coverage, is not subject to such limitation.

#### **f. Electronic Data**

(1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data. This Additional Coverage does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

(2) Subject to the provisions of this

Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

(3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage,

Electronic Data, subject to the following:

- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.
- (c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Electronic Data.
- (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, Electronic Data, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

## 5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

### a. Newly Acquired Or Constructed Property (1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
  - (i) Similar use as the building described in the Declarations; or
  - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

### (2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
  - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
  - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

- (b) This Extension does not apply to:
  - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

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

- (a) This policy expires;
- (b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

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

**b. Personal Effects And Property Of Others**

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**c. Valuable Papers And Records (Other Than Electronic Data)**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.

**(3) If the Causes Of Loss – Broad Form**

applies, coverage under this Extension includes Collapse as set forth in that form.

- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

**d. Property Off-premises**

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
  - (a) Temporarily at a location you do not own, lease or operate;
  - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
  - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
  - (a) In or on a vehicle; or
  - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000.

**e. Outdoor Property**

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;

- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

#### **f. Non-owned Detached Trailers**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
  - (a) The trailer is used in your business;
  - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
  - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
  - (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
  - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

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

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of

the premises described in the Declarations, whichever distance is greater.

- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.
- (3) Coverage under this Extension:
  - (a) Will end 90 days after the business personal property has been placed in the storage unit;
  - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
- (4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.
- (5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

#### **B. Exclusions And Limitations**

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

#### **C. Limits Of Insurance**

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost Of Construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

#### D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

#### Example 1

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance – Building 1:	\$ 60,000
Limit of Insurance – Building 2:	\$ 80,000
Loss to Building 1:	\$ 60,100
Loss to Building 2:	\$ 90,000

The amount of loss to Building 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building 1:

$$\begin{array}{r} \$ 60,100 \\ - \quad 250 \\ \hline \end{array}$$

\$ 59,850 Loss Payable – Building 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building 2. Loss payable for Building 2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:

$$\$59,850 + \$80,000 = \$139,850$$

#### Example 2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example 1.

Loss to Building 1:	\$ 70,000
(Exceeds Limit of Insurance plus Deductible)	
Loss to Building 2:	\$ 90,000
(Exceeds Limit of Insurance plus Deductible)	
Loss Payable – Building 1:	\$ 60,000
(Limit of Insurance)	
Loss Payable – Building 2:	\$ 80,000
(Limit of Insurance)	
Total amount of loss payable:	\$ 140,000

#### E. Loss Conditions

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

##### 1. Abandonment

There can be no abandonment of any property to us.

##### 2. Appraisal

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

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

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

#### 3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.

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

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

- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

#### **4. Loss Payment**

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
  - (1) Pay the value of lost or damaged property;

- (2) Pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;
- (3) Take all or any part of the property at an agreed or appraised value; or
- (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.

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

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



Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

## 5. Recovered Property

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

## 6. Vacancy a. Description Of Terms

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

(a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

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

(i) Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its

customary operations; and/or

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

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

## b. Vacancy Provisions

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

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

(a) Vandalism;

(b) Sprinkler leakage, unless you have protected the system against freezing;

(c) Building glass breakage;

(d) Water damage;

(e) Theft; or (f) Attempted theft.

- (2) With respect to Covered Causes of Loss other than those listed in b.(1)(a) through b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

## 7. Valuation

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

- a. At actual cash value as of the time of loss or damage, except as provided in b., c., d. and e. below.

- b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value, even when attached to the building:

(1) Awnings or floor coverings;

(2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or

(3) Outdoor equipment or furniture.

- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

- d. Glass at the cost of replacement with safety-glazing material if required by law.

- e. Tenants' Improvements and Betterments at:

(1) Actual cash value of the lost or damaged property if you make repairs promptly.

(2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

(a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

- (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

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

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

## F. Additional Conditions

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

### 1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3). We will pay the amount determined in Step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

#### Example 1 (Underinsurance)

When: The value of the property is: \$ 250,000  
The Coinsurance percentage

for it is: 80%

The Limit of Insurance for it is: \$ 100,000

The Deductible is: \$ 250 The amount of loss is: \$ 40,000

Step (1):  $\$250,000 \times 80\% = \$200,000$

(the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):  $\$100,000 \div \$200,000 = .50$

Step (3):  $\$40,000 \times .50 = \$20,000$

Step (4):  $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

#### Example 2 (Adequate Insurance)

When: The value of the property is: \$ 250,000

The Coinsurance percentage

for it is: 80%

The Limit of Insurance for it is: \$ 200,000

The Deductible is: \$ 250

The amount of loss is: \$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ( $\$250,000 \times 80\%$ ). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than \$39,750 (\$40,000 amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

#### Example 3

When: The value of the property is:

Building at Location 1: \$ 75,000

Building at Location 2: \$ 100,000

Personal Property

at Location 2: \$ 75,000

\$ 250,000

The Coinsurance percentage

for it is: 90%

The Limit of Insurance for

Buildings and Personal Property

at Locations 1 and 2 is: \$ 180,000

The Deductible is: \$ 1,000

The amount of loss is:

Building at Location 2: Personal \$ 30,000

Property

at Location 2: \$ 20,000

\$ 50,000

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

(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below) Step (2):  $\$180,000 \div \$225,000 = .80$

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

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

We will pay no more than \$39,000. The remaining \$11,000 is not covered. **2. Mortgageholders**

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

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

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

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

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

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:

- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

#### **G. Optional Coverages**

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item:

##### **1. Agreed Value**

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.
- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.
- c. The terms of this Optional Coverage apply only to loss or damage that occurs:
  - (1) On or after the effective date of this Optional Coverage; and
  - (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

##### **2. Inflation Guard**

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

#### **Example**

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

8% The number of days since the beginning of the policy year  
(or last policy change) is: 146  
The amount of increase is:  
 $\$100,000 \times .08 \times 146 \div 365 =$  \$ 3,200

### 3. Replacement Cost

a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.

b. This Optional Coverage does not apply to:

- (1) Personal property of others;
- (2) Contents of a residence;
- (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
- (4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.

d. We will not pay on a replacement cost basis for any loss or damage:

- (1) Until the lost or damaged property is actually repaired or replaced; and
- (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage. With respect to tenants' improvements and betterments, the following also apply:
- (3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and
- (4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.

e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:

- (1) The Limit of Insurance applicable to the lost or damaged property;
- (2) The cost to replace the lost or damaged property with other property:
  - (a) Of comparable material and quality;
  - and
  - (b) Used for the same purpose; or
- (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

### 4. Extension Of Replacement Cost To Personal Property Of Others

a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph 3.b.(1) of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

### H. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke,

vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

SPECIMEN



## BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

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

### A. Coverage 1. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll. For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit Of Insurance is shown in the Declarations:

- (1) Business Income Including "Rental Value".
- (2) Business Income Other Than "Rental Value".
- (3) "Rental Value".

If option (1) above is selected, the term Business Income will include "Rental Value". If option (3) above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit Of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises

include the area within 100 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your premises means:

- (a) The portion of the building which you rent, lease or occupy;
- (b) The area within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (c) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

### 2. Extra Expense

- a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

- (2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

### 3. Covered Causes Of Loss, Exclusions And Limitations

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

### 4. Additional Limitation – Interruption Of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
- d. This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

### 5. Additional Coverages a. Civil Authority

In this Additional Coverage, Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations. When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business

Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
- (2) When your Civil Authority Coverage for Business Income ends; whichever is later.

- b. **Alterations And New Buildings** We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:
  - (a) Used in the construction, alterations or additions; or
  - (b) Incidental to the occupancy of new buildings.



If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

**c. Extended Business Income (1)  
Business Income Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a Business

Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
  - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
  - (ii) 60 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

**(2) "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
  - (i) The date you could restore tenant occupancy, with reasonable speed, to the

level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or

- (ii) 60 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

**d. Interruption Of Computer Operations**

- (1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.
- (2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss. However, we will not provide coverage under this Additional Coverage when the Additional Limitation – Interruption Of Computer Operations does not apply based on Paragraph A.4.d. therein.
- (3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, includes Collapse as set forth in that form.
- (c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided

under this Additional Coverage, Interruption Of Computer Operations.

- (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (4) The most we will pay under this Additional Coverage, Interruption Of Computer Operations, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.
- (5) This Additional Coverage, Interruption Of Computer Operations, does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.

#### **6. Coverage Extension**

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

#### **Newly Acquired Locations**

- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location, unless a higher limit is shown in the Declarations.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
  - (1) This policy expires;
  - (2) 30 days expire after you acquire or begin to construct the property; or
  - (3) You report values to us.

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

The Additional Condition, Coinsurance, does not apply to this Extension.

#### **B. Limits Of Insurance**

The most we will pay for loss in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

Payments under the following coverages will not increase the applicable Limit of Insurance:

1. Alterations And New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage.

#### **C. Loss Conditions**

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

##### **1. Appraisal**

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount

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

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

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

## **2. Duties In The Event Of Loss**

- a. You must see that the following are done in the event of loss:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the direct physical loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any

matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

## **3. Loss Determination**

- a. The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- (4) Other relevant sources of information, including:
  - (a) Your financial records and accounting procedures;
  - (b) Bills, invoices and other vouchers; and
  - (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
  - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
  - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

### c. Resumption Of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

#### 4. Loss Payment

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

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

#### D. Additional Condition COINSURANCE

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

1. The Coinsurance percentage shown for Business Income in the Declarations; times
2. The sum of:
  - a. The Net Income (Net Profit or Loss before income taxes), and
  - b. Operating expenses, including payroll expenses,that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

Instead, we will determine the most we will pay using the following steps:

Step (1): Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;

Step (2): Divide the Limit of Insurance for the described premises by the figure determined in Step (1); and

Step (3): Multiply the total amount of loss by the figure determined in Step (2).

We will pay the amount determined in Step (3) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- (1) Prepaid freight – outgoing;
- (2) Returns and allowances;
- (3) Discounts;
- (4) Bad debts;
- (5) Collection expenses;
- (6) Cost of raw stock and factory supplies consumed (including transportation charges);
- (7) Cost of merchandise sold (including transportation charges);
- (8) Cost of other supplies consumed (including transportation charges);
- (9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- (10) Power, heat and refrigeration expenses that do not continue under contract (if Form CP 15 11 is attached);
- (11) All payroll expenses or the amount of payroll expense excluded (if Form CP 15 10 is attached); and
- (12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

#### Example 1 (Underinsurance)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$ 400,000  
The Coinsurance percentage is: 50%  
The Limit of Insurance is: \$ 150,000  
The amount of loss is: \$ 80,000

Step (1):  $\$400,000 \times 50\% = \$200,000$   
(the minimum amount of insurance to meet  
your Coinsurance requirements)

Step (2):  $\$150,000 \div \$200,000 = .75$  Step

(3):  $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining  
\$20,000 is not covered.

### Example 2 (Adequate Insurance)

When: The Net Income and operating  
expenses for the 12 months following  
the inception, or last previous  
anniversary date, of  
this policy at the described  
premises would have been: \$ 400,000  
The Coinsurance percentage is: 50%  
The Limit of Insurance is: \$ 200,000  
The amount of loss is: \$ 80,000

The minimum amount of insurance to meet your  
Coinsurance requirement is \$200,000 ( $\$400,000 \times$   
50%). Therefore, the Limit of Insurance in this example  
is adequate and no penalty applies. We will pay no  
more than \$80,000 (amount of loss).

This condition does not apply to Extra Expense  
Coverage.

### E. Optional Coverages

If shown as applicable in the Declarations, the  
following Optional Coverages apply separately to  
each item.

#### 1. Maximum Period Of Indemnity

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

#### Monthly Limit Of Indemnity

- a. The Additional Condition, Coinsurance, does not  
apply to this Coverage Form at the described  
premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in  
each period of 30 consecutive days after the  
beginning of the "period of restoration" is:
  - (1) The Limit of Insurance, multiplied by

- (2) The fraction shown in the Declarations for  
this Optional Coverage.

### Example

When: The Limit of Insurance is: \$ 120,000

The fraction shown in the  
Declarations for this Optional  
Coverage is: 1/4

The most we will pay for loss in  
each period of 30 consecutive  
days is: \$ 30,000

( $\$120,000 \times 1/4 = \$30,000$ )

If, in this example, the actual  
amount of loss is:

Days 1–30:	\$ 40,000
Days 31–60:	\$ 20,000
Days 61–90:	\$ <u>30,000</u>
	\$ 90,000

We will pay:

Days 1–30:	\$ 30,000
Days 31–60:	\$ 20,000
Days 61–90:	\$ <u>30,000</u>
	\$ 80,000

The remaining \$10,000 is not covered.

### 3. Business Income Agreed Value

- a. To activate this Optional Coverage:

- (1) A Business Income Report/Work Sheet  
must be submitted to us and must show  
financial data for your "operations":

- (a) During the 12 months prior to the  
date of the Work Sheet; and

- (b) Estimated for the 12 months  
immediately following the  
inception of this Optional  
Coverage.

- (2) The Declarations must indicate that the  
Business Income Agreed Value Optional  
Coverage applies, and an Agreed Value  
must be shown in the Declarations. The  
Agreed Value should be at least equal to:

- (a) The Coinsurance percentage  
shown in the Declarations;  
multiplied by

- (b) The amount of Net Income and  
operating expenses for the  
following 12 months you report on  
the Work Sheet.

- b. The Additional Condition, Coinsurance, is  
suspended until:

- (1) 12 months after the effective date of this  
Optional Coverage; or

- (2) The expiration date of this policy;  
whichever occurs first.

c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) Within 12 months of the effective date of this Optional Coverage; or  
(2) When you request a change in your Business Income Limit of Insurance.

d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The Business Income Limit of Insurance; divided by  
(2) The Agreed Value. **Example**

When: The Limit of Insurance is: \$ 100,000  
The Agreed Value is: \$ 200,000 The amount of loss is: \$ 80,000

Step (1):  $\$100,000 \div \$200,000 = .50$

Step (2):  $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

**4. Extended Period Of Indemnity** Under Paragraph A.5.c., **Extended Business Income**, the number 60 in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

#### F. Definitions

1. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. "Operations" means:

- a. Your business activities occurring at the described premises; and  
b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

3. "Period of restoration" means the period of time that:  
a. Begins:

(1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or

(2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage; caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends on the earlier of:

(1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(2) The date when business is resumed at a new permanent location. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

(1) Regulates the construction, use or repair, or requires the tearing down, of any property; or

(2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

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

5. "Rental Value" means Business Income that consists of:

a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and

b. Continuing normal operating expenses incurred in connection with that premises, including:

(1) Payroll; and

(2) The amount of charges which are the legal obligation of the tenant(s)

but would otherwise be your obligations.

**6. "Suspension" means:**

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

SPECIMEN





THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ORDINANCE OR LAW COVERAGE**

This endorsement modifies insurance provided under the following:

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

Building Number/ Premises Number	Coverage A	Coverage B Limit Of Insurance	Coverage C Limit Of Insurance	Coverages B And C Combined Limit Of Insurance
/	<input type="checkbox"/>	\$	\$	\$ *
/	<input type="checkbox"/>	\$	\$	\$ *
/	<input type="checkbox"/>	\$	\$	\$ *
<b>Post-Loss Ordinance Or Law Option:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>				
*Do not enter a Combined Limit of Insurance if individual Limits of Insurance are selected for Coverages B and C, or if one of these Coverages is not applicable.				
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.				

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

**B. Application Of Coverage(s)**

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

1. The requirements of the ordinance or law are in force at the time of loss. But if the

Post-Loss Ordinance Or Law Option is indicated in the Schedule as being applicable, then Paragraph B.2. applies instead of this Paragraph B.1.

2. The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
3. Coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards

that exceed actual requirements are not covered under this endorsement.

assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

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

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

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

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

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

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

## C. Coverage

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

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

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

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

## 3. Coverage C – Increased Cost Of Construction Coverage

- a. With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:
  - (1) Repair or reconstruct damaged portions of that building; and/or
  - (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

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

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

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

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

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

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

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

**D. Loss Payment**

1. All following loss payment provisions, **D.2.** through **D.5.**, are subject to the apportionment procedures set forth in Paragraph **B.5.** of this endorsement.
2. When there is a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

- a. If the Replacement Cost Coverage Option applies and such building is being

repaired or replaced, on the same or another premises, we will not pay more than the lesser of:

- (1) The amount you would actually spend to repair, rebuild or reconstruct such building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or

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

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

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

3. Unless Paragraph **D.5.** applies, loss payment under Coverage **B** – Demolition Cost Coverage will be determined as follows: We will not pay more than the lesser of the following:

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

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

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

- (1) Until the building is actually repaired or replaced, at the same or another premises; and

- (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- b. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under Coverage **C** is the lesser of:
- (1) The increased cost of construction at the same premises; or
  - (2) The applicable Limit Of Insurance shown for Coverage **C** in the Schedule.
- c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage **C** is the lesser of:
- (1) The increased cost of construction at the new premises; or
  - (2) The applicable Limit Of Insurance shown for Coverage **C** in the Schedule.
5. If a Combined Limit Of Insurance is shown for Coverages **B** and **C** in the Schedule, Paragraphs **D.3.** and **D.4.** do not apply with respect to the building that is subject to the Combined Limit, and the following loss payment provisions apply instead:
- The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the Combined Limit Of Insurance shown for Coverages **B** and **C** in the Schedule. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:
- a. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
  - b. With respect to the Increased Cost of Construction:
    - (1) We will not pay for the increased cost of construction:
      - (a) Until the building is actually repaired or replaced, at the same or another premises; and
      - (b) Unless the repair or replacement is made as soon as reasonably possible after the loss or

damage, not to exceed two years. We may extend this period in writing during the two years.

- (2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
- (3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

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

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

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

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

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

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

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

In this example, the most we will pay under this endorsement for the Coverage **C** loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions. **Note:** The same procedure applies to losses under Coverages **A** and **B** of this endorsement.

**G.** The following definition is added:

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

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

## **COMMERCIAL PROPERTY COVERAGE EXTENSION**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

CAUSES OF LOSS – BASIC FORM

CAUSES OF LOSS – BROAD FORM

CAUSES OF LOSS – SPECIAL FORM

If an additional premium is shown in the Declarations, the following Additional Coverages and Coverage Extensions apply. Coverages may be altered or changed at issuance. For a complete list of policy applicable coverages and limits, refer to the Declarations. These coverages are subject to the provisions in the Commercial Property coverage form of the policy to which this endorsement is attached including the deductible, warranties, terms and conditions except as provided below.

If any loss is covered under more than one Insuring Agreement or coverage, the most we will pay for such loss will not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or coverages.

We will not pay for loss resulting directly from a claim unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance unless otherwise indicated below.

The coverage provided by this endorsement:

1. Applies to the described premise(s) listed on the Commercial Property Coverage Part Declarations; and,
2. Is not subject to coinsurance unless otherwise indicated.

## **A. Additional Coverages**

### **1. Accounts Receivable**

a. Coverage under your Building and Personal Property Coverage form is extended to apply to Accounts Receivable and is subject to the provisions applicable to that form except as provided below. Coverage applies to your records of accounts receivable:

- (1) At a described premise or in or on a vehicle in transit between described premises; or
- (2) If the records must be removed from a described premise to protect them from the threat of a Covered Cause of Loss
  - (a) At a safe place away from the described premises;

(b) Being taken to and returned from that place

b. We will pay, with respect to any Covered Loss:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by loss or damage;
- (4) Other reasonable expenses that you incur to reestablish your records of accounts receivable that result from direct physical loss or damage by any Covered Causes of Loss to your records of accounts receivable.

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That result from direct physical loss or damage by any Covered Cause of Loss to your records of accounts receivable, including credit or charge card slips.

c. Loss payment will be determined as follows:

- (1) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, we will:
  - (a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and

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

(2) The following will be deducted from the total amount of accounts receivable, however that amount is established:

- (a) The amount of the accounts for which there is no loss or damage;
- (b) The amount of the accounts that you are able to re-establish or collect;
- (c) An amount to allow for probable bad debts that you are normally unable to collect;
- (d) All unearned interest and service charges.

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

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- (1) alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property. This exclusion applies only to the extent of the wrongful giving, taking or withholding;
- (2) bookkeeping, accounting or billing errors or omissions;
- (3) loss that requires any audit of records or any inventory computation to prove its factual existence
- (4) loss of contraband, or property in the course of illegal transportation or trade. Contraband does not include cannabis or hemp.

The most we will pay under this Additional Coverage is the limit shown in the Declarations.

## **2. Backup Sewer, Drain, or Sump**

- a. Coverage under your Causes of Loss – Special Form is amended to apply to:
  - (1) Water that backs up through or overflows from a sewer or drain; or
  - (2) Water that overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.
- b. This Additional Coverage does not apply:
  - (1) If prior to the occurrence of loss or damage, you knew or reasonably should have known that a sewer or drain was obstructed or that the sump pump or its related equipment was inoperable and/or malfunctioning
  - (2) To the cost to repair or replace any sewer, drain, sump or sump pump, or any related equipment.

The most we will pay under this Additional Coverage is the limit shown in the Declarations.

## **3. Door Damage and Lock Replacement**

- a. Coverage under your Causes of Loss – Special Form is amended to apply to:
  - (1) Loss or damage to the exterior door(s) of the building which contains your

Business Personal Property caused by the breaking in or exiting of burglars

- (2) The cost to repair or replace the door locks or tumblers of the building which contains your Business Personal Property due to the breaking in or exiting of burglars.

- b. We will not pay for loss or damage where:

- (1) The building otherwise qualifies as Covered Property under this policy; or
- (2) The building is owned by you

The most we will pay under this Additional Coverage is the limit shown in the Declarations.

## **4. Employee Dishonesty**

- a. Coverage under your Building and Personal Property Coverage form is extended to apply to Employee Dishonesty and is subject to the provisions applicable to that form except as provided below. We will pay for direct loss of Business Personal Property and "money" and "securities" resulting from "fraud or dishonesty" by any of your "employees" acting alone or in collusion with other persons (except you or your partners, members, officers or directors) with the manifest intent to:
  - (1) Cause you to sustain loss or damage: and also
  - (2) Obtain financial benefit (other than salaries, commissions, fees bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
    - (a) Any "employee", or
    - (b) Any other person or organization intended by the employee to receive that benefit.
- b. We will not pay for loss or damage resulting from or arising out of:
  - (1) Any dishonest or criminal act that you, any of your partners, officers, directors or any of your "members" commit whether acting alone or in collusion with other persons;
  - (2) Caused by voluntary parting, separating or surrendering of covered property;

- (3) Inventory shortages: loss, or that part of any loss, the only proof of which as to its existence or amount is:
  - (a) An inventory computation; or (b) A profit and loss computation.
- (4) Resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.
- c. All loss or damage caused by one or more persons or involving a single act or series of related acts is considered one "occurrence".
- d. This Additional Coverage does not apply to any dishonest act committed by an "employee" before or after being hired by you, that is immediately discovered by you or any of your partners, members, officers, or directors not in collusion with the "employee".
- e. We will pay only for covered loss or damage discovered no later than one year from the end of the policy period.
- f. We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no limit of insurance accumulates from year to year or period to period.
- g. If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
  - (1) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
  - (2) The loss or damage would have been covered by this Additional Coverage had been in effect when the acts or events causing the loss or damage were committed or occurred.
- h. The insurance under paragraph (g) above is part of, not in addition to, the amount of insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:

- (1) This Additional Coverage as of its effective date; or
- (2) The prior insurance had it remained in effect.
- i. The following definitions apply to this Additional Coverage:
  - (1) "Employee" also includes any noncompensated natural person:
    - (a) Other than one who is fund solicitor, while performing services for you that are usual to the duties of an employee; or
    - (b) While acting as fund solicitor during fund raising campaigns.
  - (2) "Occurrence" means all loss caused by, or involving one or more "employees", whether the result of a single act or series of acts.
  - (3) "Discovery", "discover" or "discovered" means:
    - (a) The time when a "designated person" first becomes aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.
    - (b) The time when a "designated person" first receives notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.
  - (4) "Fraud or dishonesty" means larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, wrongful conversion, willful misapplication or other fraudulent or dishonest act, including any act or arrangement prohibited by title 18, section 1954 of the U.S. Code.



The most we will pay under this Additional Coverage is the limit shown in the Declarations.

## 5. Money and Securities

- a. Coverage under your Building and Personal Property Coverage form is extended to apply to Money and Securities and is subject to the provisions applicable to that form except as provided below. We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, at the described premises or in transit between any of these places, resulting directly from:
  - (1) "Theft", meaning any act of stealing; (2) Disappearance; or
  - (3) Destruction.
- b. We will not pay for loss:
  - (1) Resulting from accounting or arithmetical errors or omissions;
  - (2) Due to the voluntary separating, parting or surrendering of covered property;
  - (3) Resulting directly from the fraudulent withdrawal of "money" contained within any "automated teller machine" that was caused, or facilitated, by the unlawful:
    - (a) Installation of a device; or
    - (b) Introduction of malware which manipulated the operating system of such "automated teller machine", thereby enabling such withdrawal of "money"
  - (4) Loss of or damage to any "automated teller machine" resulting directly from an actual or attempted burglary or other unlawful entry into such "automated teller machine", provided that:
    - (a) The insured is the owner of such "automated teller machine" or liable for such loss or damage; and
    - (b) The loss or damage is not caused by fire
- c. All loss covered by one or more persons or involving a single act or series of related acts is considered one loss. You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- d. Valuation: We will pay for loss of "money" for not more than its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
  - (1) At face value in the "money" issued by that country; or
  - (2) In the United States of America's dollar equivalent on the day the loss was discovered.
- e. Loss of "securities" for not more than their value at the close of business on the day the loss was discovered. We may, at our option:
  - (1) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities";
  - (2) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the value of the "securities" at the close of the business on the day the loss was discovered.
- f. The following definitions apply to this Additional Coverage:
  - (1) "Money" means:
    - (a) Currency, coins, and bank notes in current use and having a face value;
    - (b) Traveler's checks and money orders held for sale to the public; and
    - (c) Deposits in your account at any financial institution.
  - (2) "Securities" means:
    - (a) Other evidences of debt, money, or notes.

- (b) Lottery tickets held for sale are not securities.

The most we will pay under this Additional Coverage is the limit shown in the Declarations.

**6. Outdoor Property – Signs, Fences, Antennas, Satellite Dishes** For the purposes of this Additional Coverage, section A.5.e. Outdoor Property of the Building and Personal Property coverage form is deleted and replaced by the following:

- a. Coverage under your Building and Personal Property Coverage form is extended to apply to your outdoor signs, fences, radio, and television antennas (including satellite dishes), including debris removal expense
- b. For the purposes of this Additional Coverage, the provision pertaining to signs in section C. Limits of Insurance of the Building and Personal Property coverage form does not apply.
- c. This Additional Coverage is subject to all applicable provisions of the Causes of Loss Form attached to this policy.

The most we will pay under this Additional Coverage is the limit shown in the Declarations.

**7. Outdoor Property – Trees, Shrubs, or Plants**

For the purposes of this Additional Coverage, section A.5.e. Outdoor Property of the Building and Personal Property coverage form is deleted and replaced by the following:

- a. Coverage under your Building and Personal Property Coverage form is extended to apply to your outdoor trees, shrubs, and plants (other than trees, shrubs, or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss
  - (1) Fire;
  - (2) Lightning;
  - (3) Explosions;
  - (4) Riot or Civil Commotion; or
  - (5) Aircraft
- b. For the purposes of this Additional Coverage, the following exclusions are added; we will not pay for loss or damage to:

- (1) Cannabis or hemp

The most we will pay under this Additional Coverage is the limit shown in the Declarations.

**8. Personal Effects and Property of Others** For the purposes of this Additional Coverage, section A.5.b. Personal Effects and Property of Others is deleted and replaced with the following:

- a. You may extend the insurance that applies to Your Business Personal Property to apply to:
  - (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees.
  - (2) Personal property of others in your care, custody or control, including property belonging to individuals in your care.
- b. The most we will pay under this Additional Coverage is the limit shown in the Declarations. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property. We can settle all losses with you and make all payments to you at our option. This property is not covered if it is already insured elsewhere.

**9. Property in Transit**

For the purposes of this Additional Coverage, section F.1. Property In Transit is deleted and replaced with the following:

This Additional Coverage applies only to your personal property to which this form applies.

- a. Insurance provided by this Coverage Part is extended to apply to your personal property (other than property in the care, custody, or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
  - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
  - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.

- (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

The most we will pay under this Additional Coverage is the limit shown in the Declarations.

#### 10. Spoilage

For the purposes of this Additional Coverage, your Building and Personal Property Coverage form is extended to apply to Spoilage and is subject to the provisions applicable to that form except as provided below.

- a. The following is added to section A.3. Covered Causes of Loss of the Building and Personal Property coverage form:

- (1) Breakdown or contamination, meaning:
- (a) Change in temperature or humidity resulting from mechanical breakdown or failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is at the described premises; and
  - (b) Contamination by the refrigerant.
- (2) Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

- b. For the purposes of this Additional Coverage, section B. Exclusions and Limitations of the Building and Personal Property coverage form is replaced by the following:

1. Only the following exclusions contained in section B.1. of the Special Causes of Loss form apply to this coverage: (a) Earth Movement;
- (b) Governmental Action;
  - (c) Nuclear Hazard;
  - (d) War and Military Action;
  - (e) Water; and
  - (f) Cyber Incident Exclusion or the

Cyber Incident Exclusion With Ensuing Cause(s) Of Loss Exceptions, whichever applies.

2. The following exclusions are added; we will not pay for loss or damage caused by or resulting from:

- (a) The disconnection of any refrigerating, cooling or humidity control system from the source of power;
- (b) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current;
- (c) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - i. Lack of fuel; or
  - ii. Governmental order
- (d) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
- (e) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

- c. For the purpose of this Additional Coverage, section F. Additional Conditions of the Building Personal Property coverage form is deleted and replaced with the following:

The following Additional Condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

#### 1. Refrigeration Maintenance Agreements

If breakdown or contamination is a covered cause of loss, the following condition applies; You must maintain a refrigeration maintenance or service agreement. If you terminate this agreement and do not notify us, the insurance provided by this Additional

Coverage will be automatically suspended at the involved location.

- d. Section G. Optional Coverages of the Causes of Loss – Special Form does not apply.

The most we will pay under this Additional Coverage is the limit shown in the Declarations.

#### **11. Tenant Building Glass, Fixtures, and Permanently Installed Machinery and Equipment**

- a. Coverage under your Building and Personal Property Coverage form is extended to apply to Tenant Building Glass, Fixtures, and Permanently Installed Machinery and Equipment and is subject to the provisions applicable to that form except as provided below. We will pay for direct physical loss of or damage to the described building property at the building shown in the Declarations caused by or resulting from a Covered Cause of Loss, provided that:

- (1) You are a tenant of the building shown in the Schedule; and
- (2) You have a contractual responsibility to insure such property, or a contractual responsibility to pay for loss or damage to such property.

- b. Under this endorsement, building property means the building glass, building fixtures and permanently installed machinery and equipment described in the Declarations, which are part of the building shown in the Declarations.

- c. The value of building property covered under this endorsement will be determined in accordance with the terms of the Valuation Condition indicated in the Declarations, or at the amount for which you are liable under contract, whichever is less. If required by law, glass is covered at the cost of replacement with safety glazing material. However, the most we will pay for the coverage provided under this endorsement is the applicable Limit Of Insurance shown in the Declarations.

- d. The Coinsurance Condition applies to the property described in the Schedule only if

a Coinsurance percentage is shown in the Schedule.

- e. Any coverage provided under this Coverage Form or Policy for Your Business Personal Property or Personal Property Of Others does not apply to the property covered by this Additional Coverage.

- f. This additional coverage does not increase limits or coverage provided under section F.3. Additional Coverage Extensions – Glass, of the Special Cause of Loss Form.

The most we will pay under this Additional Coverage is the limit shown in the Declarations.

#### **12. Valuable Papers (Other Than Electronic Data)**

For the purposes of this Additional Coverage, section A.5.c. is deleted and replaced with the following:

- a. You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.

- b. Under this Extension, the most we will pay to replace or restore the lost information is the limit shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

*Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the above-mentioned Policy, other than as above stated*

## COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

### A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property; 3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

### B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

### C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

### D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

### E. LIBERALIZATION

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

### F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

### G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

### H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
  - a. During the policy period shown in the Declarations; and
  - b. Within the coverage territory.
2. The coverage territory is:
  - a. The United States of America (including its territories and possessions);
  - b. Puerto Rico; and
  - c. Canada.

### I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
  - a. Someone insured by this insurance;

b. A business firm:

(1) Owned or controlled by you; or

(2) That owns or controls you; or

c. Your tenant.

This will not restrict your insurance.

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COMMERCIAL PROPERTY

CP 00 90 07 88 ☐ POLICY NUMBER:

CP 12 11 09 17

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

## BURGLARY AND ROBBERY PROTECTIVE SAFEGUARDS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

### SCHEDULE

Premises No.	Building No.	Protective Safeguards Symbols Applicable
All locations as shown in the Declarations	All locations as shown in the Declarations	BR-1, BR-2
Describe any "BR-4":		
Additional requirements, if any, for engagement of an automatic burglary alarm or other automatic system listed in this Schedule (other than the requirements of Paragraph A.2.):		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following is added to the Commercial Property Conditions:

#### **Burglary And Robbery Protective Safeguards**

As a condition of this insurance, you are required to:

1. Maintain the protective safeguards listed in the Schedule, and over which you have control, in complete working order;
2. Actively engage any automatic burglary alarm or other automatic system listed in the Schedule and maintain it in the "on" position during all non-work hours and whenever the premises are unoccupied;
3. Actively engage an automatic burglary alarm or other automatic system, or parts thereof, in accordance with any other requirements, if any, indicated in the Schedule; and
4. Notify us if you know of any suspension of or impairment in any protective safeguard listed in the Schedule.  
However, notification to us of the suspension of or impairment in an automatic burglary alarm or other automatic system listed in the Schedule will not be necessary if you:
  - a. Can restore full protection within 48 hours of the suspension or impairment;



- b. Provide at least one watchperson or other means of surveillance at the premises during all non-work hours and whenever the premises are otherwise unoccupied; and
- c. Provide at least one watchperson or other means of surveillance during work hours if the Schedule requires that the premises or part thereof be protected during work hours.

**B. The following is added to the Exclusions section of the Causes Of Loss – Special Form: **Burglary And Robbery Protective Safeguards****

We will not pay for loss or damage caused by or resulting from theft if, prior to the theft, you failed to comply with any condition set forth in Paragraph A.

- C. The protective safeguards to which this endorsement applies are identified by the following symbols:

1. **"BR-1" Automatic Burglary Alarm**, protecting the entire building, that signals to:
  - a. An outside central station; or
  - b. A police station.
2. **"BR-2" Automatic Burglary Alarm**, protecting the entire building, that has a loud sounding gong or siren on the outside of the building.
3. **"BR-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.
4. **"BR-4"** The protective safeguard described in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## LOCKED VEHICLE WARRANTY

This Endorsement modifies insurance provided under the following:

### **BUILDING AND PERSONAL PROPERTY COVERAGE FORM CAUSES OF LOSS – SPECIAL FORM**

In consideration of the payment of premium and subject to all the terms and conditions of the policy, it is understood and agreed that this endorsement amends the policy to exclude from coverage any loss of or damage to covered property by theft, or any attempt thereof, while that covered property is in any unoccupied vehicle, unless the covered property is contained in a fully enclosed and securely locked container or cab of the vehicle and the theft, or any attempt thereof, results in visible signs of forcible entry into such vehicle.

All other policy terms, limitations, and conditions remain unchanged.

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

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY

SCHEDULE	
Building	Protective Safeguards Symbols Applicable
1234 E Main St, Dallas, TX (Loc 1)	P-1
Describe Any "P-9":	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A.**

The following is added to the Commercial Property Conditions:

**Protective Safeguards**

As a condition of this insurance, you are required to:

1. Maintain the protective safeguards listed in the Schedule, and over which you have control, in complete working order;
2. Actively engage and maintain in the "on" position at all times any automatic fire alarm or other automatic system listed in the Schedule; and
3. Notify us if you know of any suspension of or impairment in any protective safeguard listed in the Schedule.

However, if part of an Automatic Sprinkler System or Automatic Commercial Cooking Exhaust And Extinguishing System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads,

notification to us will not be necessary if you can restore full protection within 48 hours.

**B.**The following is added to the **Exclusions** section of:

Causes Of Loss – Basic Form  
Causes Of Loss – Broad Form  
Causes Of Loss – Special Form  
Mortgageholders Errors And Omissions Coverage Form  
Standard Property Policy

We will not pay for loss or damage caused by or resulting from fire if, prior to the fire, you failed to comply with any condition set forth in Paragraph **A. C.**

The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

1. Any automatic fire protective or extinguishing system, including connected:
  1. Sprinklers and discharge nozzles;
  2. Ducts, pipes, valves and fittings;
  3. Tanks, their component parts and supports; and
  4. Pumps and private fire protection mains.
2. When supplied from an automatic fire protective system:
  1. Non-automatic fire protective systems; and
  2. Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

1. Connected to a central station; or
2. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the described premises.

**"P-5" Automatic Commercial Cooking Exhaust And Extinguishing System** installed on cooking appliances and having the following components:

1. Hood;
2. Grease removal device;
3. Duct system; and
4. Wet chemical fire extinguishing equipment.

**"P-9"**, the protective system described in the Schedule.

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

## **CYBER INCIDENT EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY**

**A. The following exclusion is added to Paragraph B.  
Exclusions:**

We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

#### **Cyber Incident**

1. Unauthorized access to or use of any computer system (including electronic data).
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any

computer system, or otherwise disrupts its normal functioning or operation.

### **B. Exceptions And Limitations**

#### **1. Fire Or Explosion**

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion. **2. Additional Coverage**

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

- a. Additional Coverage – Electronic Data, or
- b. Additional Coverage – Interruption Of Computer Operations.

#### **3. Electronic Commerce Endorsement**

The exclusion in Paragraph **A.** does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

### **C. Vandalism**

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Standard Property Policy or the Causes Of Loss – Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph **A.**

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

## **EXCLUSION OF LOSS DUE TO PESTICIDES, PESTS, BUGS, PLANT VIRUS OR DISEASE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY**

- A. The exclusions set forth in Paragraph B and C below apply to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B. We will not pay for loss or damage caused by or resulting from any exposure to or presence of any pesticides, including but not limited to insecticides, herbicides, fungicides, fumigants, and or organic chlorine or carbamate insecticides; exposure to any pesticides;
- C. We will not pay for loss or damage caused by or resulting from exposure to or presence of any pests or bugs, including but not limited to ants, aphids, barnacles, scale insects, broad mites, russet mites, fungus gnats, crickets, caterpillars, inchworms, cutworms, Cabbage Loopers, grasshoppers, leafhoppers, leaf miners, mealybugs, spider mites, thrips, slugs, snails, and or whiteflies.
- D. We will not pay for loss or damage caused by or resulting from exposure to or presence of plant viruses, fungus, bacteria or other biological pathogens, including but not limited to any algae, bud rot, mold, mildew, fungus, Tobacco Mosaic Virus, White Powdery Mold, Leaf Septoria, Yellow Leaf Spot, Zinc deficiency, pH fluctuations, nutrient burn, fusarium, or any chemical or compound produced or released by any biological contaminant or pathogen, including but not limited to mycotoxin, toxin, spore, scent, metabolite or other byproduct.
- E. We will not pay for any costs or expenses associated with or arising from any request, demand, claim, or order that any insured or others investigate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, abate, or mitigate, or in any way respond to or assess the presence or effects of pesticides, pests, bugs, virus, bacteria, fungus, fungal disease or other biological contaminant or pathogen, including any demand by you for reimbursement of any costs for such actions.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.

The terms of this exclusion, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

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

## **EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.

- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
  2. Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

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POLICY NUMBER:

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

**MULTIPLE DEDUCTIBLE FORM**  
(FIXED DOLLAR DEDUCTIBLES)

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM  
BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
STANDARD PROPERTY POLICY  
TOBACCO SALES WAREHOUSES COVERAGE FORM

**SCHEDULE**

The Deductibles applicable to any one occurrence are shown below:

Premises Number	Building Number	Deductible	Covered Cause(s) Of Loss*
		\$	

		\$	
		\$	

\* For each deductible listed in this Schedule, enter the number corresponding to the Covered Cause(s) of Loss to which that deductible applies (or enter the description):

- (1) All Covered Causes of Loss
- (2) All Covered Causes of Loss **except** Windstorm Or Hail
- (3) All Covered Causes of Loss **except** Theft
- (4) All Covered Causes of Loss **except** Windstorm Or Hail and Theft
- (5) Windstorm Or Hail
- (6) Theft

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

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The following is added to the **Deductible** section:

- A. In the event that loss or damage occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule above or in the Declarations, will apply.
- B. The terms of this endorsement do not apply to any Windstorm Or Hail Percentage Deductible provided elsewhere in this policy.

C. This policy does not cover Earthquake or Flood unless such causes of loss are added to the policy as covered causes of loss. If Earthquake and/or Flood are added to this policy as covered causes of loss, the terms of this endorsement do not apply to Earthquake or Flood and corresponding deductibles will be shown elsewhere in this policy and identified as such.

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

## **THEFT FROM UNATTENDED VEHICLE EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following is added to the **Exclusions** section and supersedes any other exclusion for theft from any unattended vehicle in the Coverage Form:

We will not pay for loss or damage caused by or resulting from theft from any unattended vehicle unless at the time of theft:

1. Its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry; and
2. If the vehicle is equipped with an alarm, its alarm was actively engaged and maintained in the "on" position.

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BLZ TX 100 01 22

## TEXAS FLOOD INSURANCE DISCLOSURE NOTICE

"Flood Insurance: You may also need to consider the purchase of flood insurance. Your insurance policy does not include coverage for damage resulting from a flood even if hurricane winds and rain caused the flood to occur. Without separate flood insurance coverage, you may have uncovered losses caused by a flood. Please discuss the need to purchase separate flood insurance coverage with your insurance agent or insurance company, or visit [www.floodsmart.gov](http://www.floodsmart.gov)."

## TEXAS PERIOD TO FILE A CLAIM OR BRING LEGAL ACTION AGAINST US NOTICE - WINDSTORM OR HAIL - CATASTROPHE AREA

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), **the provisions of the policy (including its endorsements) shall prevail.**

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

In accordance with Texas Insurance Code Section 2301.010(f), we are notifying you that:

1. With respect to loss or damage in the State of Texas caused by windstorm or hail in the catastrophe area, as defined by the Texas Insurance Code, any claim must be filed with us not later than one year after the date of the loss or damage that is the subject of the claim, except that a claim may be filed after the first anniversary of the date of the loss or damage for good cause shown by the person filing the claim; and
2. Any legal action brought against us under the policy for loss or damage in the State of Texas caused by windstorm or hail in the catastrophe area, as defined by the Texas Insurance Code, must be brought within the earlier of the following:
  - a. Two years and one day from the date we accept or reject the claim; or
  - b. Three years and one day from the date of the loss or damage that is the subject of the claim.



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