

CCI 0431831

ORIGINAL COPY  
COMPREHENSIVE INSURANCE POLICYACCOUNT NO. 9324304648  
RENEWAL DECLARATIONRENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD		COVERAGE IS PROVIDED IN THE	AGENCY
CCI 0431831	10/01/2015	10/01/2016	GENERAL CASUALTY CO OF WI	0480399
NAMED INSURED AND ADDRESS			AGENT	
GREEN BAY RIVERSIDE UNIT % THE ALEXANDER CO PER G40-1 345 W WASHINGTON AVE STE 301 MADISON WI 53703			HAUSMANN-JOHNSON INSURANCE INC 700 REGENT STREET PO BOX 259408 MADISON WI 025 53725	

FORM OF BUSINESS: CORPORATION

BUSINESS DESCRIPTION: CONDOMINIUM ASSOCIATION

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS INDICATED BY AN ( X ).

## COVERAGE PARTS

- ( X ) ASSET COVERAGE PART  
( ) COMMERCIAL INLAND MARINE COVERAGE PART  
( X ) COMMERCIAL GENERAL LIABILITY COVERAGE PART  
( X ) COMMERCIAL CRIME COVERAGE PART  
( ) BOILER AND MACHINERY COVERAGE PART  
( ) COMMERCIAL AUTO COVERAGE PART  
( )  
( )  
( )

MINIMUM PREMIUM \$ 700

TOTAL PREMIUM FOR ALL COVERAGE PART(S) \$ 36,361

THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENTS DEPENDING ON THE TERMS AND CONDITIONS OF THE INDIVIDUAL COVERAGE PART(S).

AUDIT PERIOD: ( ) ANNUAL ( ) SEMI-ANNUAL ( ) QUARTERLY ( ) MONTHLY

11/06/2015

AUTHORIZED SIGNATURE

DATE

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## FORMS AND ENDORSEMENTS

FORM NUMBER	TITLE
CR 00210506	COMMERCIAL CRIME COVERAGE FORM
CR 01060702	WISCONSIN CHANGES
CG 00010413	COMMERCIAL GENERAL LIABILITY COV
CG 01240193	WI CHGS--AMEND OF POLICY CONDITIONS
CG 02241093	EARLIER NOTICE-CANCEL PROVIDED BY US
CG 20041185	ADDITIONAL INSURED CONDO UNIT OWNERS
CG 20180413	ADDL INS-MORTGAGEE-ASSIGNEE-RECEIVER
CG 21060514	EX ACCESS OR DISC OF CONF OR PER INF
CG 21471207	EMPLOYMENT-RELATED PRACTICES EXCLUS
CG 21671204	FUNGI OR BACTERIA EXCLUSION
CG 21710115	EXCLUSION OF OTHER ACTS OF TERRORISM
CG 21760115	EXCL PUNITIVE DAMAG RELATED ACT TRIA
CG 21960305	SILICA OR SILICA-RELATED DUST EXCL
CG 71270806	HIRED AUTO AND NON-OWNED AUTO LIAB
CG 71300398	WI CHGS -- HIRED AND NON-OWNED AUTO
CG 79440495	EXCLUSION-LEAD LIABILITY
CG 79450806	ADDL PERSONS INSURD-EMPLOYEE BOD INJ
CG 79500309	GENERAL LIABILITY COVERAGE EXTENSION
CG 80340603	EXCLUSION ASBESTOS
CG 81550309	NONCONTRACTORS ADDL INSURED ENDT
G40-1 0585	
CI 79000808	COMPREHENSIVE INSUR POLICY JACKET
CP 81330714	NBCR HAZARDS EXCLUSION
G40-2 0585	
IL 00171198	COMMON POLICY CONDITIONS
IL 00210702	NUCLEAR ENERGY LIAB EXCLUSION ENDT
IL 02830907	WI CHANGES -- CANCEL AND NONRENEWAL
IL 09350702	EXCLUSION OF CERTAIN COMPUTER-RELATE
IL 09520115	CAP LOSSES-CERTIFIED ACTS TERRORISM
IL 09850115	DISCLOSURE PURSUANT-TERRORISM
IL 70010392	WISCONSIN CHANGES
AP 70051210	ASSET COVERAGE FORM
AP 70211210	ADDITIONAL COVERAGE - FLOOD
AP 70271210	ADDL COV-EARTHQUAKE-VOLCANIC ERUPT
AP 70581210	NOTICE-OFFER OF TERRORISM INSURANCE
AP 76081210	WISCONSIN CHANGES
AP 76091210	WI CHANGES - CANCEL AND NONRENEWAL
G40-3 0585	
AP 70151210	ADDITIONAL COV - EQUIPMENT BREAKDOWN

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RENEWAL DECLARATION

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ENDORSEMENT

THE NAMED INSURED IS:  
GREEN BAY RIVERSIDE UNIT  
OWNERS ASSOCIATION INC

IL 00 17 11 98

## 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.



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

**1. The insurance does not apply:**

**A. Under any Liability Coverage, to "bodily injury" or "property damage":**

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.**

**C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:**

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

**2. As used in this endorsement:**

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

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

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

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

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

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

**(c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

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

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

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

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

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

## **WISCONSIN CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

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

**A. 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 10 days before the effective date of cancellation.

If this policy has been in effect for less than 60 days and is not a renewal policy, we may cancel for any reason.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, except as provided in Paragraph 7. below, we may cancel this policy only for one or more of the following reasons:

- a.** The policy was obtained by material misrepresentation;
- b.** There has been a substantial change in the risk we originally assumed, except to the extent that we should have foreseen the change or considered the risk in writing the policy;
- c.** There have been substantial breaches of contractual duties, conditions or warranties; or

**d.** Nonpayment of premium.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, the notice of cancellation will state the reason for cancellation.

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

### **7. Anniversary Cancellation**

If this policy is written for a term of more than one year or has no fixed expiration date, we may cancel this policy for any reason by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the anniversary date of the policy. Such cancellation will be effective on the policy's anniversary date.

We may cancel this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of cancellation contains an offer to continue the policy with us if we receive a written request from the first Named Insured prior to the date of cancellation.

**C. The following applies to the:**

Capital Assets Program (Output Policy) Coverage Part

Commercial Inland Marine Coverage Part

Commercial Property Coverage Part

Crime And Fidelity Coverage Part

Equipment Breakdown Coverage Part

Farm Coverage Part

**1. We may rescind this policy because of the following:**

- a.** Misrepresentation made by you or on your behalf in the negotiation for or procurement of this Coverage Part, if the person knew or should have known that the representation was false;
- b.** Breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Coverage Part;
- c.** Failure of a condition before a loss if such failure exists at the time of loss; or
- d.** Breach of a promissory warranty if such breach exists at the time of loss.

**2. We may not rescind this policy:**

- a.** For the reasons in Paragraphs **C.1.a.** and **C.1.b.** unless:

- (1)** We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or
- (2)** The facts misrepresented or falsely warranted contribute to the loss.

- b.** For the reasons in Paragraphs **C.1.c.** and **C.1.d.** unless such failure or breach:

- (1)** Increases the risk at the time of loss; or
- (2)** Contributes to the loss.

**3. If we elect to rescind this policy, we will notify the first Named Insured of our intention within 60 days after acquiring knowledge of sufficient facts to constitute grounds for rescission.**

**D. The following are added and supersede any other provisions to the contrary:**

**1. Nonrenewal**

- a.** If we elect not to renew this policy we will mail or deliver written notice of nonrenewal to the first Named Insured's last mailing address known to us. We may elect not to renew for any reason; the notice will state the reason for nonrenewal. We will mail or deliver the notice at least 60 days before the expiration date of this policy.

We need not mail or deliver the notice if:

- (1)** You have insured elsewhere;
- (2)** You have accepted replacement coverage;
- (3)** You have requested or agreed to non-renewal of this policy; or
- (4)** This policy is expressly designated as nonrenewable.

- b.** We may refuse to renew this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of nonrenewal contains an offer to renew the policy with us if we receive a written request from the first Named Insured prior to the renewal date.

- c.** If you fail to pay the renewal or continuation premium by the premium due date, this policy will terminate on the policy expiration or anniversary date, if we have:

- (1)** Given you written notice of the renewal or continuation premium not more than 75 days nor less than 10 days prior to the due date of the premium; and

- (2)** Stated clearly in the notice the effect of nonpayment of premium by the due date.

**2. Anniversary Alteration**

If this policy is written for a term of more than one year or has no fixed expiration date, we may alter the terms or premiums of this policy by mailing or delivering written notice of less favorable terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the anniversary date.

If we notify the first Named Insured within 60 days prior to the anniversary date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the policy at any time during the 60-day period, in accordance with Paragraph 1. of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

### 3. Renewal With Altered Terms

If we elect to renew this policy but on less favorable terms or at higher premiums, we will mail or deliver written notice of the new terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the renewal date.

If we notify the first Named Insured within 60 days prior to the renewal date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the renewal policy at any time during the 60-day period, in accordance with Paragraph 1. of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the renewal policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

We need not mail or deliver this notice if the only change adverse to you is a premium increase that:

- a. Is less than 25% and is generally applicable to the class of business to which this policy belongs; or
- b. Results from a change based on your action that alters the nature or extent of the risk insured against, including but not limited to a change in the classification or the units of exposure, or increased policy coverage.

### E. Special Provision – Cancellation And Nonrenewal

With respect to insurance provided under the Commercial Automobile Coverage Part, we will not cancel or refuse to renew Liability Coverage wholly or partially because of age, sex, residence, race, color, creed, religion, national origin, ancestry, marital status or occupation of anyone who is an insured.

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

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

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

### **A. Cap On Certified Terrorism Losses**

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

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

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

### **B. Application Of Exclusions**

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

**INTERLINE ENDORSEMENT  
IL 70 01 03 92 (REVISED)**

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

**WISCONSIN CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMPREHENSIVE INSURANCE POLICY  
COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
BUSINESSOWNERS POLICY  
CONTRACTORS POLICY  
BUSINESS AUTO POLICY  
GARAGE POLICY  
TRUCKERS POLICY  
WORKERS' COMPENSATION POLICY

Any statement contained in this policy which says the policy is not valid unless countersigned by a duly authorized agent of the company is hereby deleted.

IL 09 85 01 15

**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

## **DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT**

### **SCHEDULE**

<b>SCHEDULE – PART I</b>
<b>Terrorism Premium (Certified Acts)    \$ 0</b> <b>This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):</b>          <b>Additional information, if any, concerning the terrorism premium:</b>          
<b>SCHEDULE – PART II</b> <b>Federal share of terrorism losses    <u>85</u>    % Year: 20    <u>15</u></b> (Refer to Paragraph <b>B.</b> in this endorsement.)  <b>Federal share of terrorism losses    <u>84</u>    % Year: 20    <u>16</u></b> (Refer to Paragraph <b>B.</b> in this endorsement.)
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

#### **A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.



**B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

**C. Cap On Insurer Participation In Payment Of Terrorism Losses**

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

This endorsement modifies insurance provided under the following:

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

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
    - a.** Any of the following, whether belonging to any insured or to others:
      - (1)** Computer hardware, including micro-processors;
      - (2)** Computer application software;
      - (3)** Computer operating systems and related software;
      - (4)** Computer networks;
      - (5)** Microprocessors (computer chips) not part of any computer system; or
      - (6)** Any other computerized or electronic equipment or components; or
    - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
  - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
  - 2.** Under the Commercial Property Coverage Part:
    - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
    - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

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

ORIGINAL COPY  
COMPREHENSIVE INSURANCE POLICY

ACCOUNT NO. 9324304648  
RENEWAL DECLARATION

RENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD		COVERAGE IS PROVIDED IN THE	AGENCY
CCI 0431831	10/01/2015	10/01/2016	GENERAL CASUALTY CO OF WI	0480399
NAMED INSURED AND ADDRESS			AGENT	
GREEN BAY RIVERSIDE UNIT % THE ALEXANDER CO PER G40-1 345 W WASHINGTON AVE STE 301 MADISON WI 53703			HAUSMANN-JOHNSON INSURANCE INC 700 REGENT STREET PO BOX 259408 MADISON WI 025 53725	

POLICY PERIOD: THE POLICY PERIOD WILL BEGIN AND END AT 12:01 AM STANDARD TIME AT THE ADDRESS OF THE FIRST NAMED INSURED.

BUSINESS DESCRIPTION: CONDOMINIUM ASSOCIATION  
FORM OF BUSINESS: CORPORATION

THIS POLICY CONSISTS OF THESE DECLARATIONS, THE ASSET COVERAGE FORM, AND ANY ENDORSEMENTS INDICATED AS APPLICABLE IN THESE DECLARATIONS.

ASSET COVERAGE PREMIUM \$\$29,654

FORMS AND ENDORSEMENTS APPLICABLE: PLEASE SEE THE SCHEDULE OF FORMS AND ENDORSEMENTS

DEDUCTIBLE: THE FOLLOWING DEDUCTIBLE(S) APPLY TO THIS INSURANCE UNLESS A DIFFERENT DEDUCTIBLE IS DESCRIBED AS APPLICABLE IN THE ASSET COVERAGE FORM, OR A SPECIFIC DEDUCTIBLE(S) IS SHOWN AS APPLICABLE FOR A LOCATION SHOWN IN THE SCHEDULED LOCATION ENDORSEMENT, IF MADE A PART OF THIS POLICY.

ALL PERILS OTHER THAN SHOWN BELOW:	\$ 5,000
EARTHQUAKE	\$25,000
FLOOD	\$25,000

MORTGAGE HOLDERS: SEE SCHEDULE OF MORTGAGEES

LOSS PAYEES: SEE SCHEDULE OF LOSS PAYEES

CCI 0431831

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COMPREHENSIVE INSURANCE POLICYACCOUNT NO. 9324304648  
RENEWAL DECLARATIONRENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD		COVERAGE IS PROVIDED IN THE	AGENCY
CCI 0431831	10/01/2015	10/01/2016	GENERAL CASUALTY CO OF WI	0480399
NAMED INSURED AND ADDRESS			AGENT	
GREEN BAY RIVERSIDE UNIT % THE ALEXANDER CO PER G40-1 345 W WASHINGTON AVE STE 301 MADISON WI 53703			HAUSMANN-JOHNSON INSURANCE INC 700 REGENT STREET PO BOX 259408 MADISON WI 025 53725	

## LIMITS OF INSURANCE AND COVERAGE OPTIONS

UNLESS OTHERWISE STATED, LIMITS OF INSURANCE SHOWN IN THE SCHEDULED LOCATIONS ENDORSEMENT, IF IT IS MADE A PART OF THIS POLICY, APPLY TO COVERED PROPERTY AND ADDITIONAL COVERAGE AT THE DESCRIBED LOCATION AND TAKE THE PLACE OF ANY LIMITS OF INSURANCE SHOWN BELOW.

## COVERED PROPERTY:

BUILDING:	\$	
BUSINESS PERSONAL PROPERTY:	\$	
BUSINESS INCOME AND EXTRA EXPENSE	\$	18 MONTH ALS
BUILDING AND BUSINESS PERSONAL PROPERTY:	\$	24,686,800
BUILDING AND BUSINESS INCOME AND EXTRA EXPENSE:	\$	
BUSINESS PERSONAL PROPERTY AND BUSINESS INCOME AND EXTRA EXPENSE:	\$	
BUILDING, BUSINESS PERSONAL PROPERTY AND BUSINESS INCOME AND EXTRA EXPENSE:	\$	
OTHER PROPERTY (PLEASE DESCRIBE):	\$	

SECTION A.2. PROPERTY NOT COVERED OF THE ASSET COVERAGE FORM DOES NOT APPLY TO THE FOLLOWING TYPES OF PROPERTY:

ORIGINAL COPY  
COMPREHENSIVE INSURANCE POLICY

ACCOUNT NO. 9324304648  
RENEWAL DECLARATION

RENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD		COVERAGE IS PROVIDED IN THE	AGENCY
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LIMITS OF INSURANCE AND COVERAGE OPTIONS (CONTINUED)

OPTIONS: (THE OPTION IS APPLICABLE IF AN "X" IS SHOWN.)

ACTUAL CASH VALUE - BUILDING:	[   ]
ACTUAL CASH VALUE - BUSINESS PERSONAL PROPERTY:	[   ]
FUNCTIONAL REPLACEMENT COST - BUILDING:	[   ]
FUNCTIONAL REPLACEMENT COST - BUSINESS PERSONAL PROPERTY:	[   ]
AGREED VALUE - BUILDING:	[ X ]
AGREED VALUE - BUSINESS INCOME AND EXTRA EXPENSE:	[   ]
BUSINESS INCOME AND EXTRA EXPENSE:	
MAXIMUM PERIOD OF INDEMNITY - 120 DAYS:	[   ]
MONTHLY LIMIT OF INDEMNITY - 1/6:	[   ]
MONTHLY LIMIT OF INDEMNITY - 1/4:	[   ]
MONTHLY LIMIT OF INDEMNITY - 1/3:	[   ]
OTHER OPTION (PLEASE DESCRIBE:	[   ]

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## LIMITS OF INSURANCE AND COVERAGE OPTIONS (CONTINUED)

## ADDITIONAL COVERAGES:

## FOR THE ADDITIONAL COVERAGES SHOWN BELOW:

1. IF NO LIMIT OF INSURANCE IS SHOWN IN THESE DECLARATIONS BUT THERE IS A LIMIT OF INSURANCE IN THE ASSET COVERAGE FORM, THEN THE LIMIT OF INSURANCE IN THE ASSET COVERAGE FORM WILL APPLY.
2. IF NO LIMIT OF INSURANCE IS SHOWN IN THESE DECLARATIONS AND THERE IS NO LIMIT OF INSURANCE IN THE ASSET COVERAGE FORM, THEN NO INSURANCE IS PROVIDED BY THIS POLICY.
3. IF "EXCLUDED" IS SHOWN BELOW INSTEAD OF A LIMIT OF INSURANCE, THEN NO INSURANCE IS PROVIDED BY THIS POLICY, AND THIS REPLACES ANY LIMIT OF INSURANCE IN THE ASSET COVERAGE FORM.

BLANKET ADDITIONAL COVERAGE: \$ 250,000

(AS DESCRIBED IN THE COVERAGE FORM, THIS BLANKET ADDITIONAL COVERAGE INCLUDES ACCOUNTS RECEIVABLE; ELECTRONIC DATA, MEDIA AND COMPUTER EQUIPMENT; FINE ARTS; FIRE DEPARTMENT SERVICE CHARGE; FIRE EXTINGUISHING SYSTEMS EXPENSE; OUTDOOR SIGNS; PERSONAL EFFECTS AND PROPERTY OF OTHERS; AND VALUABLE PAPERS AND RECORDS. IF THERE IS A LIMIT OF INSURANCE SHOWN BELOW FOR ANY OF THESE ADDITIONAL COVERAGES, THIS BLANKET ADDITIONAL COVERAGE LIMIT OF INSURANCE WILL BE EXCESS OVER THE ADDITIONAL COVERAGE'S LIMIT OF INSURANCE SHOWN BELOW.)

ACCOUNTS RECEIVABLE: \$ 100,000

ADDITIONAL BUILDING PROPERTY:

DIRECT DAMAGE: \$ 100,000

BUSINESS INCOME AND EXTRA EXPENSE: \$ 100,000

AUTOMATIC INCREASE - ANNUAL PERCENTAGE AMOUNT  
(APPLIED PER DAY):

2%

BELOW GROUND WATER AND BACKUP OF SEWER, DRAIN OR SUMP: \$ 50,000

BRANDS AND LABELS EXPENSE: \$

(IN ADDITION TO THE BUSINESS PERSONAL PROPERTY LIMIT OF INSURANCE)

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## LIMITS OF INSURANCE AND COVERAGE OPTIONS (CONTINUED)

## ADDITIONAL COVERAGES (CONTINUED):

BUILDING GLASS - TENANT: (IN ADDITION TO THE BUSINESS PERSONAL PROPERTY LIMIT OF INSURANCE)	\$	BPP LIMIT
BULK LIQUID TANK STORAGE: PER OCCURRENCE:	\$	50,000
ANNUAL AGGREGATE:	\$	100,000
BUSINESS PERSONAL PROPERTY NOT AT A COVERED LOCATION: (OTHER THAN IN TRANSIT)	\$	100,000
CATASTROPHE ALLOWANCE: PER CATASTROPHE:	\$	100,000
ANNUAL AGGREGATE:	\$	100,000
CIVIL AUTHORITY - NUMBER OF WEEKS:	\$	4
CONSEQUENTIAL LOSS:	\$	100,000
CONTRACTUAL PENALTIES: PER OCCURRENCE:	\$	25,000
ANNUAL AGGREGATE:	\$	100,000
DEBRIS REMOVAL ADDITIONAL LIMIT:	\$	1,500,000
DEPENDENT PROPERTIES:	\$	100,000
ELECTRONIC DATA, MEDIA AND COMPUTER EQUIPMENT:	\$	100,000
EMPLOYEE THEFT: CONSECUTIVE DAYS TEMPORARILY OUTSIDE COVERAGE TERRITORY:	\$	50,000 90
EXTENDED BUSINESS INCOME - CONSECUTIVE DAYS: BUSINESS INCOME OTHER THAN RENTAL VALUE: RENTAL VALUE:		180
EXTRA EXPENSE:	\$	25,000

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## LIMITS OF INSURANCE AND COVERAGE OPTIONS (CONTINUED)

## ADDITIONAL COVERAGES (CONTINUED):

FINE ARTS:	\$	100,000
FIRE DEPARTMENT SERVICE CHARGE:	\$	50,000
FIRE EXTINGUISHING SYSTEMS EXPENSE:	\$	100,000
FOOD CONTAMINATION:		
ADVERTISING EXPENSES:	\$	10,000
OTHER THAN ADVERTISING EXPENSES:	\$	25,000
FORGERY OR ALTERATION:	\$	50,000
IDENTITY THEFT EXPENSES:		
PER IDENTITY THEFT - ANNUAL AGGREGATE:	\$	100,000
MAXIMUM FOR LOST WAGES - PER WEEK:	\$	1,000
MAXIMUM FOR LOST WAGES - NUMBER OF WEEKS:		
INGRESS OR EGRESS - NUMBER OF WEEKS:		4
INSTALLMENT SALES PROPERTY:	\$	50,000
INTERRUPTION OF COMPUTER OPERATIONS:		
PER OCCURRENCE:	\$	50,000
ANNUAL AGGREGATE:	\$	50,000
INVENTORY AND APPRAISAL EXPENSE:	\$	100,000
LEASEHOLD INTEREST IN UNDAMAGED IMPROVEMENTS AND BETTERMENTS:	\$	100,000
LIMITED COVERAGE FOR FUNGI, WET ROT AND DRY ROT:		
PER OCCURRENCE:	\$	15,000
ANNUAL AGGREGATE:	\$	30,000
LOCK REPLACEMENT:	\$	5,000
MONEY AND SECURITIES:	\$	50,000
MONEY ORDERS AND COUNTERFEIT CURRENCY:	\$	5,000



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## LIMITS OF INSURANCE AND COVERAGE OPTIONS (CONTINUED)

## ADDITIONAL COVERAGES (CONTINUED):

NEWLY ACQUIRED LOCATIONS - BUSINESS INCOME AND EXTRA EXPENSE:	\$	250,000
NEWLY ACQUIRED OR CONSTRUCTED PROPERTY OR PEAK SEASON (DIRECT DAMAGE):	\$	250,000
ORDINANCE OR LAW:		
COVERAGE A (LOSS TO THE UNDAMAGED PORTION):		INCLUDED IN BUILDING LIMIT
COVERAGE B (DEMOLITION):	\$	
COVERAGE C (INCREASED COST OF CONSTRUCTION):	\$	
COMBINED COVERAGE B AND COVERAGE C:	\$	1,000,000
INCREASED PERIOD OF RESTORATION:		INCLUDED IN BUSINESS INCOME AND EXTRA EXPENSE LIMIT
OUTDOOR PROPERTY:	\$	75,000
TREES, SHRUBS OR PLANTS - MAXIMUM ANY ONE ITEM:	\$	5,000
OUTDOOR SIGNS:	\$	10,000
PENALTY REIMBURSEMENT - FAILURE TO DELIVER:		
PER OCCURRENCE:	\$	15,000
ANNUAL AGGREGATE:	\$	30,000
PERSONAL EFFECTS AND PROPERTY OF OTHERS:	\$	50,000
POLLUTION CLEANUP AND REMOVAL:		
PER OCCURRENCE:	\$	100,000
ANNUAL AGGREGATE:	\$	100,000
PRESERVATION OF PROPERTY - NUMBER OF DAYS:		180
PROPERTY IN TRANSIT:		
DIRECT DAMAGE:	\$	50,000
BUSINESS INCOME AND EXTRA EXPENSE:	\$	100,000

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## LIMITS OF INSURANCE AND COVERAGE OPTIONS (CONTINUED)

## ADDITIONAL COVERAGES (CONTINUED):

## REWARD PAYMENT:

INFORMATION LEADING TO ARREST OF CONVICTION:	\$	25,000
RETURN OF STOLEN PROPERTY:	\$	25,000

## SPECIAL THEFT LIMITS:

FURS, FUR GARMENTS, AND GARMENTS TRIMMED WITH FUR:	\$
JEWELRY, WATCHES, PRECIOUS STONES AND PRECIOUS METALS:	\$
SPECIAL THEFT LIMIT DOES NOT APPLY TO JEWELRY, WATCHES, PRECIOUS STONES OR PRECIOUS METALS WORTH THIS AMOUNT OR LESS:	
STAMPS, TICKETS AND LETTERS OF CREDIT:	\$

## SPOILAGE:

REQUIRED TO MAINTAIN A REFRIGERATION AGREEMENT IF AN "X" IS SHOWN.	\$	50,000
	[ ]	

UTILITY SERVICES - DIRECT DAMAGE AND TIME ELEMENT:	\$	25,000
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VALUABLE PAPERS AND RECORDS:	\$	100,000
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WATER DAMAGE:	COSTS OF TEARING OUT AND REPLACING
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## OTHER ADDITIONAL COVERAGE (PLEASE DESCRIBE):

NUMBER OF DAYS FOR NOTICE OF CANCELLATION: 90  
FLOOD LIMIT: \$1,000,000  
EARTHQUAKE LIMIT: \$1,000,000

## OTHER ADDITIONAL COVERAGE (PLEASE DESCRIBE):

CCI 0431831

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ENDORSEMENT

ASSET COVERAGE SCHEDULE OF LOCATIONS

LOC 001 BLDG 01 - 112-128 S WASHINGTON ST GREEN BAY WI 54301

LOC 001 BLDG 02 - 112-129 S WASHINGTON ST GREEN BAY WI 54301

**ASSET COVERAGE PROGRAM**  
**AP 70 05 12 10**

## **ASSET 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 Named Insured includes any business organization, other than a joint venture, in which the first Named Insured has or acquires during the policy period an ownership interest of more than 50% and is subject to the management control of the first Named Insured or its subsidiaries, and which is domiciled within the United States of America or its territories or possessions.

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 Paragraph **K — Definitions**.

### **A. Coverage**

We will pay for direct physical loss of or damage to Covered Property at "covered locations" caused by or resulting from any Covered Cause of Loss.

#### **1. Covered Property**

Covered Property, as used in this policy, means the type of property described in Paragraph **A.1.**, and limited in Paragraph **A.2.**, Property Not Covered, if a Limit Of Insurance is specifically shown in the Declarations or Scheduled Location endorsement for Building or Business Personal Property.

##### **a. Building, meaning buildings and structures including:**

- (1)** Completed additions;
- (2)** Glass that is a part of a building or structure;
- (3)** Fixtures, including outdoor fixtures;
- (4)** Permanently installed:
  - (a)** Machinery;
  - (b)** Equipment;
  - (c)** Platforms; and
  - (d)** Bins;
- (5)** Personal property owned by you that is used to maintain or service a building or structure or the "covered location", including:
  - (a)** Fire extinguishing equipment;
  - (b)** Outdoor furniture;
  - (c)** Floor coverings;
  - (d)** Heating, air conditioning, and ventilation equipment; and
  - (e)** Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

- (6)** "Builders risk", if not covered by other insurance. With respect to fixtures, machinery and equipment subject to Paragraphs **a.(2)** and **a.(3)** of the definition of "builders risk", coverage under this provision also includes your legal liability for similar property belonging to others;

- (7)** Awnings and canopies if located within 1,000 feet of a covered building;

- (8)** Fences;

- (9)** Television and radio towers, antennas, satellite dishes, guy wires, lead-in wiring and masts if the property is located within 1,000 feet of your covered building. Property permanently attached to these types of property is included;

- (10)** Signs;

- (11)** Foundations of buildings, structures, machinery or boilers;

- (12)** Bulkheads, pilings, piers, wharves or docks;

- (13)** Underground pipes, flues or drains; and

- (14)** Retaining walls.

- b. Business Personal Property, meaning your business personal property located in or on buildings or structures at "covered locations" or in the open (or in a vehicle) within 1,000 feet of "covered locations", consisting of the following:**

- (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 a building or structure you occupy but do not own; and

(b) You acquire or made at your expense but cannot legally remove;

(7) Leased personal property which you have a contractual responsibility to insure;

(8) Personal Property, which will become part of your installation, erection or fabrication project, while:

(a) At the site of installation, erection or fabrication; or

(b) In temporary storage pending installation, erection or fabrication.

Coverage under this provision is not restricted to buildings or structures at your "covered location" or within 1,000 feet of a "covered location";

This provision does not apply to "builders risks";

(9) "Mobile equipment" located anywhere within the Coverage Territory, if not covered by other insurance; and

(10) Personal property of others in your care, custody or control including property sold under an installation agreement by which your responsibility continues until the buyer has accepted the property.

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

Unless otherwise stated in the Declarations or Schedule Location endorsement, Covered Property does not include:

a. Accounts, bills, currency, food stamps, other evidences of debt, "money", notes, "securities" or "valuable papers and records"; except as specifically provided elsewhere in this policy;

b. Aircraft and watercraft (except rowboats or canoes while out of water at your "covered location"), including their equipment or parts, but we do cover aircraft and watercraft you manufacture for sale to others;

c. Animals, unless owned by others and boarded or groomed by you, or if owned by you, only as "stock" while inside of buildings;

d. Automobiles, motorcycles, motortrucks, motor homes, tractors, "mobile equipment" and similar vehicles, held for sale, lease, loan or rent;

e. Business Personal Property while airborne or waterborne, except when being transported by airlines or ferry services that offer their services to the general public under license or authority provided by a regulatory body;

f. Bridges, roadways, walks, patios or other paved surfaces except as specifically provided by **A.4.h. Outdoor Property Additional Coverage**;

g. Contraband, or property in the course of illegal transportation or trade;

h. The cost of excavations, grading, backfilling or filling unless needed to repair, rebuild or replace covered property. However, any and all costs associated with land stabilization and land reconstruction are excluded;

i. "Electronic data" other than your "stock" of prepackaged software, except as specifically provided by **A.4.i. Electronic Data, Media And Computer Equipment Additional Coverage**.

j. Exported and imported property that is covered under an ocean marine cargo insurance policy or similar policy obtained by anyone to cover exports and imports;

k. "Fine arts", except as specifically provided by **A.5.c. Fine Arts Additional Coverage**;

l. Grain, hay, straw or other crops while outside of buildings;

m. Land (including land on which the property is located), water, growing crops or lawns. However, Covered Property does include water that is "stock", water held in any container specifically for firefighting purposes, or water in containers of 55 gallons or less;

n. Property in transit, except as specifically provided by **A.6.e. Property In Transit Additional Coverage**;

- o. Property that is covered under another insurance 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;
- p. Property of others for which you have responsibility as a carrier for hire or as a broker, car loader, consolidator, freight forwarder, shipping association or similar arranger of transportation operation, except as specifically provided elsewhere in this policy;
- q. Property you have sold and delivered, except for property you have sold with an installation agreement;
- r. Property you have sold under an installment sales contract or similar agreement or "leased property", except as specifically provided elsewhere in this policy;
- s. Trees, shrubs and plants, except as specifically provided by **A.4.h.** Outdoor Property Additional Coverage; or
- t. Vehicles or self-propelled machines that are licensed for use on public roads. This paragraph does not apply to:
  - (1) Vehicles, self-propelled machines or autos you manufacture, process or warehouse; or
  - (2) Vehicles or self-propelled machines you hold for sale, lease, loan or rent other than those excluded in Paragraph **A.2.d.**

### 3. Blanket Additional Coverage

If a Blanket Additional Coverage Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations, we will pay up to that limit at each "covered location" for loss or damage covered by the following Additional Coverages described below:

- a. Paragraph **A.4.d.** Fire Department Service Charge;
- b. Paragraph **A.4.f.** Personal Effects and Property of Others;
- c. Paragraph **A.4.i.** Electronic Data, Media and Computer Equipment;
- d. Paragraph **A.4.l.** Outdoor Signs
- e. Paragraph **A.5.a.** Accounts Receivable;
- f. Paragraph **A.5.c.** Fine Arts;
- g. Paragraph **A.5.d.** Valuable Papers and Records; and
- h. Paragraph **A.6.b.** Fire Extinguishing Systems Expense;

You may apply this Blanket Additional Coverage Limit Of Insurance to one or any combination of the Additional Coverages shown above, but under no circumstances will the aggregate apportionment be permitted to exceed the Blanket Additional Coverage Limit Of Insurance shown in the Declarations for any one "covered location". This Blanket Additional Coverage applies as excess over any other Additional Coverage, except **4.q.** Catastrophe Allowance Additional Coverage.

### 4. Additional Coverages

Except as provided in Paragraph **A.3.** Blanket Additional Coverage above, the Limit(s) Of Insurance shown in Paragraph **A.4.**, Additional Coverages are described within each Additional Coverage below.

#### a. Brands And Labels Expense

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, we will pay reasonable expenses you incur to:

- (1) Stamp the word 'salvage' on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- (2) Remove the brands or labels, if doing so will not physically damage the merchandise. You must re-label the merchandise or its containers to comply with the law.

The most we will pay is included within and subject to the Business Personal Property Limit Of Insurance. If a Brands And Labels Expense Limit Of Insurance is also shown in the Declarations or Scheduled Location endorsement, the Brands And Labels Expense Limit Of Insurance applies per occurrence and is excess over the applicable Business Personal Property Limit Of Insurance as respects coverage provided by this Additional Coverage.

#### b. Debris Removal

- (1) Subject to Paragraphs (2), (3) and (4) below, we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

**(2)** Debris Removal does not apply to costs to:

- (a)** Extract "pollutants" from land or water; or
  - (b)** Remove, restore or replace polluted land or water.
- (3)** Subject to the exceptions in Paragraph **(4)** below, 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 Paragraph **(3)(a)** above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.
- (4)** Unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement, we will pay up to an additional \$100,000 for debris removal expense 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 Paragraph **(4)(a)** and/or Paragraph **(4)(b)** above apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit Of Insurance on the Covered Property that has sustained loss or damage, plus \$100,000, unless a different Limit Of Insurance is specifically shown in the Declarations or Scheduled Location endorsement.

## **(5) Examples**

The following examples assume that there is no coinsurance penalty:

### **EXAMPLE NO. 1**

Limit Of Insurance	\$ 980,000
Amount of Loss	\$ 550,000
Amount of Deductible	\$ 5,000
Amount of Loss Payable	\$ 545,000
	(\$550,000 - \$5,000)
Debris Removal Expense	\$ 50,000
Debris Removal Expense Payable	\$ 50,000
(\$50,000 is less than the 25% of \$550,000 as required in Paragraph <b>(3)(b)</b> )	

The sum of the loss payable and the debris removal expense (\$545,000 + \$50,000 = \$595,000) 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 NO. 2**

Limit Of Insurance	\$ 990,000
Amount of Loss	\$ 980,000
Amount of Deductible	\$ 5,000
Amount of Loss Payable	\$ 975,000
	(\$980,000 - \$5,000)
Debris Removal Expense	\$ 380,000
Basic Amount Payable for Debris Removal Expense	\$ 15,000
Additional Amount Payable for Debris Removal Expense	\$ 100,000

The basic amount payable for debris removal expense under the terms of Paragraph **(3)** is calculated as follows: \$980,000 (\$975,000 + \$5,000) x .25 = \$245,000; capped at \$15,000. The cap applies because the sum of the loss payable (\$975,000) and the basic amount payable for debris removal expense (\$15,000) cannot exceed the Limit Of Insurance (\$990,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$380,000) exceeds 25% of the loss payable plus the deductible (\$380,000 is 38.8% of \$980,000), and because the sum of the loss payable and debris removal expense (\$975,000 + \$380,000 = \$1,355,000) would exceed the Limit Of Insurance (\$990,000). The additional amount of covered debris removal expense is \$100,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is \$115,000; \$265,000 of the debris removal expense is not covered.

**c. Automatic Increase**

- (1) The Limit Of Insurance for Building and Business Personal Property will automatically increase by 2% annually unless a different percentage is shown as applicable in the Declarations, Scheduled Location endorsement or Scheduled Mobile Equipment endorsement.
- (2) The amount of the increase will be:
  - (a) 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
  - (b) The 2% annual increase or the percentage of annual increase specifically shown for this Additional Coverage in the Declarations, Scheduled Location endorsement or Scheduled Mobile Equipment endorsement, expressed as a decimal (example: 2% is .02), times
  - (c) 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**

The applicable Limit Of Insurance is \$100,000.

The annual percentage increase is 2%.

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

The amount of the increase is  
 $\$100,000 \times .02 \times 146 \div 365 = \$800.$

**d. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$50,000, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement, for your liability for fire department service charges:

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

No deductible applies to this Additional Coverage.

**e. Ordinance Or Law**

**(1) Coverage**

This coverage is subject to Paragraph A.4.e.(2)(c):

**(a) 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 enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

This coverage is included within the Limit Of Insurance shown in the Declarations or Scheduled Location endorsement as applicable to the covered building. It does not increase any Limit Of Insurance.



**(b) Coverage B – Demolition Cost Coverage**

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

The most we will pay for loss or damage under this Additional Coverage is \$300,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement for Coverage **B**, or a Combined Coverage B And Coverage C Limit Of Insurance is shown in the Declarations or Scheduled Location endorsement for loss or damage payable under Coverage **B** and Coverage **C** (described below) combined.

**Coinsurance** does not apply to this coverage.

**(c) Coverage C – Increased Cost Of Construction Coverage**

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

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

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

**(iii)** 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.

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

The most we will pay under this Additional Coverage is \$300,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement for Coverage **C**, or a Combined Coverage B And Coverage C Limit Of Insurance is shown in the Declarations or Scheduled Location endorsement for loss or damage payable under Coverage **B** and Coverage **C** combined.

**Coinsurance** does not apply to this coverage.

**(2) Application Of Coverage(s)**

The Coverage(s) provided in Paragraph **A.4.e.** apply only if both Paragraph **A.4.e.(2)(a)** and Paragraph **A.4.e.(2)(b)** are satisfied and are then subject to the qualifications set forth in Paragraph **A.4.e.(2)(c)**.

**(a) Ordinance Or Law**

- (i)** Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the "covered location"; and
- (ii)** Is in force at the time of loss.

But the coverage under Paragraph **A.4.e.** 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 policy.

**(b) Ordinance Or Law – Direct Physical Damage**

- (i)** The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or
- (ii)** 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 the building damage in its entirety results in enforcement of the ordinance or law.
- (iii)** But if the building sustains direct physical damage that is not covered, and such damage is the only subject of the ordinance or law, then there is no coverage under this policy even if the building has also sustained covered direct physical damage.

**(c)** In the situation described in Paragraph **A.4.e.(2)(b)(ii)** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B**, and/or **C** of the Additional Coverage – Ordinance Or Law. 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 **A.4.e.(7)** of this Coverage Form provides an example of this procedure.)

However, if the covered direct physical damage, alone, would have resulted in enforcement of 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 the Additional Coverage – Ordinance Or Law.

**(3)** We will not pay under Paragraph **A.4.e.**, Ordinance Or Law, for:

- (a)** The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot; or
- (b)** Any costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", fungi, wet or dry rot.
- (4)** Refer to Paragraph **H.4.** for the Ordinance Or Law Loss Payment Provisions.
- (5)** The terms of the Ordinance Or Law Coverage apply separately to each building to which this coverage form applies.
- (6)** Under this policy we will not pay for loss due to any ordinance or law that:
  - (a)** You were required to comply with before the loss, even if the building was undamaged; and
  - (b)** You failed to comply with.
- (7)** Example of Proportionate Loss Payment, involving both covered and non-covered losses, for Ordinance Or Law Coverage Losses (procedure as set forth in Paragraph **A.4.e.(2)(c)** of this coverage form).

Assume:

- Wind is a Covered Cause of Loss; Flood is an excluded Cause of Loss
- The building has a value of \$2,000,000
- Total direct physical damage to building: \$1,000,000
- 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): \$300,000

- Portion of direct physical damage that is not covered (caused by flood): \$700,000
- Loss under Ordinance Or Law Coverage C of this endorsement: \$250,000

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

$$\$300,000 \div \$1,000,000 = .30$$

**Step 2.** Apply that proportion to the Ordinance Or Law loss.

$$\$250,000 \times .30 = \$75,000$$

In this example, the most we will pay under this policy for the Coverage C loss is \$75,000 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 the Ordinance Or Law Coverages of this policy.

**f. Personal Effects And Property Of Others**

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

- Personal effects owned by you, your officers, your partners, your members, your managers or your "employees"; and
- Property of others in your care, custody or control.

Our payment for loss of or damage to property of others will only be for the account of the owner of the property.

The most we will pay for loss or damage under this Additional Coverage is \$50,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

**g. Reward Payment**

- (1) We will reimburse you for rewards paid as follows:

- (a) Subject to the limitation provisions of this Additional Coverage shown below, up to \$25,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement, to an Eligible Person for information leading to the arrest and conviction of any person or persons committing a crime resulting in loss to Covered Property from a Covered Cause of Loss. However, we will pay no more than the lesser of the following amounts:

- (i) "Replacement Cost" of the Covered Property at the time of loss or damage, but not more than the amount required to repair or replace it; or
- (ii) The amount determined by the loss settlement procedure applicable to the Covered Property.

- (b) Subject to the limitation provisions of this Additional Coverage shown below, up to \$25,000, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement, to an Eligible Person for the return of stolen Covered Property, when the loss is caused by theft. However, we will pay no more than the lesser of the following amounts:

- (i) "Replacement cost" based on the condition of the Covered Property at the time it is returned, but not more than the amount required to repair or replace it; or
- (ii) The amount determined by the loss settlement procedure applicable to the Covered Property returned.

**(2)** This Additional Coverage applies subject to the following conditions:

**(a)** An Eligible Person means that person designated by a law enforcement agency as being the first to voluntarily provide the necessary information or return the stolen Covered Property, and who is not:

**(i)** You or any family member;

**(ii)** Your "employee" or any of his or her family members;

**(iii)** An employee of a law enforcement agency;

**(iv)** An employee of a business engaged in property protection;

**(v)** Any person who had custody of the Covered Property at the time the theft was committed; or

**(vi)** Any person involved in the crime.

**(b)** There will be no reimbursement for a reward paid unless and until the person(s) committing the crime is (are) convicted or the Covered Property is returned.

**(c)** The amount of the reward is the most we will reimburse under this Additional Coverage for loss in any one occurrence.

**(d)** The insured must have posted public notice of the reward prior to the person having been the first to voluntarily provide the necessary information or return the stolen Covered Property.

#### **h. Outdoor Property**

**(1)** Subject to **(2)** below, we will pay for loss or damage to your outdoor fences, radio and television antennas (including satellite dishes), light poles, trees, shrubs and plants (other than "stock" of trees, shrubs and plants), bridges, roadways, walks, patios or other paved surfaces, pilings, piers, wharves or docks, and retaining walls not part of the building, including debris removal expense.

**(2)** Loss or damage must be caused by the "specified causes of loss" except:

**(a)** Coverage for windstorm, hail, and weight of ice, snow or sleet does not apply to trees, shrubs or plants;

**(b)** We will not pay for loss or damage caused by vehicles used in your business;

**(3)** The most we will pay for loss or damage under this Additional Coverage is \$75,000 per occurrence, but not more than \$5,000 per tree, shrub or plant unless different Limits Of Insurance are shown in the Declarations or Scheduled Location endorsement.

#### **i. Electronic Data, Media And Computer Equipment**

**(1)** Subject to the provisions of this Additional Coverage, we will pay for:

**(a)** Loss or damage to Covered Property that is Media. Media means all forms of materials on which "electronic data" is stored, such as disks, disk packs, drums, or magnetic tapes;

**(b)** Loss or damage to Covered Property that is "Computer" Equipment.

**(c)** 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 lesser of the value of the data or the cost of replacement of the media on which the "electronic data" was stored, with blank media of substantially identical type.

**(2)** As respects the Covered Causes of Loss applicable to this Additional Coverage;

**(a)** Paragraph **2.a.** Electrical Apparatus within Paragraph **C.** Exclusions does not apply;

**(b)** Paragraph **2.d.(6)** of Paragraph **C.** Exclusions does not apply; and

- (c) The following exclusion is added as respects this Additional Coverage:

**Virus or Harmful Code**

Virus, harmful code or similar instruction introduced into or enacted on a "computer", or "electronic data" or Media, that is designed to damage or destroy any part of the system or disrupt its normal operation by any employee other than as required by that employee's responsibilities. Similarly there is no coverage for loss or damage related to manipulation of a "computer", "electronic data" or Media by an entity retained by you or for you to inspect, design, install, maintain, repair, or replace a "computer", "electronic data" or Media, other than as required by that entity's responsibilities.

- (3) The most we will pay under this Additional Coverage is \$100,000 for all loss or damage sustained in any one occurrence at any one "covered location", unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement. 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.

**j. Limited Coverage For Fungi, Wet Rot And Dry Rot**

- (1) The Coverage provided in Paragraphs **A.4.j.(2)** and **A.4.j.(6)** only applies when "fungi" or wet or dry rot is 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 the occurrence:

- (a) A "specified cause of loss" other than fire or lightning; or

- (b) Flood, if the Flood Coverage Endorsement applies to the affected premises.

- (2) We will pay for loss or damage to Covered Property by "fungi" or wet or dry rot. As used in this Limited Coverage, the term loss or damage means:

- (a) Direct physical loss or damage to Covered Property caused by "fungi" or wet or dry rot, including the cost of removal of the "fungi" or wet or dry rot;

- (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi" or wet or dry rot; and

- (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungi" or wet or dry rot is present.

- (3) The most we will pay for loss or damage under this Limited Coverage is \$15,000 per occurrence with a \$30,000 Annual Aggregate, unless different Limits Of Insurance are specifically shown for this Additional Coverage in the Declarations.

- (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 "fungi" or wet or dry rot, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit Of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungi" or wet or dry rot, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungi" or wet or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

- (5) The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph **C.2.g.**, Frozen Plumbing or under the Additional Coverage – Collapse.

- (6) The following Paragraph (6)(a) or (6)(b), applies only if Business Income And Extra Expense Coverage applies to the "covered location" and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income And Extra Expense Coverage.

(a) If the loss which resulted in "fungi" or wet or dry rot does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to the loss or damage to property caused by "fungi" or wet or dry rot, then our payment under Business Income And Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 90 days unless another number of days is indicated in the Declarations or Scheduled Location endorsement. The days need not be consecutive.

(b) If a covered "suspension" of "operations" was caused by loss or damage other than "fungi" or wet or dry rot but remediation of "fungi" or wet or dry rot prolongs the "period of restoration", we will pay the loss and/or expense sustained during the delay (regardless of when such delay occurs during the "period of restoration"), but such coverage is limited to 90 days unless another number of days is indicated in the Declarations or Scheduled Location endorsement. The days need not be consecutive.

#### **k. Water Damage**

In the event of water (or steam) damage not otherwise excluded, from a plumbing, heating, air conditioning, ventilation, or automatic fire protective sprinkler system, we will:

- (1) Also pay the necessary cost of tearing out and replacing any part of a building or structure at a "covered location" so that the damaged system can be repaired, but;
- (2) Not pay the cost to repair any defect which caused water or steam to escape from a system containing water or steam.

However, this Additional Coverage does not apply to a sump, sump pump or related equipment.

#### **l. Outdoor Signs**

We will pay for loss or damage caused by a Covered Cause of Loss to your outdoor signs at a "covered location".

The most we will pay for loss or damage under this Additional Coverage is \$10,000, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

#### **m. Identity Theft Expenses**

(1) We will pay for Identity Theft Expenses incurred by an Identity Theft Insured as the direct result of any Identity Theft commenced during the policy period.

(2) For the purposes of this Additional Coverage only, the following definitions are added:

(a) Identity Theft Expenses means the following:

(i) Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;

(ii) Cost for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors;

(iii) Lost wages as a result of time taken off from work to meet with, or talk to, law enforcement agencies and/or legal counsel, or to complete fraud affidavits, up to a maximum payment of \$1,000 per week for a maximum period of four weeks unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations;

(iv) Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information;

- (v) Reasonable attorney fees incurred, with our prior consent for:
  - i. Defense of lawsuits brought against an Identity Theft Insured by merchants, financial institutions or their collection agencies;
  - ii. The removal of any criminal or civil judgments wrongly entered against a Identity Theft Insured; and
  - iii. Challenging the accuracy or completeness of any information in a consumer credit report.
- (vi) Charges incurred for long distance telephone calls to merchants, law enforcement agencies, financial institutions or similar credit grantors, or credit agencies to report or discuss an actual "Identity Theft".
- (b) Identity Theft means the act of knowingly transferring or using, without lawful authority, a means of identification of an Identity Theft Insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or any applicable state or local law.
- (c) As used in this Additional Coverage, an Identity Theft Insured means:
  - (i) The Named Insured;
  - (ii) An individual sole proprietor if you are a sole proprietorship;
  - (iii) A partner if you are a partnership;
  - (iv) Any individual having an ownership position of twenty percent (20%) or more of the business if you are a corporation, Limited Liability Company, or other organization.
- (3) Any act or series of acts committed by one or more persons, or in which such person or persons are aiding and abetting others against a Identity Theft Insured is considered to be one Identity Theft, even if a series of acts continues into a subsequent policy period.
- (4) We will not pay for:
  - (a) Identity Theft Expenses incurred due to fraudulent, dishonest or criminal acts by an Identity Theft Insured or any person aiding or abetting an Identity Theft Insured or by any authorized representative of an Identity Theft Insured whether acting alone or in collusion with others.
  - (b) Identity Theft Expenses arising from any Identity Theft by or with the knowledge of any relation or former relation of an Identity Theft Insured.
- (5) In the event of loss or damage due to an Identity Theft you must provide receipts, bills or other records that support your claim for Identity Theft Expenses.
- (6) No deductible applies to this Additional Coverage.
- (7) The most we will pay under this Additional Coverage per Identity Theft and Annual Aggregate is \$100,000 unless a different Annual Aggregate Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations.
- n. Penalty Reimbursement – Failure To Deliver**
  - (1) We will reimburse you for penalties you incur due to your failure to deliver products as required under contracts with your customers. The penalties must result from direct physical loss or damage to Covered Property at a "covered location" and caused by a by a Covered Cause of Loss.
  - (2) The most we will pay under this Additional Coverage is \$15,000 per occurrence with a \$30,000 Annual Aggregate unless different Limits Of Insurance are specifically shown for this Additional Coverage in the Declarations.

**o. Lock Replacement**

- (1) We will pay to re-key and replace building door or window locks when there has been direct physical loss or damage caused by a Covered Cause of Loss to the keys that correspond to the lock.
- (2) We will also pay the cost to replace automatic garage door transmitters or electric gate transmitters, and the cost to change the radio frequency of their control units or transmitters, when there has been direct physical loss or damage caused by a Covered Cause of Loss to the transmitters that correspond to the door or gate.
- (3) The following conditions apply:
  - (a) If theft is involved, the police and we must be notified within 48 hours after discovery of the theft; and
  - (b) The re-keying or replacement of the locks must commence within 120 hours after discovery of the theft; and
  - (c) Replacement of locks will be with those of like kind and quality.
- (4) This Additional Coverage does not apply to:
  - (a) Keys to motor vehicles, trailers or any motorized land conveyances whether or not subject to motor vehicles registration.
  - (b) Direct physical loss or damage to keys entrusted to any person who is not an "insured".
- (5) The most we will pay under this Additional Coverage is \$5,000 per occurrence unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations.

**p. Newly Acquired Or Constructed Property Or Peak Season (Direct Damage)**

We will pay for loss or damage caused by a Covered Cause of Loss to Covered Property you acquire after the effective date of the most recent policy year, at any location, including a "covered location".

The most we will pay for all Covered Property under this Additional Coverage is \$250,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations.

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

**q. Catastrophe Allowance**

In addition to any insurance, including other Additional Coverages extended elsewhere in this policy for Covered Property, we will pay under this Catastrophe Allowance Additional Coverage for loss or damage caused by or resulting from a Covered Cause of Loss for which an Industry-Designated Catastrophe has been declared.

- (1) As used in this Additional Coverage, an Industry Designated Catastrophe means an occurrence, caused by a Covered Cause of Loss that is assigned a catastrophe serial number by Property Claims Services unit of the Insurance Services Office, Inc., headquartered in New Jersey, or their successors or assigns.
- (2) Insurance provided under this Additional Coverage may be applied as excess to any limit(s) of coverage, limit(s) of Additional Coverage, or combination thereof provided by this Coverage Form.
- (3) Insurance under this Additional Coverage may not be used to satisfy a deductible or Coinsurance.
- (4) The most we will pay under this Additional Coverage for any one Industry Designated Catastrophe, regardless of the number or amount of Covered Property or "covered locations" subject to the loss, is \$100,000 Annual Aggregate, unless a different Annual Aggregate Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations. This Catastrophe Allowance Additional Coverage applies as excess over any Covered Property Limits Of Insurance and any other Additional Coverage.



**r. Spoilage**

**(1)** You may extend the insurance that applies to your Business Personal Property for loss of Perishable Stock due to:

**(a)** Breakdown or Contamination meaning:

**(i)** 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 a "covered location"; and

**(ii)** Contamination from the release of any refrigerant.

**(b)** Power outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off your covered location, due to conditions beyond your control.

**(2)** Perishable Stock means covered property owned by you or by others that is in your care, custody or control, maintained under controlled temperature or humidity conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

**(3)** We will determine the value of Perishable Stock in the event of loss or damage at:

**(a)** The selling price, as if no loss or damage had occurred,

**(b)** Less discounts and expenses you otherwise would have had.

**(4)** We will not pay for loss or damage resulting from your failure to use all reasonable means to protect the Perishable Stock from damage before or following loss.

**(5)** The following exclusions in Paragraph C., Exclusions do not apply to this Additional Coverage:

**(a)** Paragraph 1.e. Utility Services;

**(b)** Paragraph 2.a. Electrical Apparatus;

**(c)** Paragraph 2.d.(6) Mechanical Breakdown; and

**(d)** Paragraph 2.d.(7)(b) Changes in or extremes of temperature.

**(6)** 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 by an insured or employee.

**(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 failure, interruption, or reduction of an electrical utility company or other utility services to provide sufficient power due to:

**(i)** Lack of fuel; or

**(ii)** Governmental order.

**(d)** The inability of a power source at your "covered location" 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.

**(f)** Loss or damage to Covered Property located:

**(i)** On buildings,

**(ii)** In the open, or

**(iii)** In vehicles without an operating refrigeration system designed for the vehicle and having a refrigeration maintenance or service agreement in place.

**(7)** If a requirement to maintain a refrigeration maintenance or service agreement is shown in the Declarations or Schedule Location endorsement, you must maintain a refrigeration maintenance or service agreement or coverage provided by this Additional Coverage is suspended during the time the refrigeration maintenance or service agreement is not in force.

- (8) The most we will pay under this Additional Coverage is \$50,000 per "covered location" per occurrence unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

**s. Utility Services Coverage — Direct Damage And Time Element**

- (1) You may extend the insurance provided to your Covered Property to apply at a "covered location" caused by an interruption in utility services to the premises.
- (2) You may also extend coverage provided by the Business Income and/or Extra Expense Additional Coverage for loss caused by an interruption in utility services to a "covered location".
- (3) The interruption in utility services must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the "covered location":
- (a) Water Supply Services, meaning pumping stations and water mains supplying water to the described premises.
  - (b) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
    - (i) Communication transmission lines, including optic fiber transmission lines;
    - (ii) Coaxial cables;
    - (iii) Microwave radio relays except satellites.
  - (c) Power Supply Services, meaning utility generating plants, switching stations, substations, transformers and transmission lines supplying electricity, steam or gas to the described premises.
- (4) Coverage under this Additional Coverage does not apply to loss or damage to "electronic data", including destruction or corruption of electronic data.

- (5) Coverage under this Additional Coverage does not apply to loss or damage due to failure, interruption or reduction of power or other utility service caused by lack of sufficient capacity or reduction in supply. However, if failure, interruption or reduction of power or other utility service results in a Covered Cause of Loss we will pay for loss or damage caused by that Covered Cause of Loss.

- (6) Paragraph **C. Exclusions 1.e.** Utility Services does not apply to this Additional Coverage.

- (7) The most we will pay under this Additional Coverage is \$25,000 per occurrence unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations.

**t. Building Glass – Tenant**

You may extend the coverage that applies to your Business Personal Property to pay for loss or damage caused by a Covered Cause of Loss to glass that is part of a building or structure, if you are a tenant and you are required by an agreement to pay for loss or damage.

Unless a Limit of Insurance is specifically shown for this Additional Coverage in the Declarations or the Scheduled Location endorsement, coverage provided by this Additional Coverage is included within the Business Personal Property Limit of Insurance that applies at the "covered location".

**u. Preservation Of Property**

If it is necessary to move Covered Property from a "covered location" 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 180 days after the Covered Property is first moved, unless a different number of days is specifically shown for this Additional Coverage in the Declarations.

## 5. Additional Coverages

Except as provided in Paragraph A.3. Blanket Additional Coverage above, the Limit(s) of Insurance shown in Paragraph A.5., Additional Coverages are described within each Additional Coverage below.

### a. Accounts Receivable

The insurance that applies to Business Personal Property is extended to apply to covered losses and expenses that you incur as a result of loss to your records of "accounts receivable", including "accounts receivable" which exist as "electronic data".

**(1) Losses and expenses under this Additional Coverage are:**

- (a)** All amounts due from your customers that you are unable to collect;
- (b)** Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (c)** Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and
- (d)** Other reasonable expenses that you incur to re-establish your records of "accounts receivable".

**(2) The following exclusions are added as respects this Additional Coverage. We will not pay for loss or damage:**

- (a)** Caused by or resulting from electrical or magnetic injury, disturbance or erasure of electronic recordings.

But if electrical or magnetic injury, disturbance or erasure of electronic recordings results in fire, we will pay for the loss or damage caused by that fire;

- (b)** Caused by you or an employee resulting from you or your employees alteration, falsification, concealment or destruction of records or "accounts receivable" done to conceal wrongful giving, taking or withholding of "money", "securities" or other property;
- (c)** Caused by or resulting from bookkeeping, accounting or billing errors or omissions;

- (d)** Caused by any delay, loss of use, loss of market or any other consequential loss; and

- (e)** That requires any audit of records or any inventory computation to prove its factual existence.

**(3) If you cannot accurately establish the amount of "accounts receivable" outstanding as of the time of loss, the following method will be used to determine the loss:**

- (a)** Determine the total of the average monthly amounts of "accounts receivable" for the 12 months immediately preceding the month in which the loss occurred; and

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

**(4) The following will be deducted from the total amount of "accounts receivable", however that amount is established:**

- (a)** The amount of the accounts for which there is no loss;
- (b)** The amount of the accounts that you are able to re-establish or collect;
- (c)** An amount to allow for probable bad debts that you are normally unable to collect; and
- (d)** All unearned interest and service charges.

**(5) You will pay us the amount of all recoveries you receive for a loss paid by us. But you will not pay us any recoveries in excess of the amount we have paid.**

**(6) The most we will pay under this Additional Coverage is \$100,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.**

**b. Business Personal Property Not At A Covered Location**

- (1) The Coverage Territory is extended to be anywhere in the world for Covered Property that is your Business Personal Property (including Business Personal Property in the care of salespersons) temporarily located 1,000 feet or more away from your "covered location" (including while at trade shows, fairs, seminars, symposia or exhibitions). However, this Additional Coverage does not apply to:

- (a) Property in transit; or
- (b) Property located in any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.

This Additional Coverage applies only to the extent permitted by the country or jurisdiction in which the property is located.

If loss or damage occurs to Business Personal Property located outside the United States of America, we will pay for covered loss at the prevailing exchange rate at the time of loss or damage between the United States of America and the country where the loss or damage occurs.

- (2) The most we will pay under this Additional Coverage is \$100,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations.
- (3) Any disputes between you and us as to whether there is coverage under this Coverage Form must be filed in the courts of the United States of America (including its territories or possessions), Puerto Rico or Canada.

**c. Fine Arts**

The insurance that applies to Business Personal Property is extended to apply to "fine arts".

Payment for covered loss or damage will be made on a "market value" basis.

The most we will pay under this coverage is \$100,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

**d. Valuable Papers And Records**

- (1) The insurance that applies to Business Personal Property is extended to apply to loss or damage caused by a Covered Cause of Loss to your "valuable papers and records" that are your property or property of others in your care, custody or control. But this extension does not apply to "valuable papers and records" which exist as "electronic data".

- (2) "Valuable papers and records" does not include:

- (a) Property not specifically declared and described in the Declarations or Scheduled Location endorsement if such property cannot be replaced with other property of like kind and quality; or

- (b) Property held as samples or for delivery after sale.

- (3) In addition to Paragraph C. Exclusions, we will not pay for loss caused by or resulting from errors or omissions in processing, copying, maintaining, repairing or restoring "valuable papers and records".

- (4) The most we will pay under this Additional Coverage is \$100,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

**e. Leasehold Interest In Undamaged Improvements and Betterments**

- (1) If loss or damage occurs to buildings or structures at a "covered location" and is caused by a Covered Cause of Loss we will pay your interest in the value of undamaged improvements or betterments at a "covered location" when:

- (a) The lease is cancelled by the lessor;

- (b) The lease cancellation is supported by a valid condition of your lease;

- (c) You have at least 180 consecutive calendar days remaining in your lease; and
  - (d) At least 25% of the building or structure is damaged or at least 180 days are required to repair the damaged building or structure for your occupancy.
- (2) Improvements or betterments will have the meaning described in Paragraph A.1.b.(6).
  - (3) The most we will pay under this Additional Coverage is \$100,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations.

**f. Additional Building Property**

You may extend the insurance that applies to Building to apply to buildings or structures in which you have a financial interest at any premises other than a "covered location," or any location that is not described in the Schedule Locations endorsement if it is applicable. This does not include locations that are waste disposal or waste transfer sites.

The most we will pay under this coverage is \$100,000 per location, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations.

**6. Additional Coverages**

Except as provided in Paragraph A.3. Blanket Additional Coverage above, the Limit(s) of Insurance shown in Paragraph A.6., Additional Coverages are described within each Additional Coverage below.

**a. Consequential Loss**

We will pay up to \$100,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement, for the reduction in value of undamaged parts of a product that are Business Personal Property, including remaining parts of "stock" in process of manufacture or assembly, which become unmarketable.

The reduction in value must be the direct result of physical loss or damage from a Covered Cause of Loss to another part of the product or to other parts of "stock" in process of manufacture or assembly.

**b. Fire Extinguishing Systems Expense**

**(1) We will pay:**

(a) The cost of recharging your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) or replacing the fire extinguishers or fire extinguishing systems, whichever is less, when the need to recharge or replace is caused by a Covered Cause of Loss or mechanical failure; and

(b) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguishing system.

(2) No coverage will apply if the fire extinguishing system is discharged during installation, maintenance or testing.

(3) The most we will pay under this Additional Coverage is \$100,000 in any one occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

**c. Inventory And Appraisal Expense**

The insurance that applies to Business Personal Property is extended to apply to reasonable inventory and appraisal expenses incurred. This coverage applies to inventories and appraisals made at our request and not due to a disagreement.

We will not pay for any expenses incurred, directed or billed by or payable to any public adjusters or public accountants or their associates or subordinates or any costs as provided in the Loss Condition – Appraisal.

The most we will pay under this Additional Coverage is \$100,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

**d. Pollution Cleanup And Removal**

We will pay your expense to extract "pollutants" from land or water at your "covered location" 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 at your "covered location".

This Additional Coverage does not apply to the extent that coverage is provided under the Bulk Liquid Tank Storage Additional Coverage.

Paragraph **2.k. Pollution of Paragraph C. Exclusions**, does not apply to coverage provided by this Additional Coverage.

The most we will pay under this Additional Coverage at each of your "covered locations" is \$100,000 per occurrence and Annual Aggregate, unless different Limits Of Insurance are specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

**e. Property In Transit****(1) Coverage**

The insurance that applies to Business Personal Property is extended to apply to Business Personal Property away from "covered locations" in transit between points in the Coverage Territory shipped by any type of carrier or vehicle. Loss or damage must be caused by a Covered Cause of Loss, Earth Movement or Flood. For determining a Covered Cause of Loss for this Additional Coverage, **1.a. Earth Movement** and **1.g. Water in Paragraph C. Exclusions**, do not apply.

**(2) Additional Property Not Covered**

The following items are excluded in addition to those under Paragraph **A.2., Property Not Covered**.

- (a)** Property in the custody of a government postal service;
- (b)** Import shipments until:
  - (i)** Discharged from the import conveyance; or
  - (ii)** Ocean marine insurance ceases;
 whichever occurs last;
- (c)** Export shipments:
  - (i)** After placed on the outbound conveyance; or
  - (ii)** When ocean marine insurance applies to the shipment;
 whichever occurs first; and
- (d)** Works of "fine arts" unless described in the Declarations or Scheduled Location endorsement.

**(3) When Coverage Applies**

We cover property:

- (a)** While in the custody of the carrier or messenger for hire:
  - (i)** Until the property is delivered at its destination; or
  - (ii)** If the property is not delivered, until it is returned to you.

We also cover the property held temporarily in storage prior to delivery to its destination or its return to you.

- (b)** In or on any land vehicle you own or operate while in transit, from the time the vehicle leaves the premises where the shipment begins until the vehicle arrives at its destination.

**(4) Coverage Extensions****(a) Packing Or Consolidating Companies**

We will pay for loss of Covered Property in the custody of a packing or consolidating company employed by you or your consignee. However, this coverage extension does not apply if the packing or consolidating company is the agent or representative of you or the consignee for the purpose of this insurance.

**(b) Free On Board (F.O.B.) Point Of Origin**

We cover your interest in Covered Property you sold F.O.B. Point Of Origin.

Payments under these coverage extensions will not increase the Limit Of Insurance.

**(5) Additional Exclusions**

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

- (a)** Improper packing or stowage, or rough handling.
- (b)** Breakdown of refrigeration equipment. But this exclusion does not apply to equipment of others who are carriers for hire.
- (c)** Loss or damage from "theft" of an entire bale, case or package by forced entry into a vehicle unless the vehicle was securely locked and there are visible signs of forced entry.

**(6) Additional Conditions**

- (a)** For Property in Transit, Loss Condition **H.7.**, Valuation is replaced by the following:

The value of Covered Property will be determined as follows:

- (i)** The value agreed on between the shipper and the consignee in writing prior to loss or damage.
- (ii)** If Paragraph **(i)** does not apply the value will be:
  - i.** The actual net invoice price of Covered Property shipped to your customers; or
  - ii.** The actual net invoice cost of Covered Property you bought from others.
- (iii)** For Covered Property for which Paragraphs **(i)** and **(ii)** do not apply, the value will be the least of the following amounts:
  - i.** The actual net cost;

- ii.** The cost of restoring that property to its condition immediately before loss; or

- iii.** The "Replacement Cost".

The value will include your pre-paid freight charges and any other shipping charges that are due since the start of transit.

- (b)** For Property In Transit, the following conditions apply in addition to the Conditions in Paragraphs **H.** and **I.** and the Common Policy Conditions.

**(i) Coverage Territory**

- i.** We cover property located within the United States of America, its territories and possessions, Puerto Rico and Canada.
- ii.** We also cover property being shipped by air within and between points in Paragraph **i.**

**(ii) Released Bills Of Lading**

You may accept receipts and/or bills of lading issued by carriers limiting the amount of their liability.

- (7)** The most we will pay under this Additional Coverage is \$50,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations. This Limit Of Insurance applies regardless of the number of vehicles, conveyances, containers, or similar methods of transportation involved in the loss.

**f. Installment Sales Property**

**(1) Coverage**

The insurance that applies to Business Personal Property is extended to apply to:

- (a)** Property that has been sold by you under installment sales contracts or similar type agreements, such as deferred or delayed payment or conditional sales agreements; and
- (b)** "Leased property".

**(2) Single Or Dual Interest**

- (a)** This Additional Coverage applies on a single interest basis, except as provided in Paragraph **(b)** below. Single interest means that this insurance covers only your interest; and
- (b)** Dual interest, which applies to installment sales coverage, if indicated in the Declarations or Scheduled Location endorsement, means that this insurance covers both your interest and the interests of purchasers of the Covered Property.

**(3) When Coverage Applies**

Coverage applies:

- (a)** For installment sales until the Covered Property is fully paid for by the purchaser; or
- (b)** For "leased property" until the end of the period for which the Covered Property is leased, rented or sent out on approval;

but in no event will coverage apply after the end of the policy period.

**(4) Property Not Covered**

Covered Property does not include property after your interest in it ceases.

**(5) Additional Conditions – Valuation**

For Installment Sales Property other than "leased property", Loss Condition **H.7.**, Valuation is replaced by the following:

The value of Covered Property will be determined by the following:

**(a) Sold Property Not Yet Delivered**

The value of property sold but not yet delivered will be your net selling price after all allowances and discounts.

**(b) Loss Limitation – Single Interest Installment Sales**

We will pay only that proportion of any loss or damage that the amount of your interest in the property bears to the value of the property.

**EXAMPLE:**

If: The value of the property is	\$ 75,000
Your interest in the property is	\$ 50,000
The purchaser's interest in the property is	\$ 25,000
The amount of the loss is	\$ 30,000
The loss payable is $(50,000 \div 75,000) \times 30,000 =$	\$ 20,000

**(6) Additional Conditions – Dual Interest Installment Sales**

All provisions are binding on all parties of interest. But the protection given an insured named in the Declarations will not be impaired by the failure of another party of interest to comply with all provisions, if the insured is diligent in trying to obtain compliance with all provisions.

- (7)** The most we will pay for this Additional Coverage is \$50,000 per occurrence, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

**g. Bulk Liquid Tank Storage****(1) Coverage**

With respect to liquid stored in bulk in above-ground "tanks" covered under this policy, unintended leakage of the liquid from the "tank", which does not result from another Covered Cause of Loss, is an additional Covered Cause of Loss.

The most we will pay under this Additional Coverage is \$50,000 per occurrence with a \$100,000 Annual Aggregate Limit Of Insurance, unless different Limits Of Insurance are shown in the Declarations or Scheduled Location endorsement.

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 at your "covered location".



## **(2) Additional Conditions – Valuation**

### **(a) The value of:**

**(i)** Bulk liquid you own or lease;  
or

**(ii)** Bulk liquid of others in your  
care, custody or control

will be the "Replacement Cost" of  
the liquid.

**(b)** The value of sold but not yet  
delivered bulk liquid will be your  
net selling price after all allow-  
ances and discounts.

Paragraph **H.7.** of the Valuation Loss  
Condition does not apply to this Bulk  
Liquid Tank Storage Additional Cov-  
erage.

## **h. Below Ground Water And Backup Of Sewer, Drain Or Sump**

**(1)** We will pay for direct physical loss or  
damage to Covered Property caused  
by or resulting from water or water-  
borne material:

**(a)** That backs up through, overflows  
or is otherwise discharged from a  
sewer or drain;

**(b)** That overflows or is otherwise  
discharged from a sump, sump  
pump or related equipment, even  
if the overflow or discharge re-  
sults from mechanical breakdown  
of a sump pump or its related  
equipment. However we will not  
pay the cost of repairing or re-  
placing a sump pump or its  
related equipment in the event of  
mechanical breakdown; or

**(c)** Under the ground surface press-  
ing on, or flowing or seeping  
through:

**(i)** Foundations, walls, floors or  
paved surfaces;

**(ii)** Basements, whether paved  
or not; or

**(iii)** Doors, windows or other  
openings.

**(2)** This Additional Coverage does not  
apply to loss or damage due to your  
failure to perform regular mainte-  
nance, repair as needed, and keep  
free from obstructions:

**(a)** All sump pumps and their related  
equipment; and;

**(b)** Sewers and drains.

**(3)** Paragraphs **(3)**, **(4)** and **(5)** in **1.g.**  
Water of Paragraph **C.** Exclusions do  
not apply to this Additional Coverage.  
And Paragraph **1.g.(5)** in Paragraph  
**C.** Exclusions does not apply to wa-  
terborne material from water  
described in Paragraphs h. **(1) (a)**, **(b)**  
and **(c)** above.

**(4)** The most we will pay under this Addi-  
tional Coverage is \$50,000 per  
occurrence, unless a different Limit  
Of Insurance is specifically shown for  
this Additional Coverage in the Decla-  
rations.

## **7. Additional Crime Coverages**

Unless otherwise stated in the Declarations or  
the Scheduled Location endorsement, the  
Additional Crime Coverages in Paragraph **A.**  
**7.** do not apply to loss resulting from your op-  
erations as a depository or non-depository  
credit institution, including but not limited to a  
bank, savings and loan, credit union, check  
cashing service, loan service or office, or  
pawn shop.

The Limit(s) of Insurance shown in Paragraph  
**A.7.**, Additional Crime Coverages, are sepa-  
rate from, and will not reduce the Limits of  
Insurance shown in the Declarations or the  
Scheduled Location endorsement as applica-  
ble to the Covered Property.

Unless a different amount is stated in the  
Declarations as applicable to the Additional  
Crime Coverages, a deductible of \$1,000 per  
"occurrence of crime" applies.

For these Paragraph **A.7.** Additional Cover-  
ages to apply, you must keep tangible or  
electronic records of all property covered un-  
der this insurance so we can verify the  
amount of any loss.

### **a. Employee Theft**

**(1)** Subject to Paragraph **A.7.e.**, we will  
pay for loss of or damage to "money",  
"securities" and "other property" re-  
sulting directly from "theft" committed  
by an "employee", whether identified  
or not, acting alone or in collusion  
with other persons. The most we will  
pay under this Additional Coverage is  
\$50,000 per "occurrence of crime",  
unless a different Limit Of Insurance  
is specifically shown for this Addi-  
tional Coverage in the Declarations or  
Scheduled Location endorsement.

- (2) We will pay for loss you sustain through such acts committed at any time and discovered by you:

(a) During the policy period shown in the Declarations; or

(b) During the period of time provided in Paragraph **A.7.a.(3)**.

Discovery of loss occurs when you first become aware of facts which would cause a reasonable person to assume that a loss covered by this insurance has been or will be incurred, even though the exact amount or details of loss may not then be known.

Discovery also occurs when you receive notice of an actual or potential claim against you alleging facts that if true would constitute a covered loss under this policy.

- (3) We will pay for loss that you sustained prior to the effective date of termination or cancellation of this insurance, which is discovered by you no later than one year from the date of that termination or cancellation.

However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded by this policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- (4) We will not pay for loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

(a) Any inventory computation; or

(b) A profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count on inventory in support of the amount of the loss claimed.

- (5) This coverage does not apply to loss caused by any "employee" of yours, or predecessor in interest of yours, for whom similar prior insurance has been canceled and not reinstated since the last such cancellation.

- (6) This coverage is canceled as to any "employee" immediately upon discovery by:

(a) You; or

(b) Any of your partners, "members", "managers", officers, directors or trustees not in collusion with the "employee";

of "theft" or any other dishonest or criminal act committed by the "employee" whether before or after becoming employed by you.

- (7) Regardless of the number of years this insurance remains in force or the number of premium payments paid, no Limit Of Insurance cumulates from year to year or policy period to policy period.

- (8) We will pay for loss caused by an "employee" while temporarily outside the Coverage Territory described in Paragraph **1.12**, for a period of not more than ninety (90) consecutive days.

- (9) Your employee benefit plans are also insureds for this Additional Coverage.

#### **b. Forgery Or Alteration**

Subject to Paragraph **A.7.e.**, the insurance that applies to Business Personal Property is extended to apply to your loss which results directly from a written promise or order to pay "money" which is forged or altered whether the promise or order is:

- (1) Made or drawn by or drawn upon you; or

- (2) Made or drawn by one acting as your agent.

For the purposes of this Additional Coverage, a substitute check as defined in the Check Clearing for the 21st Century Act will be treated the same as the original it replaced.

The most we will pay under this Additional Coverage is \$50,000 for any one "occurrence of crime", unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

Loss due to forgery or alteration by you or your "employees" is not covered under this Additional Coverage extension.

**c. Money And Securities**

Subject to Paragraph **A.7.e.**, the insurance that applies to Business Personal Property is extended to apply to your "money" and "securities" loss which results directly from "theft", disappearance or destruction while:

- (1) At a "covered location";
- (2) At the premises of any banking or safe depository institution; or
- (3) Away from a "covered location" while in the custody of;
  - (a) A "messenger" while in the Coverage Territory described in Paragraph **I.12.**;
  - (b) A "messenger" while temporarily outside the Coverage Territory described in Paragraph **I.12.** for a period of not more than ninety (90) consecutive days; or
  - (c) An armored motor vehicle company.

The most we will pay per "occurrence of crime" is \$50,000 unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

Loss due to your acts or acts of your "employees" is not covered under this Additional Coverage.

**d. Money Orders And Counterfeit Money**

Subject to Paragraph **A.7.e.**, the insurance that applies to your Business Personal Property is extended to apply to loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- (1) Money orders issued by any post office, express company or bank that are not paid upon presentation; or
- (2) "Counterfeit money" that is acquired during the regular course of business.

The most we will pay for any one loss under this Additional Coverage is \$5,000, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

No deductible applies to this Additional Coverage.

**e. Valuation and Settlement**

For coverage provided by Paragraph **A.7.** Additional Crime Coverages and subject to the applicable Limits Of Insurance, we will pay for:

- (1) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America:

- (a) At face value in the "money" issued by that country; or
- (b) In the United States of America dollar equivalent determined by the rate of exchange published in the Wall Street Journal on the day the loss was discovered.

- (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:

- (a) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
- (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would have been charged for a bond having a penalty not exceeding the lesser of the:

- i. Market value of the "securities" at the close of business on the day the loss was discovered; or
- ii. Limit of insurance applicable to the securities.

- (3) Loss of or damage to "other property" for the "Replacement Cost" of the property without deduction for depreciation. However, we will not pay more than the least of the following:

- (a) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose;

(b) The amount you actually spend that is necessary to repair or replace the lost or damaged property; or

(c) The Limit Of Insurance applicable to the lost or damaged property.

With regard to Paragraphs (3)(a), (3)(b) and (3)(c) above, we will not pay on a "Replacement Cost" basis for any loss or damage:

(a) Until the lost or damaged property is actually repaired or replaced; and

(b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an "Actual Cash Value" basis.

Any property that we pay for or replace becomes our property.

## 8. Business Income And Extra Expense

When a Business Income And Extra Expense Limit Of Insurance is shown on the Declarations or Scheduled Location endorsement the term Business Income will include "rental value" to the extent your Net Income, described below, actually includes "rental value".

### a. Business Income

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at your "covered location". The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to Business Personal Property in the open or Business Personal Property in a vehicle, the "covered location" or scheduled location includes the area within 1,000 feet of that "covered location" or scheduled location.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the "covered location" or scheduled location is located, your "covered location" or scheduled location means:

(1) The portion of the building which you rent, lease or occupy; and

(2) Any area within the building or on the site at which the "covered location" is located, if the area services, or is used to gain access to, the "covered location" or scheduled location.

Business Income means the:

(1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and

(2) Continuing normal operating expenses incurred, including "payroll".

For manufacturing risks, Net Income includes the net sales value of production. The most we will pay for loss of Business Income under this Additional Coverage is the Business Income And Extra Expense Limit Of Insurance shown in the Declarations or Scheduled Location endorsement.

The most we will pay for this Additional Coverage for Business Income, and Extra Expense described in Paragraph b. below, is the Business Income And Extra Expense Limit of Insurance shown in the Declarations or in the Scheduled Location endorsement. This Limit of Insurance may be a dollar amount or a period of time. If it is a period of time we will pay for all covered loss actually sustained during that period.

### b. Extra Expense

Extra Expense means the 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:

(1) Any Extra Expense to avoid or minimize the "suspension" of business and to continue "operations":

(a) At your "covered location", or

(b) At replacement locations or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations.

(2) Any Extra Expense to minimize the "suspension" of business if you cannot continue "operations".

(3) Any Extra Expense to:

(a) Repair or replace any property; or

- (b) Research, replace or restore the lost information on damaged "valuable papers and records";

to the extent it reduces the amount of loss that otherwise would have been payable under this coverage.

The most we will pay for Extra Expense under this Additional Coverage is:

- (1) \$25,000 unless a different Limit Of Insurance is shown in the Declarations or Scheduled Location endorsement.
- (2) If there is a Business Income And Extra Expense Limit Of Insurance shown in the Declarations or Scheduled Location endorsement and an Extra Expense Limit Of Insurance, the Extra Expense Limit Of Insurance will be applied as excess over the Business Income And Extra Expense Limit Of Insurance.

**c. Additional Limitation – Interruption Of Computer Operations**

- (1) 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.
- (2) 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.

**d. Additional Coverages**

Unless otherwise stated, the Limit(s) of Insurance shown in Paragraph A.8.d. Additional Coverages are provided within, not in addition to, the Limit Of Insurance stated in the Declarations or the Scheduled Location endorsement, except for Newly Acquired Locations Additional Coverage in Paragraph A.8.d.(6).

**(1) Civil Authority**

In this Additional Coverage – Civil Authority, the "covered locations" are locations to which Business Income or Extra Expense Coverage applies.

When a Covered Cause of Loss causes damage to property other than property at the "covered locations", 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 "covered locations", provided the following apply:

- (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the "covered locations" are within that area but are not more than two miles from the damaged property;
- (b) 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; and

Subject to the Limit(s) Of Insurance for Business Income or Extra Expense, Civil Authority coverage will apply for a period of up to four consecutive weeks after the time coverage first begins unless a different period of time is specifically shown in the Declarations as applying to this Additional Coverage.

**(2) 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 your "covered location" caused by or resulting from any Covered Cause of Loss to:

- (a) New buildings or structures, whether complete or under construction;
- (b) Alterations or additions to existing buildings or structures; and
- (c) Machinery, equipment, supplies or building materials located on or within 1,000 feet of your "covered location" and:
  - (i) Used in the construction, alterations or additions; or

- (ii) 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.

### **(3) Extended Business Income**

#### **(a) 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:

- (i) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (ii) Ends on the earlier of 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 and not to exceed 90 consecutive days, or the number of consecutive days specifically shown on the Declarations or Scheduled Location endorsement after the date determined in Paragraph **(a)(i)** 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 your "covered locations" are located.

Loss of Business Income must be caused by direct physical loss or damage at your "covered location" caused by or resulting from any Covered Cause of Loss.

#### **(b) 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:

- (i) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (ii) Ends the earlier of 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 and not to exceed 90 consecutive days or the number of consecutive days specifically shown on the Declarations or Scheduled Location endorsement after the date determined in Paragraph **(b)(i)** 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 your "covered locations" are located.

Loss of "rental value" must be caused by direct physical loss or damage at your "covered location" caused by or resulting from any Covered Cause of Loss.

#### **(4) Contractual Penalties**

We will pay for contractual penalties imposed by written contract between you and your customers. These penalties must:

- (a) Result from your failure to deliver your product on time according to contract terms;
- (b) Result from direct physical loss or damage to Covered Property by a Covered Cause of Loss; and
- (c) Have been paid by you to your customer.

The most we will pay under this coverage is \$25,000 per occurrence with a \$100,000 Annual Aggregate Limit Of Insurance unless different Limits Of Insurance are shown specifically for this Additional Coverage in the Declarations or Scheduled Location endorsement.

**(5) Business Income And Extra Expense Caused By Dependent Properties**

When Business Income and Extra Expense Coverages are provided by this policy, 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 premises of a "dependent property" resulting from a Covered Cause of Loss.

The most we will pay under this coverage is \$100,000 per occurrence unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

With respect to this coverage, 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 the premises of any "dependent property" caused by or resulting from a Covered Cause of Loss:

- (a)** To avoid or minimize the "suspension" of business and to continue "operations"; or
- (b)** To minimize the "suspension" of business if you cannot continue "operations".

**(6) Newly Acquired Locations**

When the Scheduled Location endorsement is attached to this policy, the insurance provided by this coverage is extended as follows:

- (a)** Business Income And Extra Expense Coverage is extended to apply to property at any location you acquire other than at fairs or exhibitions.

- (b)** The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$250,000 per location, unless a different Limit Of Insurance is shown in the Declarations.

- (c)** Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

- (i)** This policy expires;
- (ii)** 90 days expire after you acquire or begin to construct the property; or
- (iii)** You report values to us.

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

This Extension is additional insurance. The Additional Condition, **Coinurance**, does not apply to this Extension.

**(7) Interruption Of Computer Operations**

- (a)** Subject to all provisions of this Additional Coverage, the insurance that applies to Business Income and Extra Expense is extended 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.

- (b) The Covered Causes of Loss applicable to this Additional Coverage – Interruption Of Computer Operations are limited to the "specified causes of loss", Collapse and a virus, harmful code or similar instruction introduced into or enacted on a "computer" (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" (including "electronic data") by any employee, including a temporary or leased employee other than as required by that employee's responsibilities. Similarly there is no coverage for an interruption related to manipulation of a "computer" (including "electronic data") by an entity retained by you or for you to inspect, design, install, maintain, repair, or replace that system other than as required by that entity's responsibilities.

- (c) The most we will pay under this Additional Coverage – Interruption Of Computer Operations is \$50,000 per occurrence and Annual Aggregate for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of "covered locations" or "computers" involved, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations.

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.

- (d) 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 (c) above has not been exhausted.

## **(8) Food Contamination**

- (a) If your business at a "covered location" is ordered closed by the Board of Health or any other governmental authority as a result of the discovery or suspicion of food contamination, we will pay:
- (i) Your expense to clean your equipment as required by the Board of Health or any other governmental authority;
  - (ii) Your cost to replace the food which is, or is suspected to be, contaminated;
  - (iii) Your expense to provide necessary medical tests or vaccinations for your infected employees. However, we will not pay for any expense that is otherwise covered under a Workers' Compensation Policy;
  - (iv) The loss of Business Income you sustain due to the necessary "suspension" of your "operations". The coverage for Business Income will begin 24 hours after you receive notice of closing from the Board of Health or any other governmental authority; and
  - (v) Additional advertising expenses you incur to restore your reputation.
- (b) The most we will pay for any one occurrence for loss under Paragraphs (a)(i) through (a)(iv), including Business Income, is \$25,000, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.



The most we will pay for any one occurrence for loss under Paragraph **(a)(v)** is \$10,000, unless a different Limit Of Insurance is specifically shown for this Additional Coverage in the Declarations or Scheduled Location endorsement.

- (c)** We will not pay for any fines or penalties levied against you by the Board of Health or any other governmental authority as a result of the discovery or suspicion of food contamination at the "covered location".
- (d)** Food contamination means an incidence of food poisoning to one or more individuals as a result of:
  - (i)** Tainted food you purchased;
  - (ii)** Food which has been improperly stored, handled, prepared or manufactured; or
  - (iii)** A communicable disease transmitted through you or one or more of your "employees".

#### **(9) Increased Period Of Restoration**

The "period of restoration" includes any increased period required to repair or reconstruct the Covered Property to comply with the minimum standards of any ordinance or law, in force at the time of loss, which regulates the construction or repair, or requires the tearing down, of any property.

#### **(10) Property In Transit**

You may extend the Business Income And Extra Expense Coverage, when there is a loss covered by the Additional Coverage for Property In Transit, to apply to your actual loss of Business Income sustained or Extra Expense you incur due to that covered loss for property in transit.

The most we will pay under this Additional Coverage for the sum of Business Income loss and Extra Expense incurred is \$100,000, unless a different Limit Of Insurance is specifically shown in the Declarations.

#### **(11) Ingress Or Egress**

In this Additional Coverage – Ingress Or Egress, the "covered locations" are locations to which Business Income And Extra Expense Coverage applies.

When a Covered Cause of Loss causes damage to property other than property at the "covered locations" but within two (2) miles of the "covered location", we will pay for the actual loss of Business Income you sustain and necessary Extra Expense when ingress or egress to the "covered location" is prevented (other than coverage as provided by the Additional Coverage – Civil Authority).

Coverage will begin 24 hours after the time ingress or egress is first prevented, unless a different number of hours is shown in the Declarations..

Subject to the Limit(s) Of Insurance for Business Income or Extra Expense, Ingress or Egress coverage will apply for a period of up to four consecutive weeks after the time coverage first begins unless a different period of time is specifically shown in the Declarations as applying to this Additional Coverage,

#### **(12) Additional Building Property**

You may extend the Business Income And Extra Expense Coverage, when there is a loss covered by the Additional Coverage for Additional Building Property, to apply to your actual loss of Business Income sustained or Extra Expense you incur due to that covered loss.

The most we will pay under this Additional Coverage for the sum of Business Income loss and Extra Expense incurred, is \$100,000 per location, unless a different Limit Of Insurance is specifically shown in the Declarations.

#### **B. Covered Causes Of Loss**

Covered Causes of Loss means Risks of Direct Physical Loss unless the loss is:

1. Excluded in Paragraph **C. Exclusions**; or
2. Limited or excluded in Paragraph **D. Limitations**.

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

### a. Earth Movement

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

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

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

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

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

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to your "covered location".

This exclusion does not apply to "accounts receivable", "computers", property on exhibition, "fine arts", "mobile equipment", property in transit, salespersons' samples or "valuable papers and records".

### b. Governmental Action

Seizure or destruction of property by order of government 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 policy.

### c. Intentional Loss

We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

### 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 your "covered location", however caused, if the failure originates outside of a covered building. 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.

This exclusion does not apply to resulting loss to "computers".

**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.

This exclusion does not apply to "accounts receivable", "computers", property on exhibition, "fine arts", "mobile equipment", property in transit, salespersons' samples or "valuable papers and records".

**h. Certain Computer-related Losses**

- (1) The failure, malfunction or inadequacy of:
  - (a) Any of the following, whether belonging to any insured or to others:
    - (i) "Computer" hardware, including microprocessors;
    - (ii) "Computer" application software;
    - (iii) "Computer" operating systems and related software;
    - (iv) "Computer" networks;
    - (v) Microprocessors ("computer" chips) not part of any "computer" system; or
    - (vi) 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 C.1.h.(1)(a) above;

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 **C.1.h.(1)** above.

If an excluded Cause of Loss as described in Paragraphs **C.1.h.(1)** and **C.1.h.(2)** above results in a "specified cause of loss", or in elevator collision resulting from mechanical breakdown, we will pay only for the loss or damage caused by such "specified cause of loss" or elevator collision.

We will not pay for repair, replacement or modification of any items in Paragraphs **C.1.h.(1)** and **C.1.h.(2)** above to correct any deficiencies or change any features.

**i. Ordinance Or Law**

- (1) The enforcement of any ordinance or law:
- (a) Regulating the construction, use or repair of any property; or
  - (b) Requiring the tearing down of any property, including the cost of removing its debris.
- (2) 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.
- (3) This exclusion applies except to the extent coverage is provided within the Ordinance Or Law Coverage.

**j. Fungi Or Wet Or Dry Rot**

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

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

This exclusion does not apply:

- (1) When "fungi" or wet or dry rot results from fire or lightning; or

- (2) To the extent that coverage is provided by the Limited Coverage For "Fungi", Wet Rot And Dry Rot Additional Coverage with respect to loss or damage by a Cause of Loss other than fire or lightning.

**k. Virus Or Bacteria**

- (1) 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.
- (2) However, the exclusion in Paragraph (1) above does not apply to the following:
- (a) Loss or damage caused by or resulting from "fungi" or wet rot or dry rot. Such loss or damage is addressed in Exclusion j.; or
  - (b) Coverage otherwise provided under the Business Income And Extra Expense Additional Coverage for Food Contamination.
- (3) With respect to any loss or damage subject to the exclusion in Paragraph (1) above, such exclusion supersedes any exclusion relating to "pollutants".

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

**a. Electrical Apparatus**

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

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

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

- (1) Electrical current, including arcing;
- (2) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (3) Pulse of electromagnetic energy; or
- (4) Electromagnetic waves or micro-waves.

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

This exclusion does not apply to resulting loss to "computers".

**b. Consequential Loss**

- (1) Delay, loss of use or loss of market; or
- (2) Loss of business income and extra expense, except to the extent of coverage specifically provided under Business Income And Extra Expense in Paragraph **A.8.** of this policy (but this exception only applies if a Limit Of Insurance is shown for Business Income And Extra Expense in the Declarations or Scheduled Location endorsement).

**c. Smoke, Vapor, Gas**

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

This exclusion does not apply to emissions or puff backs of smoke, soot, fumes or vapors from a boiler, furnace, or related equipment.

This exclusion does not apply to "mobile equipment".

**d. Other Types Of Losses**

- (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, bulging 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; or
- (7) The following causes of loss to business personal property:
  - (a) Dampness or dryness of atmosphere;
  - (b) Changes in or extremes of temperatures.

This exclusion does not apply to loss or damage to "computers" caused by dampness or dryness of atmosphere or changes in or extremes of temperatures resulting from direct damage from a Covered Cause of Loss to your air conditioning equipment that services your "computers";

- (8) Marring or scratching to business personal property.

But if an excluded cause of loss that is listed in Paragraphs **2.d.(1)** through **2.d.(8)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

**e. Explosion**

- (1) Explosion of alcohol stills, steam boilers, steam generators, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- (2) Electric arcing;
- (3) Rupture or bursting of water pipes;
- (4) Rupture, bursting or operation of pressure relief devices; or
- (5) Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water.

But if explosion of alcohol stills, steam boilers, steam generators, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

**f. Liquid Seepage Or Leakage**

Continuous or repeated seepage or leakage of liquid (other than a "pollutant"), or the presence or condensation of humidity, moisture or vapor (other than a "pollutant"), that occurs over a period of 14 days or more.

This exclusion does not apply to unintended leakage covered under Additional Coverage – Bulk Liquid Tank Storage.

**g. Frozen Plumbing**

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning, ventilation, 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.

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

**h. Dishonesty**

Dishonest or criminal act by you, any of your partners, "members", officers, "managers", "employees" (including leased "employees"), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or
- (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your "employees" (including leased "employees"); but theft by "employees" (including leased "employees") is not covered.

This exclusion applies except to the extent coverage is provided within the Employee Theft coverage.

This exclusion does not apply to carriers for hire.

**i. False Pretense**

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, except as provided elsewhere in this policy.

**j. Exposed Property**

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

This exclusion does not apply to "mobile equipment" or property in the custody of carriers for hire.

**k. Pollution**

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".

**l. Neglect**

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

**m. Errors Or Omissions**

Errors or omissions in processing, recording or storing information on recording or storage media or "computers".

However, we will pay for direct loss or damage caused by resulting fire or explosion if these causes of loss would be covered by this policy.

**n. Installation, Testing, Repair**

Installation, testing, repair or other similar service performed upon "computer" software or "computers", including parts.

However, we will pay for direct loss or damage caused by resulting fire or explosion if these causes of loss would be covered by this policy.

**o. Collapse**

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

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

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

This Exclusion o., does not apply:

- (1) To the extent that coverage is provided under the Additional Coverage – Collapse; or

- (2) To collapse caused by one or more of the following:
  - (a) The "specified causes of loss":
  - (b) Breakage of building glass;
  - (c) Weight of rain that collects on a roof; or
  - (d) Weight of people or personal property.

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

**a. Weather Conditions**

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

**b. Acts Or Decisions**

Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

**c. Plan, Design Faults**

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 your "covered locations".

**4. Special Exclusions**

The following exclusions apply to Business Income And Extra Expense Additional Coverage.

We will not pay for:

- a. Any loss caused by or resulting from the time required to reproduce "finished stock".  
This exclusion does not apply to Extra Expense.

- b. Any loss, other than income you would have earned from leasing or renting such property, 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.

- c. Any increase of loss caused by or resulting from:

- (1) 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

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

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

- e. Any other consequential loss.

**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.

## D. Limitations

Unless otherwise shown in the Declarations, the following limitations apply to this Coverage Form and any endorsements that amend coverage provided by this Coverage Form.

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 such 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 boiler or equipment, other than an explosion.
  - c. The interior of any building or structure, or to business 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. 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. However, this provision does not apply to coverage provided under Additional Crime Coverage **A.7.c.**, Money And Securities.
  - e. Property that has been transferred to a person or to a place outside your "covered location" on the basis of unauthorized instructions.
2. We will not pay for loss of or damage to the following types of property unless caused by a "specified cause of loss" or building glass breakage:
  - a. Live animals, and then only if they are killed or their destruction is made necessary;
  - b. Fragile articles such as glassware, statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
    - (1) Glass that is part of a building or structure;
    - (2) Containers of property held for sale;
    - (3) Photographic or scientific instrument lenses; or
    - (4) "Fine arts".
  - c. Builders' machinery, tools and equipment owned by you or entrusted to you.  
However, this limitation does not apply:
    - (1) If the property is located on or within 1,000 feet of your "covered location"; or
    - (2) To Business Income or Extra Expense Coverage.
3. The special limit shown for each category, Paragraphs a. through c., is the total limit for loss of or damage to all property in that category, unless a different Limit Of Insurance is specifically shown in the Declarations or Scheduled Location endorsement. The limits below apply to any one occurrence of "theft", regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:
  - a. \$10,000 for furs, fur garments and garments trimmed with fur.
  - b. \$25,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum, and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$500 or less per item.
  - c. \$5,000 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit Of Insurance applicable to the Covered Property.

This limitation, Paragraph **D.3.**, does not apply to Business Income or 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, Paragraph **D.4.**, does not apply to Business Income or Extra Expense Coverage.

#### **E. Additional Coverage – Collapse**

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

1. For the purpose of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
2. We will pay for direct physical loss of or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this coverage 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 Paragraph **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 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. Television and radio towers, antennas, satellite dishes, guy wires, lead-in wiring and masts;
- b. Awnings, canopies, gutters, downspouts and fences;
- c. Yard fixtures;
- d. Outdoor swimming pools;
- e. Bulkheads, pilings, piers, wharves and docks;
- f. Beach or diving platforms or appurtenances;
- g. Retaining walls;
- h. Underground pipes, flues or drains; and
- i. Walkways, roadways and other paved surfaces;

if abrupt collapse is caused by a Cause of Loss listed in Paragraphs **2.a.** through **2.d.**, we will pay for loss or damage to that property only if:

- a. Such loss or damage is a direct result of the abrupt collapse of a building insured under this coverage form; and
  - b. 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 Paragraphs **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 Paragraph **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 Paragraphs **E.1.** through **E.7.**

#### **F. Limits Of Insurance**

1. Subject to paragraph **3.** below, the most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance. The Limit Of Insurance may be a dollar amount, a time period, or other value as stated in the Declarations.

Limits Of Insurance may be shown:

- (a) In this Coverage Form;
- (b) In the Declarations; or
- (c) If applicable to a specific "covered location", in the Scheduled Location endorsement.

Unless otherwise stated:

- (a) Limits Of Insurance for Additional Coverages apply as excess over any applicable Limits Of Insurance for Building or Business Personal Property; and
- (b) Limits Of Insurance for Additional Coverage not applicable to a specific "covered location" in the Scheduled Location endorsement are excess over Limits Of Insurance applicable to a specific "covered location" in the Scheduled Location endorsement;

however, in no event will we pay more than your financial interest in the Covered Property, or more than your financial interest in the loss covered by this insurance that results from loss or damage to Covered Property.

Any Limits Of Insurance shown as an Annual Aggregate will apply to all sums paid for loss or damage during each separate twelve (12) consecutive month policy period. If loss payment relating to an Annual Aggregate does not exhaust the Annual Aggregate then the balance is available for loss or expense sustained or incurred as a result of subsequent loss or damage. A balance remaining at the end of a twelve (12) consecutive month period does not increase the amount of insurance in the next twelve (12) consecutive month period.

2. Payment under the following Business Income And Extra Expense Additional Coverages will not increase the Business Income And Extra Expense Limit Of Insurance:

- a. Alterations and New Buildings;
- b. Business Income and Extra Expense Caused By "Dependent Properties";
- c. Civil Authority;
- d. Contractual Penalties;
- e. Extended Business Income;
- f. Food Contamination; or
- g. Interruption Of "Computer" Operations.

However, the Limit Of Insurance applicable to Paragraph **A.8.d.(6)**, Newly Acquired Locations, is in addition to the Business Income and Extra Expense Limit Of Insurance.

3. If a Policy Limit Of Insurance is shown in the Declarations, that is the most we will pay for all loss or damage in any one occurrence, regardless of whether there are any other Limits Of Insurance applicable to loss or damage covered by this insurance.

#### **G. Deductible(s)**

In any one occurrence of loss, we will determine the deductible as follows:

1. We will first calculate the amount of the loss according to the applicable valuation provision and subject to any applicable time period deductible;
2. Then we will reduce the amount of the loss according to any applicable Coinsurance;
3. If this adjusted amount of loss is less than or equal to the applicable deductible shown in the Declarations or Scheduled Location endorsement we will not pay for that loss; or
4. If this adjusted amount of loss exceeds the applicable deductible we will then subtract the deductible from the adjusted amount of loss and will pay the resulting amount or the applicable Limit Of Insurance, whichever is less.

Except as otherwise stated in this Coverage Form or the Declarations, in the event more than one deductible applies to a loss, we will apply the highest applicable deductible as calculated using the actual dollar amounts that would be deducted from the loss.

#### **EXAMPLE NO. 1**

(This example assumes there is no coinsurance penalty.)

Deductible: \$5,000

Building No. 1 – Limit Of Insurance = \$600,000

Building No. 2 – Limit Of Insurance = \$800,000

Building No. 1 – Loss = \$601,000

Building No. 2 – Loss = \$900,000

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building No. 1:

\$ 601,000

– 5,000

\$ 596,000 Loss Payable for Building No. 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building No. 2. Loss payable for Building No. 2 is the Limit Of Insurance of \$800,000.

Total amount of loss payable:

\$596,000 + \$800,000 = \$1,396,000

### EXAMPLE NO. 2

(This example also assumes there is no coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example No. 1.

Building No. 1 – Loss = \$700,000 (exceeds deductible and Limit Of Insurance)

Building No. 2 – Loss = \$900,000 (exceeds deductible and Limit Of Insurance)

Loss Payable for Building No. 1 = \$600,000  
(Limit Of Insurance)

Loss Payable for Building No. 2 = \$800,000  
(Limit Of Insurance)

Total amount of loss payable:

\$600,000 + \$800,000 = \$1,400,000

## H. Loss Conditions

The following conditions apply:

### 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, 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 value of the property, the amount of Net Income and operating expense, 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 ensure 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.
- (9) You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent except as respects to protecting property from further damage.
- (10) 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.

#### 4. Loss Payment

- a. In the event of loss or damage covered by this policy, 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 whether "Replacement Cost" or "Functional Replacement Cost" applies, and subject to Paragraph 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 whether "Replacement Cost" or "Functional Replacement Cost" applies, and subject to Paragraph b. below.

#### b. Party Walls

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 Additional Condition 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.

#### c. Ordinance Or Law

The following loss payment provisions, Paragraphs **H.4.c.(1)** through **H.4.c.(3)**, are subject to the apportionment procedures set forth in Paragraph **A.4.e.(2)(c)** of this coverage form.

- (1) For 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 Agreed Value or "Replacement Cost" valuation applies to coverage for the damaged portion and the property is being repaired or replaced, on the same or another location, we will not pay more than the lesser of:
    - (i) The cost to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same location and to the same height, floor area, style and comparable quality of the original property insured; or

- (ii) The Limit Of Insurance shown in the Declarations or Scheduled Location endorsement as applicable to the covered building.
  - (b) If "Functional Replacement Cost" valuation applies to coverage for the damaged portion and the property is being repaired or replaced, on the same or another location, we will not pay more than the lesser of:
    - (i) The cost to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same location and to the same height, floor area, style and comparable functional quality of the original property insured; or
    - (ii) The Limit Of Insurance shown in the Declarations or Scheduled Location endorsement as applicable to the covered building.
  - (c) If Agreed Value, "Replacement Cost", or "Functional Replacement Cost" valuation applies to coverage for the damaged portion and the property is not repaired or replaced, or if "Actual Cash Value" valuation applies to coverage for the damaged portion, we will not pay more than the lesser of:
    - (i) The "Actual Cash Value" of the building at the time of loss; or
    - (ii) The Limit Of Insurance shown in the Declarations or Scheduled Location endorsement as applicable to the covered building.
- (2) 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 "covered location"; or
  - (b) The applicable Limit Of Insurance for Coverage **B** or Combined Coverage B And Coverage C Limit Of Insurance.
- (3) Loss payment under Coverage C – Increased Cost Of Construction Coverage will be determined as follows:**
- (a) We will not pay under Coverage C:
    - (i) Until the property is actually repaired or replaced, at the same or another location; and
    - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
  - (b) If the building is repaired or replaced at the same location, or if you elect to rebuild at another location, the most we will pay under Coverage C is the lesser of:
    - (i) The increased cost of construction at the same location; or
    - (ii) The applicable Limit Of Insurance for Coverage C or Combined Coverage B and Coverage C Limit Of Insurance.
  - (c) If the ordinance or law requires relocation to another location, the most we will pay under Coverage C is the lesser of:
    - (i) The increased cost of construction at the new location; or
    - (ii) The applicable Limit Of Insurance for Coverage C or Combined Coverage B And Coverage C Limit Of Insurance.
  - d. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
  - e. We will not pay you more than your financial interest in the Covered Property, or your financial interest in the covered loss that results from loss or damage to Covered Property.

- f. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owner, such payments will satisfy your claims against us for the owners' property. We will not pay the owner more than their financial interest in the Covered Property.
- g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- h. 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 policy and:
  - (1) We have reached agreement with you on the amount of loss; or
  - (2) An appraisal award has been made.

## 5. Recovered Property

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

### a. Description Of Terms

- (1) As used in this Vacancy And Unoccupancy Condition, the term building and the term vacancy have the meaning set forth in Paragraphs (a) and (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) A building or structure is unoccupied when it has not been used for its customary operations for a period of 60 consecutive days or more.
- (3) Buildings under construction or renovation are not considered vacant or unoccupied.

### b. Vacancy And Unoccupancy Provision

If the building where loss or damage occurs has been vacant or unoccupied 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 Paragraphs **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

Unless otherwise stated in this Coverage Form or the Declarations or the Scheduled Location endorsement, we will determine the value of Covered Property in the event of a loss or damage as follows:

- a. At "Replacement Cost" as of the time of loss or damage, or "Functional Replacement Cost" if shown in the Declarations, except as otherwise provided in this Valuation Condition.
  - (1) "Replacement Cost" does not apply to:
    - (a) Contents of a residence;
    - (b) Manuscripts; or
    - (c) "Mobile equipment", unless otherwise indicated in the Declarations or Scheduled Location endorsement.

Instead "Actual Cash Value" applies.

**(2)** You may make an initial 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 "Replacement Cost", if you notify us of your intent to do so within 180 days after the loss or damage.

**(3)** We will not pay on a "Replacement Cost" basis for any loss or damage:

**(a)** Until the lost or damaged property is actually repaired or replaced; and

**(b)** Unless the repairs or replacement is made as soon as reasonably possible after the loss or damage.

Instead we will pay on an "Actual Cash Value" basis.

With respect to tenant's improvements and betterments, the following also applies:

**(c)** If the conditions in Paragraphs **7.a.(3)(a)** and **7.a.(3)(b)** are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Condition Paragraph **7.e.**

**(4)** We will not pay more for loss or damage on a "Replacement Cost" basis than the least of Paragraph **(a)**, **(b)** or **(c)** below:

**(a)** The Limit Of Insurance applicable to the lost or damaged property with other property;

**(b)** The cost to replace, on the same "covered location", the lost or damaged property with other property:

**(i)** Of comparable material quality; and

**(ii)** Used for the same purpose; or

**(c)** The amount you actually spend that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a different "covered location", the cost is limited to the cost which would have been incurred had the building been built at the original "covered location".

**b.** "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

**c.** We do not cover the value of United States Government taxes and custom duties and state and local taxes paid or fully determined on the following property held for sale if such taxes and duties are refundable in the event of loss or damage covered by this insurance:

**(1)** Distilled spirits;

**(2)** Wines;

**(3)** Rectified products; or

**(4)** Beer.

**d.** Glass at the cost of replacement with safety glazing material if required by law.

**e.** Tenant's Improvements and Betterments at:

**(1)** "Replacement Cost" of the lost or damaged property if it is actually repaired or replaced as soon as reasonably possible.

**(2)** A proportion of your original cost if you do not make repairs as soon as reasonably possible. 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 Paragraph **(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.** Pair, sets or parts:

**(1)** Pair or sets. In case of loss to any part of a pair or set we may:

**(a)** Repair or replace any part to restore the pair or set to its value before the loss; or

**(b)** Pay the difference between the value of the pair or set before and after the loss.

- (2) Parts. In case of loss to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.
- g. "Valuable papers and records" will be valued as follows:
  - (1) The value of each item of property that is specifically declared and described in the Declarations or Scheduled Location endorsement is the applicable Limit Of Insurance for that item.
  - (2) "Valuable papers and records" not declared and described in the Declarations or Scheduled Location endorsement will be valued on an "Actual Cash Value" basis at the time of loss.

## 8. Special Loss Conditions

The following provision applies only to Coverage **A.8. Business Income And Extra Expense**:

### a. Loss Determination

- (1) The amount of Business Income loss will be determined based on:
  - (a) The Net Income of the business before the direct physical loss or damaged occurred;
  - (b) The likely Net Income of the business if no loss or damage 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;
  - (c) 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
  - (d) Other relevant sources of information, including:
    - (i) Your financial records and accounting procedures;
    - (ii) Bills, invoices and other vouchers; and
    - (iii) Deeds, liens or contracts.

- (2) The amount of Extra Expense will be determined based on:

- (a) Necessary 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:
  - (i) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
  - (ii) Any Extra Expense that is paid for by other insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (b) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

### (3) Resumption Of Operations

We will reduce the amount of your:

- (a) 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 your "covered location" or elsewhere.
- (b) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- (c) Business Income loss from "Dependent Properties", other than Extra Expense to the extent you can resume "operations" in whole or in part by using any other available:
  - (i) Source of materials; or
  - (ii) Outlet for your products.
- (4) 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.



**b. 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 and:

- (1) We have reached agreement with you on the amount of loss; or
- (2) An appraisal award has been made.

**9. Control Of Damaged Property**

You have the right to possession of all merchandise manufactured, sold or distributed by you that is involved in any loss under this policy, and you will retain control of all damaged Covered Property. Any merchandise deemed to be unfit for consumption, sale or use will not be sold or otherwise disposed of except by you, or with your consent, but you will allow us any salvage proceeds obtained by you on any sale or other disposition of such merchandise.

**10. Knowledge Of Occurrence**

Knowledge of loss or damage by your agent, servant or employee shall not be considered knowledge by you unless you, your insurance manager or any other person you designate has received notice of the loss or damage from your agent, servant, or employee.

**11. Notice of Occurrence**

You shall report to us every loss or damage which may become a claim under this insurance as soon as may be practicable after it becomes known to the individual responsible for insurance matters.

**12. Unintentional Failure To Disclose**

Any unintentional failure to disclose all exposures or hazards existing as of the effective date of the policy or at any time during the policy period will not invalidate or adversely affect the coverage for such exposure or hazard. However, you must report the undisclosed exposure or hazard to us as soon as reasonably possible after the exposure or hazard is discovered.

**I. Additional Conditions**

**1. Mortgageholders**

The following condition applies:

- 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 or Scheduled Location endorsement 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 policy, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

- (1) Pays any premium due under this policy at our request if you have failed to do so;
- (2) Submits a signed sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this policy 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 policy:

- (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.

## 2. Coinsurance

The following condition applies only to Coverage **A.8. Business Income And Extra Expense** when a coinsurance percentage applies:

**a.** If a Coinsurance percentage is shown in the Scheduled Location endorsement, the following condition applies in addition to the Common Policy Conditions and the Conditions in this Coverage Form.

**b.** 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 applicable Coinsurance percentage for Business Income; times

(2) The sum of:

(a) The Net Income (Net Profit or Loss before income taxes); and

(b) All operating expenses, including payroll expenses;

that would have been earned or incurred (had no loss occurred) by your "operations" at your "covered location" 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 your "covered location" by the figure determined in Step 1.; and

**Step 3.** Multiply the total amount of loss by the figure determined in Step 2.

**c.** We will pay the amount determined in Step 3. above 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.

**d.** 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;

(11) If shown in the Declarations as not applicable, all Ordinary Payroll Expenses. Ordinary Payroll Expenses means payroll expenses for your employees other than officers, executives, managers and employees under contract and includes payroll, employee benefits, tax payments you make, union dues you pay, and workers compensation premiums; and

(12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

### EXAMPLE NO. 1 (UNDERINSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at your "covered location" 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.**  $\$150,000 / \$200,000 = .75$

**Step 3.**  $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

## EXAMPLE NO. 2 (ADEQUATE INSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at your "covered location" would have been \$400,000  
The Coinsurance percentage is 50%  
The Limit Of Insurance is \$200,000  
The amount of loss is \$80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 (\$400,000 x 50%). Therefore, the Limit Of Insurance in this Example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of loss).

- e. This condition does not apply to the Extra Expense Coverage.

### 3. When Builders Risk Coverage Ceases

"Builders risk" coverage, as described in Paragraph **A.1.a.(6)** of Coverage, will end when one of the following first occurs:

- a. This policy expires or is cancelled;
- b. The property is accepted by the purchaser;
- c. Your interest in the property ceases;
- d. You abandon the construction without intention to complete it; or
- e. Unless we specify otherwise in writing:
  - (1) 90 days after construction is complete; or
  - (2) 60 days after the "builders risk" building is:
    - (a) Occupied in whole or in part; or
    - (b) Put to its intended use.

### 4. Cancellation

Anything to the contrary in any endorsement to this policy or the Common Policy Conditions notwithstanding, we will provide notice of cancellation 60 days before the effective date of cancellation if we cancel for any reason other than non-payment of premium unless a different number of days is specifically shown in the Declarations or, unless a longer period for notice is required by law.

If coverage provided by this Coverage Form is cancelled we will send to the first Named Insured any premium refund due, and any refund will be calculated on a pro-rata basis but in any event the cancellation will be effective even if we have not made or offered a refund.

### 5. Concealment, Misrepresentation Or Fraud

This policy is void in any case of fraud by you as it relates to this Coverage Form at any time. It is also void if you or any other insured, at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This policy;
- b. The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this policy.

### 6. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this policy at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

### 7. 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.

### 8. Legal Action Against Us

No one may bring a legal action against us under this policy unless:

- a. There has been full compliance with all of the terms of this policy; and
- b. The action is brought within two years after the date on which the direct physical loss or damage occurred.

### 9. Liberalization

If we adopt any revision which requires us to assign a new edition date that would broaden the coverage under this Coverage Form without additional premium within 180 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

### 10. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

## 11. Other Insurance

- a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this policy. 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 policy bears to the Limits of Insurance of all insurance covering on the same basis.
- b. If there is other insurance covering the same loss or damage, other than that described in Paragraph a. 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.
- c. If loss or damage is also covered by a service agreement, any amounts payable for such loss or damage under this policy will be excess over any amounts payable under such agreement. Service agreement means a service plan, property restoration plan, or other similar service warranty agreement, even if it is characterized as insurance.

## 12. Policy Period, Coverage Territory

Under this policy:

- a. We cover loss or damage commencing:
  - (1) During the policy period shown in the Declarations; and
  - (2) Within the Coverage Territory.
- b. The Coverage Territory is:
  - (1) The United States of America (including its territories and possessions);
  - (2) Puerto Rico; and
  - (3) Canada;

except as specifically provided elsewhere in this policy.

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

If any person or organization to or for whom we make payment under this policy 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:

- a. Prior to a loss to your Covered Property or Covered Income.

- b. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:

- (1) Someone insured by this insurance;
- (2) A business firm:
  - (a) Owned or controlled by you; or
  - (b) That owns or controls you;
- (3) Your tenant; or
- (4) Your landlord.

This will not restrict your insurance.

## J. Optional Coverages

If shown as applicable in the Declarations or Scheduled Location endorsement, the following Optional Coverages apply separately to each item:

### 1. Actual Cash Value

"Actual Cash Value" replaces "Replacement Cost" in the Valuation Loss Condition of this policy.

2. The following Optional Coverages apply only to Coverage **A.8.**, Business Income And Extra Expense.

If shown in the Declarations or Scheduled Location endorsement, the following Optional Coverages apply separately to each item.

### a. Maximum Period Of Indemnity

- (1) The Additional Condition, **Coinsurance**, does not apply to this coverage at your "covered location" to which this Optional Coverage applies.
- (2) The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:
  - (a) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
  - (b) The Limit Of Insurance shown in the Declarations or Scheduled Location endorsement.

### b. Monthly Limit Of Indemnity

- (1) The Additional Condition, **Coinsurance**, does not apply to this coverage at your "covered location" to which this Optional Coverage applies.
- (2) 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:

- (a) The Limit Of Insurance, multiplied by
- (b) The fraction shown in the Declarations or Scheduled Location endorsement for the Optional Coverage.

#### EXAMPLE

When: The Limit Of Insurance is \$120,000

The fraction shown in the Declarations or Scheduled Location endorsement for this Optional Coverage is: 1/4

The most we will pay for loss in each period of 30 consecutive days is:

$$\$120,000 \times 1/4 = \$30,000$$

If, in this example, the actual amount of loss is:

Days	1 – 30	\$40,000
Days	31 – 60	\$20,000
Days	61 – 90	\$30,000
		<u>\$90,000</u>

We will pay:

Days	1 – 30	\$30,000
Days	31 – 60	\$20,000
Days	61 – 90	\$30,000
		<u>\$80,000</u>

The remaining \$10,000 is not covered.

#### c. Agreed Value

- (1) To activate this Optional Coverage the Declarations or the Scheduled Location endorsement must indicate that Agreed Value applies to valuation.
- (2) The Additional Condition, Coinsurance, is suspended when Agreed Value applies.

#### K. Definitions

##### 1. "Accounts receivable" means:

- a. All amounts due from your customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and

- d. Other reasonable expenses that you incur to reestablish your records of "accounts receivable".

##### 2. "Actual Cash Value" means:

The amount it would cost to repair or replace Covered Property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence, regardless of whether that property has sustained partial or total loss or damage.

##### 3. "Builders risk" means:

Buildings and structures while being constructed, altered or repaired at a "covered location" including:

- a. The following property provided such property is intended to be permanently located in or on a covered building:
  - (1) Your building materials and supplies used for construction;
  - (2) Fixtures and machinery; and
  - (3) Equipment used to service the building;
- b. Foundations of a building or structure while in the course of construction;
- c. Temporary structures built or assembled on site, including cribbing, scaffolding and construction forms; and
- d. Building materials and supplies that are:
  - (1) Owned by others;
  - (2) In your care, custody or control; and
  - (3) Located in or on a covered building or within 1,000 feet of a covered building.

##### 4. "Computer" means

- a. Your programmable electronic equipment that is used to receive, process, store, retrieve or send data, including component parts and air conditioning, fire suppression equipment and electrical equipment used exclusively in your "computer" operations. This does not include data, media, or equipment that is used solely to control the operations of another piece of equipment or machinery, unless that other piece of equipment or machinery is part of a network of equipment to receive, process, store, retrieve or send data; and
- b. Associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as data transmission.

5. "Counterfeit money" means an imitation of money that is intended to deceive and to be taken as genuine.
6. "Covered location" means any premises or location where you have buildings or structures that you own, lease or operate.
7. "Dependent property" means property, operated by others whom you rely on to:
  - a. Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers any of the following services is not a Contributing Location with respect to such services:
    - (1) Water supply services;
    - (2) Power supply services; or
    - (3) Communication supply services, including services relating to Internet access or access to any electronic network;
  - b. Accept your products or services (Recipient Locations);
  - c. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
  - d. Attract customers to your business (Leader Locations).
8. "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.. 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" connected to it, which enable the "computer" to receive, process, store, retrieve or send data.
9. "Employee"
  - a. "Employee" means:
    - (1) Any natural person:
      - (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to theft or any other dishonest act committed by the "employee";
      - (b) Who you compensate directly by salary, wages or commissions; and
    - (c) Who you have the right to direct and control while performing services for you;
  - (2) Any natural person who is furnished temporarily to you:
    - (a) To substitute for a permanent "employee" as defined in Paragraph (1) above, who is on leave; or
    - (b) To meet seasonal or short-term workload conditions

while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside your "covered location";
  - (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph a.(2);
  - (4) Any natural person who is a former "employee", partner, "member", "manager" director or trustee retained as a consultant while performing services for you;
  - (5) Any natural person who is a guest student or intern pursuing studies or duties excluding, however, any such person while having care and custody of property outside your "covered location";
  - (6) Any "employee" of an entity merged or consolidated with you prior to the effective date of this policy; or
  - (7) Any of your "managers", directors or trustees while:
    - (a) Performing acts within the scope of the usual duties of an "employee"; or
    - (b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directional acts on your behalf.
  - b. "Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph 9.a. above.

- 10. "Fine arts"** means paintings, drawings, lithographs, rugs, tapestries, statuary, bronzes, porcelains, marbles, antique furniture, rare books and other bona fide items of artistic merit.
- 11. "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 or Scheduled Location endorsement.
- "Finished stock" does not include stock you have manufactured that is held for sale on your "covered location" at any retail outlet .
- 12. "Functional Replacement Cost"** means the cost to repair or replace the Covered Property at the time of loss or damage where the loss occurred with less costly but functionally equivalent property.
- 13. "Fungi"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by "fungi".
- 14. "Leased property"** means property that you have leased, rented or sent out for approval.
- 15. "Manager"** means a person serving in a directorial capacity for a limited liability company.
- 16. "Market value"** means the price which the property might be expected to realize prior to loss or damage if offered for sale in a fair market on the date the loss or damage occurred, the cost of reasonable restoration of the property or the replacement of the property with substantially the same property, whichever is less.
- 17. "Member"** means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
- 18. "Messenger"** means you, or a relative of yours or any of your partners or "members", or any "employee", while having care and custody of property outside covered buildings.
- 19. "Mobile equipment"** means:
- a.** Contractors' equipment and similar items of a mobile nature;
  - b.** Unlicensed vehicles which are not operated on public roadways; however, are built for public roadway use; and
  - c.** Self-propelled vehicles built and utilized for carrying equipment attached to them.

**20. "Money"** means:

- a.** Currency, coins and bank notes in current use and having a face value; and
- b.** Travelers checks, register checks and money orders held for sale to the public.

**21. "Occurrence of crime"** means:

- a.** Under Additional Crime Coverage **A.7.a.**, Employee Theft:

- (1)** An individual act;
- (2)** The combined total of all separate acts whether or not related; or
- (3)** A series of acts whether or not related;

committed by an "employee" acting alone or in collusion with other persons, both during the policy period shown in the Declarations and before such policy period.

- b.** Under Additional Crime Coverage **A.7.b.**, Forgery or Alteration:

- (1)** An individual act;
- (2)** The combined total of all separate acts whether or not related; or
- (3)** A series of acts whether or not related;

involving one or more instruments, committed by a person acting alone or in collusion with other persons, involving one or more instruments, both during the policy period shown in the Declarations and before such policy period.

- c.** Under Additional Crime Coverage **A.7.c.**, Money and Securities:

- (1)** An individual act or event;
- (2)** The combined total of all separate acts or events whether or not related; or
- (3)** A series of acts or events whether or not related;

committed by a person, acting alone or in collusion with other persons, or not committed by any person, both during the policy period shown in the Declarations and before such policy period.

**22. "Operations"** means:

- a.** Your business activities occurring at your "covered location"; and
- b.** The tenantability of your "covered location", if the following coverage applies:
  - (1)** Business Income including "rental value"; or
  - (2)** "Rental value".

- 23.** "Other property" means tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include "computer" programs, electronic data or any property excluded under this policy.
- 24.** "Payroll" means "payroll" expenses of all your "employees". This includes employee benefits, if directly related to "payroll"; FICA payments you pay; union dues you pay; and workers' compensation premiums.
- 25.** "Period of restoration" means that period of time that:
- a.** Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at your "covered location", scheduled location or the "dependent property"; and
  - b.** Ends on the date when the property at your "covered location", scheduled location or the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.
- "Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
- The expiration date of this policy will not cut short the "period of restoration".
- 26.** "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.
- 27.** "Replacement Cost" means the cost to replace Covered Property at the time and place of the loss or damage without deduction for depreciation.
- 28.** "Rental value" means the:
- a.** Total anticipated rental income from tenant occupancy of your "covered location" as furnished and equipped by you;
  - b.** Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and
  - c.** Fair rental value of any portion of your "covered location" which is occupied by you.
- 29.** "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or "other property" and includes:
- a.** Tokens, tickets, revenue and other stamps whether or not in current use; and
  - b.** Evidences of debt issued in connection with credit or charge cards, which cards are not of your own issue;
- but does not include "money" or lottery tickets.
- 30.** "Specified causes of loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke (including the emission of puff back of smoke, soot, fumes or vapors from a boiler, furnace or related equipment); aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects; weight of snow, ice or sleet; "water damage".
- a.** "Sinkhole collapse" means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This Cause of Loss does not include:
    - (1)** The cost of filling sinkholes; or
    - (2)** Sinking or collapsing 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 accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning, ventilation or other system or appliance (other than a sump system including its related equipment and parts), that is located on a "covered location" and contains water or steam.
- 31.** "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.
- 32.** "Suspension" means:
- a.** The slowdown or cessation of your business activities; or
  - b.** That a part of all of a "covered location" or scheduled location is rendered untenable, if the following coverage applies:
    - (1)** Business Income, including "rental value"; or
    - (2)** "Rental value".



**33.** "Tank" means a permanently installed structure specifically designed to contain liquid contents. This includes piping, pumps and other appurtenant apparatus and equipment that:

- a.** Are an actual part of the covered "tank";
- b.** Connect covered "tanks", one with another;  
or
- c.** Are within 1,000 feet of a covered "tank".

**34.** "Theft" means the unlawful taking of "money", "securities" or "other property" to the deprivation of the insured.

**35.** "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps and mortgages.

But "valuable papers and records" does not mean "money" or "securities".

CP 81 33 07 14

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

## **NUCLEAR, BIOLOGICAL, CHEMICAL AND RADIOLOGICAL HAZARDS EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
ASSET COVERAGE PART  
PREFERRED ASSET COVERAGE PART  
BUILDERS RISK COVERAGE  
COMMERCIAL OUTPUT PROGRAM  
DIFFERENCE IN CONDITIONS PROGRAM

- I. We will not pay for any loss, damage, cost or expense, whether real or alleged, that is caused, results from, is exacerbated by or otherwise impacted by, either directly or indirectly, any of the following:
  - 1) **Nuclear Hazard** – including, but not limited to, nuclear reaction, nuclear detonation, nuclear radiation, radioactive contamination and all agents, materials, products or substances, whether engineered or naturally occurring, involved therein or released thereby;
  - 2) **Biological Hazard** – including, but not limited to, any biological and/or poisonous or pathogenic agent, material, product or substance, whether engineered or naturally occurring, that induces or is capable of inducing physical distress, illness, or disease;
  - 3) **Chemical Hazard** – including, but not limited to, any chemical agent, material, product or substance;
  - 4) **Radioactive Hazard** – including, but not limited to, any electromagnetic, optical, or ionizing radiation or energy, including all generators and emitters thereof, whether engineered or naturally occurring.
- II. The provisions of subparagraphs I. 2) and I. 3) will not apply where the agent, material, product or substance at issue is utilized in the course of business by an insured.
- III. Only if and to the extent required by state law, the following exception to the exclusion in paragraph I. applies:  
If a hazard excluded under paragraph I. results in fire, we will pay for the loss, damage, cost or expense caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. This coverage does not apply to insurance provided under Business Income, Rental Value or Extra Expense coverage forms or endorsements that apply to those coverage forms.

All other terms and conditions of this policy remain unchanged.

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

## **WISCONSIN CHANGES**

This endorsement modifies property insurance provided by the policy to which it is attached.

- A.** The Concealment, Misrepresentation Or Fraud Condition is replaced by the following:

### **CONCEALMENT, MISREPRESENTATION OR FRAUD**

1. No misrepresentation and no breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this insurance affects our obligations unless, if a misrepresentation, the person knew or should have known that the representation was false, and unless:
  - a. We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or
  - b. The facts misrepresented or falsely warranted contribute to the loss.
2. No failure of a condition before a loss and no breach of a promissory warranty affects our obligation under this insurance unless such failure or breach exists at the time of loss and either:
  - a. Increases the risk at the time of loss; or
  - b. Contributes to the loss.

- B.** The following amends the Legal Action Against Us Condition:

### **LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this policy unless the action is brought within 2 years after the date on which the direct physical loss or damage occurred.

- C.** The following is added to the Transfer Of Rights Of Recovery Against Others To Us Condition:

We will be entitled to a recovery only after you have been fully compensated for damages.

- D.** The following Conditions are added:

### **1. Knowledge And Acts Of Agents**

- a. If any of our agents knows any fact that breaches a condition of this policy, we will be considered to know it also if that fact:
  - (1) Is known to the agent at the time the policy is issued or an application made; or
  - (2) Later becomes known to the agent in the course of his or her dealings as an agent with you.
- b. Any fact that breaches a condition of this policy and is known to the agent before the loss will not:
  - (1) Void this policy; or
  - (2) Prevent a recovery in the event of loss.

### **2. Conformity To Statute Or Rule**

Any provision of this Coverage Part (including endorsements which modify the Coverage Part) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under Wis. Stat. Ann. s. 227.11(2) and published in the Wisconsin Administrative Code.

**E.** The Ordinance Or Law Exclusion does not apply to dwelling properties occupied as a residence by you.

**F.** The following is added to the Loss Payment Condition:

If a municipality, which is a first class city, has elected to apply the provisions of Wis. Stat. Ann. Secs. 632.10 through 632.104 or their successors or amendments, a part of our payment for fire or explosion loss or damage to your covered real property in that municipality will be withheld if the loss or damage is subject to the aforementioned provisions.

**1.** The withheld amount will be paid in accordance with the law, to the following:

- a.** The municipality where the covered property is located;
- b.** You and any other interest named in the Declarations; or
- c.** The mortgageholder, if any.

However, we will not pay more than the amount of loss payable under this policy.

**2.** Within 10 days after withholding the required amount, we will give written notice of the withholding to the following:

- a.** The building inspection official of the municipality where the covered property is located;
- b.** You;
- c.** Any mortgageholder and any other lienholder who has an existing lien against the property and is named in the Declarations; and
- d.** The court in which judgment was entered if the final settlement was determined by judgment.

**3.** We will not be liable in any cause of action, nor may any liability be imposed on us, arising from the payment, withholding or transferring of all or any portion of a final settlement in accordance with Wis. Stat. Ann. Secs. 632.10 through 632.104 or their successors or amendments.

**G.** The following is added to the Valuation Condition:

**1.** When this policy insures real property in Wisconsin which is owned and occupied by you primarily as a dwelling, and the property is wholly destroyed, we will pay the Limit Of Insurance that applies to such property, subject to the exceptions and conditions in Paragraphs **2.** and **3.** below.

**2.** Policies of insurance covering property in the process of being constructed (commonly called Builders Risk) shall be valued and settled according to the actual value of that portion of the construction completed at the time of the loss. The Limit Of Insurance on a Builders Risk policy represents the value of the building when it is completed.

**3.** Paragraph **G.1.** above, does not apply to any claim for loss to any building which is insured under a blanket form or endorsement with one Limit Of Insurance applicable to two or more buildings. When a building, owned and occupied by you primarily as a dwelling, is wholly destroyed, the loss will be settled at the value stated in the most recent Statement of Values on file with us.

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

## **WISCONSIN CHANGES — CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided by the policy to which it is attached.

**A.** 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 10 days before the effective date of cancellation.

If this policy has been in effect for less than 60 days and is not a renewal policy, we may cancel for any reason.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, except as provided in Paragraph **7.** below, we may cancel this policy only for one or more of the following reasons:

- a.** The policy was obtained by material misrepresentation;
- b.** There has been a substantial change in the risk we originally assumed, except to the extent that we should have foreseen the change or considered the risk in writing the policy;
- c.** There have been substantial breaches of contractual duties, conditions or warranties; or
- d.** Nonpayment of premium.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, the notice of cancellation will state the reason for cancellation.

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

### **Anniversary Cancellation**

If this policy is written for a term of more than one year or has no fixed expiration date, we may cancel this policy for any reason by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the anniversary date of the policy. Such cancellation will be effective on the policy's anniversary date.

We may cancel this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of cancellation contains an offer to continue the policy with us if we receive a written request from the first Named Insured prior to the date of cancellation.

**C.** The following is added to the Common Policy Conditions:

### **Rescission**

- 1.** We may rescind this policy because of the following:

- a.** Misrepresentation made by you or on your behalf in the negotiation for or procurement of this Coverage Part, if the person knew or should have known that the representation was false;
- b.** Breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Coverage Part;
- c.** Failure of a condition before a loss if such failure exists at the time of loss; or
- d.** Breach of a promissory warranty if such breach exists at the time of loss.

- 2.** We may not rescind this policy:

- a.** For the reasons in Paragraphs **C.1.a.** and **C.1.b.** unless:
  - (1)** We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or
  - (2)** The facts misrepresented or falsely warranted contribute to the loss.
- b.** For the reasons in Paragraphs **C.1.c.** and **C.1.d.** unless such failure or breach:
  - (1)** Increases the risk at the time of loss; or
  - (2)** Contributes to the loss.

3. If we elect to rescind this policy, we will notify the first Named Insured of our intention within 60 days after acquiring knowledge of sufficient facts to constitute grounds for rescission.

**D.** The following are added to the Common Policy Conditions and supersede any other provisions to the contrary:

**1. Nonrenewal**

- a. If we elect not to renew this policy we will mail or deliver written notice of nonrenewal to the first Named Insured's last mailing address known to us. We may elect not to renew for any reason; the notice will state the reason for nonrenewal. We will mail or deliver the notice at least 60 days before the expiration date of this policy.

We need not mail or deliver the notice if:

- (1) You have insured elsewhere;
- (2) You have accepted replacement coverage;
- (3) You have requested or agreed to nonrenewal of this policy; or
- (4) This policy is expressly designated as nonrenewable.

- b. We may refuse to renew this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of nonrenewal contains an offer to renew the policy with us if we receive a written request from the first Named Insured prior to the renewal date.

- c. If you fail to pay the renewal or continuation premium by the premium due date, this policy will terminate on the policy expiration or anniversary date, if we have:

- (1) Given you written notice of the renewal or continuation premium not more than 75 days nor less than 10 days prior to the due date of the premium; and
- (2) Stated clearly in the notice the effect of nonpayment of premium by the due date.

**2. Anniversary Alteration**

If this policy is written for a term of more than one year or has no fixed expiration date, we may alter the terms or premiums of this policy by mailing or delivering written notice of less favorable terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the anniversary date.

If we notify the first Named Insured within 60 days prior to the anniversary date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the policy at any time during the 60-day period, in accordance with Paragraph 1. of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

**3. Renewal With Altered Terms**

If we elect to renew this policy but on less favorable terms or at higher premiums, we will mail or deliver written notice of the new terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the renewal date.

If we notify the first Named Insured within 60 days prior to the renewal date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the renewal policy at any time during the 60-day period, in accordance with Paragraph 1. of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the renewal policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

We need not mail or deliver this notice if the only change adverse to you is a premium increase that:

- a. Is less than 25% and is generally applicable to the class of business to which this policy belongs; or
- b. Results from a change based on your action that alters the nature or extent of the risk insured against, including but not limited to a change in the classification or the units of exposure, or increased policy coverage.

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## NOTICE — OFFER OF TERRORISM INSURANCE COVERAGE

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

Your quote/policy includes the following premium for terrorism coverage:

**Terrorism Premium: \$ 0**

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED ABOVE AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

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

### **Selection or Rejection of Terrorism Insurance Coverage**

Please accept or reject this offer of terrorism coverage by (1) checking the "accept" or "reject" option below, (2) signing this form, (3) returning this form to your insurance agent or broker and (4) if accepted, paying the premium for terrorism coverage shown above. **No policy will be issued without the acceptance or rejection of terrorism coverage.**

<input type="checkbox"/>	I hereby <b>accept</b> the offer of coverage for certified acts of terrorism for the premium shown above.
<input type="checkbox"/>	I hereby <b>reject</b> the offer of terrorism coverage. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

\_\_\_\_\_  
Policyholder / Applicant's Signature

\_\_\_\_\_  
Insurance Company

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Policy / Quote Number

\_\_\_\_\_  
Date

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

## **ADDITIONAL COVERAGE — FLOOD**

This endorsement modifies property insurance provided by the policy to which it is attached.

The following is added to the Additional Coverage Section:

### **Flood**

**A.** When a Flood Limit Of Insurance is shown in the Declarations or Schedule Location endorsement, you may extend the insurance that applies to Covered Property, and any Additional Coverages, to apply to loss caused by Flood.

### **B. Covered Cause Of Loss**

The following is added to the Covered Causes of Loss:

Flood, meaning a general and temporary condition of partial or complete inundation of normally dry land areas due to:

1. The overflow of inland or tidal waters;
2. The unusual or rapid accumulation or runoff of surface waters from any source; or
3. Mudslides or mudflows which are caused by flooding as described in Paragraph 1. and 2. above. For the purpose of this Covered Cause of Loss, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

All Flood in a continuous or protracted event will constitute a single Flood.

### **C. Exclusions, Limitations And Related Provisions**

1. The Exclusions and Limitation(s) sections of the Coverage Form apply to this Additional Coverage, except as provided in Paragraphs **C.2.** and **C.3.** below.
2. To the extent that a part of the Water Exclusion might conflict with coverage provided under this Additional Coverage, that part of the Water Exclusion does not apply.
3. To the extent that a tsunami causes the overflow of tidal waters, the exclusion of earthquake, in the Earth Movement Exclusion, does not apply to this Additional Coverage.

**4.** The following exclusions and limitations are added and apply to coverage under this Additional Coverage:

**a.** We will not pay for any loss or damage caused by or resulting from any Flood that begins 72 hours or less before the first inception date of this Additional Coverage. We will not apply this limitation to any renewal or anniversary of this Additional Coverage, only to the first inception of coverage. If you request and we provide an increase in the stated Limit Of Insurance for Flood, any increase will not apply to loss or damage from any Flood that begins 72 hours or less before the date of that increase.

If the Flood is due to the overflow of inland or tidal waters, then the Flood is considered to begin when the water first overflows its banks.

- b.** We will not pay for loss or damage caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.
- c.** Unless otherwise shown in the Declarations, land is not Covered Property, nor is the cost of excavations, grading, backfilling or filling unless to repair or replace Covered Property. Therefore, coverage under this Additional Coverage does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from Flood unless to repair or replace Covered Property. However, coverage under this Additional Coverage includes damage to the covered portions of the Building and to covered Business Personal Property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause Flood.



- d. We do not cover loss or damage by Flood to Business Personal Property in the open except to the extent that such coverage, if any, is specified in the Declarations or Scheduled Location endorsement.
- e. Property Not Covered is amended and supplemented as follows with respect to this Flood Additional Coverage:
  - (1) Property Not Covered includes any Building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
  - (2) Property Not Covered includes boat houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
  - (3) Property Not Covered includes bulkheads, pilings, piers, wharves, docks or retaining walls.
- f. We will not pay for loss or damage caused by sewer back-up or overflow unless such back-up or overflow results from Flood and occurs within 72 hours after the flood recedes.

#### **D. Additional Coverages**

1. The following amends the Debris Removal Additional Coverage:

##### **Debris Removal**

- a. We will pay your expense to remove debris of Covered Property when such debris is caused by or results from Flood. However, we will not pay to remove deposits of mud or earth from the grounds of any "covered location".
  - b. We will also pay the expense to remove debris of Covered Property that has floated or been hurled off a "covered location" by Flood.
  - c. This Coverage for Debris Removal, as set forth in Paragraphs a. and b. above, is included within and does not increase the applicable Flood Limit Of Insurance.
2. With respect to any applicable Additional Coverages in the Coverage Form of the policy to which this endorsement is attached, amounts payable under such other provisions, as set forth therein, do not increase the Flood Limit Of Insurance.

#### **E. Limit Of Insurance**

##### **1. General Information**

The Flood Limit Of Insurance may be equal to or less than any Limit Of Insurance which applies to Covered Property or other Additional Coverage.

The Flood Limit of Insurance may be shown in the Declarations, or Scheduled Location endorsement if specific to a location.

##### **2. Application Of Limits**

The Flood Limit Of Insurance is the most we will pay in a single occurrence of Flood for loss or damage caused by the Flood. If any Additional Coverage Limit Of Insurance is less than the Flood Limit Of Insurance, that Additional Coverage Limit Of Insurance will be applied to coverage provided by that Additional Coverage caused by Flood, and such amount is included within the Flood Limit Of Insurance.

If a Flood Policy Aggregate is shown in the Declarations or Scheduled Location endorsement, it is the most we will pay for all sums for loss or damage during the policy term.

If a Flood begins during one policy period and ends during the following policy period, any Limit of Insurance or Policy Aggregate applicable to the policy period when that Flood began will apply to that Flood.

##### **3. Ensuing Loss**

In the event of covered ensuing loss, for example, loss caused by another Covered Cause Of Loss such as fire, explosion and/or sprinkler leakage which results from the Flood, the Flood Limit Of Insurance is the most we will pay for loss caused by Flood and other Limits Of Insurance for Covered Property or Additional Coverage will apply to loss caused by the other Covered Cause Of Loss, but in no event will we pay more than your financial interest in the loss.

##### **EXAMPLE — ENSUING LOSS**

An example follows using these facts. A Building is damaged by Flood, and by fire which is caused by the Flood. The value of the damaged Building is \$1,000,000. The Limit of Insurance applicable to the Building, is \$800,000. The Flood Limit of Insurance is \$400,000. The Flood Deductible amount is \$10,000. The Other Perils Deductible amount is \$5,000.

##### **EXAMPLE**

The damage due to Flood is \$500,000. The damage due to fire is \$500,000.

Payment for Flood damage is \$400,000.

(The \$10,000 Flood deductible is applied to the loss and the remaining \$490,000 of loss is greater than the Flood Limit Of Insurance of \$400,000.)

Payment for fire damage is \$500,000. The Other Perils deductible is not applicable to the loss since the Flood deductible is higher, as described below in the Deductible Section.

Total Loss Payment is \$900,000.

**Note:** This example is given only to illustrate the situation of Flood and ensuing loss. Therefore, the loss payment stated for Flood damage does not address the situation where another policy also covers the flood damage.

#### **F. Deductible**

1. The deductible for coverage provided under this Additional Coverage is the deductible applicable to Flood as shown in the Declarations or Scheduled Location endorsement.
2. We will not pay that part of the loss that is attributable to any deductible(s) in any National Flood Insurance Program policy.
3. If Flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause loss or damage, then only the higher deductible applies (e.g., the Flood deductible or the other peril deductible, as calculated using the actual dollar amounts that would be deducted from the loss).

#### **G. Other Insurance**

The Other Insurance Condition is replaced by the following with respect to the coverage provided under this Additional Coverage:

1. If the loss is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only for the amount of loss in excess of the maximum limit that can be insured under that policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for Flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.
2. However, this provision **G.1.** above does not apply under the following circumstances:
  - a. At the time of loss, the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this Flood Coverage Additional Coverage was first written; or
  - b. An NFIP policy is not in effect because we have agreed to write this Flood Coverage Additional Coverage without underlying NFIP coverage. There is such an agreement only if the Declarations or Schedule Location endorsement indicates that the Underlying Flood Insurance Waiver applies.
3. If there is other insurance covering the loss, other than that described in Provision **G.1.** above, we will pay our share of the loss. Our share is the proportion that the applicable Limit Of Insurance under this Additional Coverage bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Flood Limit Of Insurance.

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

## **ADDITIONAL COVERAGE — EARTHQUAKE (AND VOLCANIC ERUPTION)**

This endorsement modifies property insurance provided by the policy to which it is attached.

The following is added to the Additional Coverage Section:

### **Earthquake**

**A.** When an Earthquake Limit Of Insurance is shown in the Declarations or Schedule Location endorsement, you may extend the insurance that applies to Covered Property, and any Additional Coverages, to apply to loss caused by Earthquake.

### **B. Covered Causes Of Loss**

The following is added to the Covered Causes of Loss:

Earthquake, meaning:

1. Earthquake, including earth sinking, rising or shifting during such event; and
2. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

All Earthquake that occurs within any 168-hour period will constitute a single Earthquake. The expiration of this policy will not reduce the 168-hour period.

### **C. Exclusions, Limitations And Related Provisions**

1. The Exclusions and Limitation(s) sections of the Coverage Form apply to this Additional Coverage, except as provided in Paragraphs **C.2.** and **C.3.** below.
2. To the extent that the Earth Movement Exclusion might conflict with coverage provided under this Additional Coverage, the Earth Movement Exclusion does not apply.
3. The Collapse Exclusion, does not apply to collapse caused by Earthquake covered by this Additional Coverage.
4. The Additional Coverage – Collapse does not apply to the coverage provided under this Additional Coverage. This Additional Coverage includes coverage for collapse caused by Earthquake.

5. We will not pay for loss or damage caused directly or indirectly by tidal wave or tsunami, even if attributable to an Earthquake.
6. We will not pay for loss or damage caused by or resulting from any Earthquake that begins before the inception of this insurance.
7. Unless otherwise shown in the Declarations, land is not Covered Property, nor is the cost of excavations, grading, backfilling or filling unless to repair or replace Covered Property. Therefore, coverage under this Additional Coverage does not include the cost of restoring or remediating land unless to repair or replace Covered Property.

### **D. Additional Coverages**

With respect to any applicable Additional Coverages in the Coverage Form of the policy to which this endorsement is attached, amounts payable under such other provisions, as set forth therein, do not increase the Earthquake Limit Of Insurance.

### **E. Limit Of Insurance**

#### **1. General Information**

The Earthquake Limit Of Insurance may be equal to or less than any Limit Of Insurance which applies to Covered Property or other Additional Coverage.

The Earthquake Limit Of Insurance may be shown in the Declarations, or Scheduled Location endorsement if specific to a location.

#### **2. Application Of Limits**

The Earthquake Limit Of Insurance is the most we will pay in a single occurrence of Earthquake for loss or damage caused by the Earthquake. If any Additional Coverage Limit Of Insurance is less than the Earthquake Limit Of Insurance, that Additional Coverage Limit Of Insurance will be applied to coverage provided by that Additional Coverage caused by Earthquake, and such amount is included within the Earthquake Limit Of Insurance.

If an Earthquake Policy Aggregate is shown in the Declarations or Scheduled Location endorsement, it is the most we will pay for all sums for loss or damage during the policy term.

If an Earthquake begins during one policy period and ends during the following policy period, any Limit of Insurance, Policy Aggregate applicable to the policy period when that Earthquake began will apply to that Earthquake.

### **3. Ensuing Loss**

In the event of covered ensuing loss, for example, loss caused by another Covered Cause Of Loss such as fire, explosion and/or sprinkler leakage which results from the Earthquake, the Earthquake Limit Of Insurance is the most we will pay for loss caused by Earthquake and other Limits Of Insurance for Covered Property or Additional Coverage will apply to loss caused by the other Covered Cause Of Loss, but in no event will we pay more than your financial interest in the loss.

#### **EXAMPLE — ENSUING LOSS**

An example follows using these facts. A Building is damaged by Earthquake, and by fire which is caused by the Earthquake. The value of the damaged Building is \$1,000,000. The Limit of Insurance applicable to the Building is \$800,000. The Earthquake Limit of Insurance is \$400,000. The Earthquake Deductible amount is \$10,000. The Other Perils Deductible amount is \$5,000.

#### **EXAMPLE**

The damage due to Earthquake is \$500,000. The damage due to fire is \$500,000.

Payment for Earthquake damage is \$400,000. (The \$10,000 Earthquake deductible is applied to the loss and the remaining \$490,000 of loss is greater than the Earthquake Limit Of Insurance of \$400,000)

Payment for fire damage is \$500,000. The Other Perils deductible is not applicable to the loss since the Earthquake deductible is higher, as described below in the Deductible Section.

Total Loss Payment is \$900,000.

#### **F. Deductible**

1. The deductible for coverage provided under this Additional Coverage is the deductible applicable to Earthquake as shown in the Declarations or Scheduled Location endorsement.
2. If Earthquake results in another Covered Cause of Loss and if both Covered Causes of Loss cause loss or damage, then only the higher deductible applies (e.g., the Earthquake deductible or the other peril deductible, as calculated using the actual dollar amounts that would be deducted from the loss).

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

## **ADDITIONAL COVERAGE — EQUIPMENT BREAKDOWN**

This endorsement modifies insurance provided by the following:

PREFERRED ASSET COVERAGE FORM  
ASSET COVERAGE FORM

### **A. Additional Coverage**

The following is added to **A.4. Additional Coverages:**

#### **Equipment Breakdown**

- 1.** When an Equipment Breakdown Limit Of Insurance is shown in the Declarations or Scheduled Location endorsement we will pay for direct physical damage to Covered Property that is the direct result of an "accident".

Subject to the Equipment Breakdown Limit Of Insurance, the coverage provided above is extended to cover the cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbons) substances. This means the additional costs to do the least costly of the following:

- a.** Repair the damaged property and replace any lost CFC refrigerant;
  - b.** Repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
  - c.** Replace the system with one using a non-CFC refrigerant.
- 2.** The following Coverage Extensions apply to loss caused by or resulting from an "accident" to "covered equipment" if a Limit Of Insurance is shown in the Declarations or Scheduled Location endorsement for the individual Coverage Extension described below.

#### **a. Expediting Expenses**

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

- (1)** Make temporary repairs; and

- (2)** Expedite permanent repairs or permanent replacement.

The most we will pay for loss or expense under this coverage is \$100,000 in any "one accident", unless a different Limit Of Insurance is specifically shown in the Declarations or Scheduled Location endorsement.

#### **b. Hazardous Substances**

We will pay for the additional cost to repair or replace Covered Property because of contamination by a "hazardous substance". This includes the costs to clean up or dispose of such property. This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in **2.c.(2)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Additional Coverage - Equipment Breakdown had no "hazardous substance" been involved.

If Equipment Breakdown Business Income And Extra Expense coverage is provided by the policy as described below in this endorsement, this Hazardous Substances Coverage Extension includes actual loss of Business Income you sustain and necessary Extra Expense you incur caused by an "accident" to "covered equipment".

The most we will pay for loss, damage or expense under this coverage is \$100,000 unless a different Limit Of Insurance is specifically shown in the Declarations or Scheduled Location endorsement.

**c. Spoilage**

- (1) We will pay for physical damage to "perishable goods" due to spoilage.
- (2) We will also pay for physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia.
- (3) We will also pay any necessary expenses you incur to reduce the amount of loss under this coverage. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (4) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation Condition.

The most we will pay for loss, damage or expense under this coverage is \$100,000 in any "one accident", unless a different Limit Of Insurance is specifically shown in the Declarations or Scheduled Location endorsement. Any spoilage coverage provided by the Spoilage Additional Coverage is excess to coverage provided by this Additional Coverage - Equipment Breakdown.

**d. Computer Equipment**

We will pay for loss, damage or expense caused by or resulting from an "accident" to "computers" and "media".

Any "computer" coverage provided by Electronic Data, Media and Computer Equipment Additional Coverage is excess to coverage provided by this Additional Coverage - Equipment Breakdown.

**e. Electronic Data Restoration**

We will pay for your reasonable and necessary cost to research, replace and restore lost "electronic data".

The most we will pay for loss or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$100,000 in any "one accident", unless a different Limit Of Insurance is specifically shown in the Declarations or a Scheduled Location endorsement.

Any "electronic data" coverage provided by Electronic Data, Media and Computer Equipment Additional Coverage is excess to coverage provided by this Additional Coverage - Equipment Breakdown.

**f. Equipment Breakdown Business Income And Extra Expense**

- (1) Subject to the Limits Of Insurance for this Coverage Extension shown in the Declarations or Scheduled Location endorsement, the insurance provided under the policy for Business Income And Extra Expense is extended by this Coverage Extension to apply to loss caused by an "accident" to "covered equipment".
- (2) Insurance provided in any Additional Coverage provided by the policy is excess over this Equipment Breakdown Business Income And Extra Expense Coverage Extension for loss or damage resulting from an "accident" to "covered equipment".

**g. Service Interruption**

- (1) Any insurance provided for Business Income, Extra Expense or Spoilage described above is extended to apply to your loss, damage or expense caused by the interruption of utility service. The interruption must result from an "accident" to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides you with any of the following utilities or services: electricity, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.

(2) Unless otherwise shown in the Declarations or a Scheduled Location endorsement, this Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident". If the interruption exceeds 24 hours, coverage will begin at the time of the interruption, and the applicable deductible will apply.

(3) The most we will pay in any "one accident" for loss, damage or expense under this Additional Coverage – Equipment Breakdown is the applicable limit for Business Income, Extra Expense or Spoilage, except that if a limit is shown in the Declarations or a Scheduled Location Endorsement for Service Interruption, that limit will apply to Business Income and Extra Expense loss under this coverage.

#### **B. Exclusions, Limitations And Related Provisions**

1. All Section **C**, Exclusions and Section **D**, Limitations of the Coverage Form of the policy apply to this Additional Coverage – Equipment Breakdown except as stated in **B.2.** below.

2. As respects this Additional Coverage – Equipment Breakdown, the following changes apply:

a. The following is added to the Water exclusion **C.1.g.**:

However, if electrical "covered equipment" requires drying out because of water as described in (1) through (4) above, we will pay for the direct expenses of such drying out, subject to the applicable Limit Of Insurance and deductible for Building or Business Personal Property, whichever applies.

b. The next to the last paragraph of the Certain Computer-Related Losses exclusion **h.** is deleted and replaced with the following:

If an excluded Cause of Loss, as described in paragraphs (1) and (2) above results in an "accident", we will pay only for the loss, damage or expense caused by such "accident".

c. The last paragraph of the Other Types of Losses exclusion **C.2.d.** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in (1) through (8) results in an "accident", we will pay for the loss, damage or expense caused by that "accident".

d. The following is added to the Errors Or Omissions exclusion and the Installation, Testing, Repair exclusion:

We will also pay for direct physical loss or damage caused by an "accident".

e. The following exclusions do not apply to this Additional Coverage – Equipment Breakdown:

(1) The Electrical Apparatus Exclusion;

(2) Paragraph (6) of the Other Types of Losses Exclusion; and

f. With respect to this Additional Coverage – Equipment Breakdown only, paragraph (1) of exclusion **2.e.** is deleted and replaced by:

(1) Explosion of alcohol stills or steam generators;

g. The following Limitations do not apply to this Additional Coverage – Equipment Breakdown:

(1) Paragraph **1.a.**; and

(2) Paragraph **1.b.**

h. We will not pay under this Additional Coverage – Equipment Breakdown for loss or damage caused by or resulting from:

(1) Any defect, programming error, programming limitation, computer virus, malicious code, loss of "electronic data", loss of access, loss of use, loss of functionality or other condition within or involving "electronic data" or "media", of any kind. But if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident";

(2) Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance. But if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident"; or

**(3) Any of the following tests:**

A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment.

- i. With respect to Service Interruption coverage, we will also not pay for an "accident" caused by or resulting from: fire; lightning; windstorm or hail; explosion (except as specifically provided in **F.1.c.** below); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.

- j. With respect to Business Income, Extra Expense and Service Interruption coverages, we will also not pay for:

**(1)** Loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or

**(2)** Any increase in loss resulting from an agreement between you and your customer or supplier.

**C. Limit of Insurance**

The most we will pay for loss, damage or expense under this Additional Coverage - Equipment Breakdown arising from any "one accident" is the applicable Limit of Insurance shown in the Declarations or Scheduled Location endorsement.

The Limit Of Insurance for this Additional Coverage - Equipment Breakdown is included within the Limit of Insurance for Covered Property in the event of loss, damage or expense covered by this Additional Coverage - Equipment Breakdown and any other insurance provided for Covered Property by the policy.

**D. Deductible**

The deductible in the Declarations or Scheduled Location endorsement applies unless a separate Equipment Breakdown deductible is shown. If a separate Equipment Breakdown deductible is shown, the following applies.

Only as respects Additional Coverage - Equipment Breakdown, paragraph G. Deductible is deleted and replaced with the following:

**1. Deductibles for Each Coverage**

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

**2. Application of Deductibles**

**a. Dollar Deductibles**

We will not pay for loss, damage or expense resulting from any "one accident" until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Declarations or Scheduled Location endorsement. We will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.

**b. Time Deductible**

If a time deductible is shown in the Declarations or Scheduled Location endorsement, we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident." If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

**c. Multiple of Average Daily Value (ADV)**

If a deductible is expressed as a number times ADV (Average Daily Value), that amount will be calculated as follows:



The ADV will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" occurred, divided by the number of working days in that period.

No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the "period of restoration".

The number indicated in the Declarations or Scheduled Location endorsement will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

**d. Percentage of Loss Deductibles**

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

**E. Conditions**

In addition to the Conditions in the Preferred Asset Coverage Form, the following Conditions also apply to this Additional Coverage - Equipment Breakdown:

**1. Suspension**

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

- a. Your last known address; or

- b. The address where the "covered equipment" is located.

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

**2. Jurisdictional Inspections**

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

**3. Environmental, Safety and Efficiency Improvements**

If "covered equipment" requires replacement due to an "accident", we will pay your additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced.

However, we will not pay more than 125% of what the cost would have been to replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which Actual Cash Value applies.

**4. Coinsurance**

If a coinsurance percentage is shown in the Declarations or Scheduled Location Endorsement for specified coverages, the following condition applies:

We will not pay for the full amount of your loss if the applicable limit is less than the product of the specified coinsurance percentage times the value of the property subject to the coverage at the time of the loss. Instead, we will determine what percentage this calculated product is compared to the applicable limit and apply that percentage to the gross amount of loss. We will then subtract the applicable deductible. The resulting amount, or the applicable limit, is the most we will pay. We will not pay for the remainder of the loss. Coinsurance applies separately to each "covered location".

**F. The following are added to the Definitions Section:**

**1. "Accident" means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:**

- a.** Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- b.** Artificially generated electrical, magnetic or electromagnetic energy, including electric arcing, that damages, disturbs, disrupts or otherwise interferes with any electrical or electronic wire, device, appliance, system or network;
- c.** Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- d.** Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
- e.** Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

**2. "Boilers and vessels" means:**

- a.** Any boiler, including attached steam, condensate and feedwater piping; and
- b.** Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this Additional Coverage – Equipment Breakdown, but may appear in the Declarations or Scheduled Location Endorsement.

**3. "Covered Equipment"**

- a.** "Covered equipment" means, unless otherwise specified in the Declarations or Scheduled Location Endorsement, Covered Property:

- (1)** That generates, transmits or utilizes energy, including electronic communications and data processing equipment; or
- (2)** Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

**b. None of the following is "covered equipment":**

- (1)** Structure, foundation, cabinet, compartment or air supported structure or building;
- (2)** Insulating or refractory material;
- (3)** Sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
- (4)** Water piping other than boiler feed-water piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
- (5)** "Vehicle" or any equipment mounted on a "vehicle";
- (6)** Satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
- (7)** Dragline, excavation or construction equipment; or
- (8)** Equipment manufactured by you for sale.

**4. "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.**

**5. "Media" means material on which "electronic data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.**

**6. "One accident" means: If an initial "accident" causes other "accidents", all will be considered "one accident". All "accidents" that are the result of the same event will be considered "one accident".**

**7. "Perishable goods" means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change.**

**8. "Production machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. However, "production machinery" does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston.**

This term does not appear elsewhere in this Additional Coverage – Equipment Breakdown, but may appear in the Declarations or Scheduled Location Endorsement.

9. "Vehicle" means, as respects this Additional Coverage - Equipment Breakdown only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to, car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester. However, any property that is stationary, permanently installed at a "covered location" and that receives electrical power from an external power source will not be considered a "vehicle".

CCI 0431831

ORIGINAL COPY  
COMPREHENSIVE INSURANCE POLICY

ACCOUNT NO.9324304648  
RENEWAL DECLARATION

RENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD		COVERAGE IS PROVIDED IN THE	AGENCY
CCI 0431831	10/01/2015	10/01/2016	GENERAL CASUALTY CO OF WI	0480399
NAMED INSURED AND ADDRESS			AGENT	
GREEN BAY RIVERSIDE UNIT % THE ALEXANDER CO PER G40-1 345 W WASHINGTON AVE STE 301 MADISON WI 53703			HAUSMANN-JOHNSON INSURANCE INC 700 REGENT STREET PO BOX 259408 MADISON WI 025 53725	

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

LIMITS OF INSURANCE

GENERAL AGGREGATE LIMIT (OTHER THAN PRODUCTS-COMPLETED OPERATIONS)	\$ 2,00,0000
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$ 2,000,000
EACH OCCURRENCE LIMIT	\$ 1,000,000
PERSONAL & ADVERTISING INJURY LIMIT (ANY ONE PERSON OR ORGANIZATION)	\$ 1,000,000
DAMAGE TO PREMISES RENTED TO YOU (ANY ONE PREMISES)	\$ 100,000
MEDICAL EXPENSE LIMIT (ANY ONE PERSON)	\$ 5,000

TOTAL GENERAL LIABILITY COVERAGE PART PREMIUM:	\$ 6,516
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CCI 0431831

ORIGINAL COPY  
COMPREHENSIVE INSURANCE POLICY

ACCOUNT NO. 9324304648  
RENEWAL DECLARATION

RENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD		COVERAGE IS PROVIDED IN THE	AGENCY
CCI 0431831	10/01/2015	10/01/2016	GENERAL CASUALTY CO OF WI	0480399
NAMED INSURED AND ADDRESS			AGENT	
GREEN BAY RIVERSIDE UNIT % THE ALEXANDER CO PER G40-1 345 W WASHINGTON AVE STE 301 MADISON WI 53703			HAUSMANN-JOHNSON INSURANCE INC 700 REGENT STREET PO BOX 259408 MADISON WI 025 53725	

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS SCHEDULE

PREM - ADDRESS:

112-128 S WASHINGTON ST GREEN BAY WI 54301

PREM	ST	TER	CODE	PREMIUM BASIS	PER
001	WI	502	62003	55 - UNITS	UNIT

CLASSIFICATION DESCRIPTION:

\*CONDOMINIUMS - RESIDENTIAL - (ASSOCIATION RISK ONLY)

PREM	ST	TER	CODE	PREMIUM BASIS	PER
001	WI	502	62003	56 - UNITS	UNIT

CLASSIFICATION DESCRIPTION:

\*CONDOMINIUMS - RESIDENTIAL - (ASSOCIATION RISK ONLY)

PREM	ST	TER	CODE	PREMIUM BASIS	PER
001	WI	502	62000	16,184 - AREA	1,000

CLASSIFICATION DESCRIPTION:

\*CONDOMINIUM - COMMERCIAL - BANK OR MERCANTILE, MANUFACTURING OR OFFICE  
(ASSOCIATION RISK ONLY)

PREM	ST	TER	CODE	PREMIUM BASIS	PER
001	WI	502	46622	15,255 - AREA	1,000

CLASSIFICATION DESCRIPTION:

\*PARKING - PRIVATE

PREM	ST	TER	CODE	PREMIUM BASIS	PER

CLASSIFICATION DESCRIPTION:

\*PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT

CCI 0431831

ORIGINAL COPY  
COMPREHENSIVE INSURANCE POLICYACCOUNT NO. 9324304648  
RENEWAL DECLARATIONRENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD		COVERAGE IS PROVIDED IN THE	AGENCY
CCI 0431831	10/01/2015	10/01/2016	GENERAL CASUALTY CO OF WI	0480399
NAMED INSURED AND ADDRESS			AGENT	
GREEN BAY RIVERSIDE UNIT % THE ALEXANDER CO PER G40-1 345 W WASHINGTON AVE STE 301 MADISON WI 53703			HAUSMANN-JOHNSON INSURANCE INC 700 REGENT STREET PO BOX 259408 MADISON WI 025 53725	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS SCHEDULE

## PREM - ADDRESS:

112-128 S WASHINGTON ST GREEN BAY WI 54301

PREM	ST	TER	CODE	PREMIUM BASIS	PER
001	WI	502	46622	33,500 - AREA	1,000

## CLASSIFICATION DESCRIPTION:

\*PARKING - PRIVATE

PREM	ST	TER	CODE	PREMIUM BASIS	PER
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## CLASSIFICATION DESCRIPTION:

PREM	ST	TER	CODE	PREMIUM BASIS	PER
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## CLASSIFICATION DESCRIPTION:

PREM	ST	TER	CODE	PREMIUM BASIS	PER
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## CLASSIFICATION DESCRIPTION:

PREM	ST	TER	CODE	PREMIUM BASIS	PER
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## CLASSIFICATION DESCRIPTION:

\*PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT

CCI 0431831

ORIGINAL COPY  
COMPREHENSIVE INSURANCE POLICY

ACCOUNT NO. 9324304648  
RENEWAL DECLARATION

RENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD		COVERAGE IS PROVIDED IN THE	AGENCY
CCI 0431831	10/01/2015	10/01/2016	GENERAL CASUALTY CO OF WI	0480399
NAMED INSURED AND ADDRESS			AGENT	
GREEN BAY RIVERSIDE UNIT % THE ALEXANDER CO PER G40-1 345 W WASHINGTON AVE STE 301 MADISON WI 53703			HAUSMANN-JOHNSON INSURANCE INC 700 REGENT STREET PO BOX 259408 MADISON WI 025 53725	

ENDORSEMENT

THE OPTIONAL COVERAGE BELOW PROVIDES CLAIMS MADE COVERAGE.

PLEASE READ YOUR POLICY REGARDING THIS COVERAGE CAREFULLY.

BOARD OF GOVERNORS LIABILITY COVERAGE - G 40-3

LIMITS OF INSURANCE

EACH LOSS LIMIT:	\$1,000,000.
AGGREGATE LIMIT:	\$2,000,000.
INSURED'S NET RETENTION:	\$ 1,000.
INSURED'S CONTRIBUTION:	5%

**COMMERCIAL GENERAL LIABILITY**  
**CG 00 01 04 13**

# 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 "products-completed operations hazard".

#### **k. Damage To Your Product**

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

#### **l. Damage To Your Work**

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

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

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

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

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

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

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

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

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

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

#### **o. Personal And Advertising Injury**

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

#### **p. Electronic Data**

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

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

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

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

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

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

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

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

## **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**

### **1. Insuring Agreement**

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

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

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

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

### **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 self-insured amounts under all that other insurance.

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

##### c. Method Of Sharing

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

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

#### 5. Premium Audit

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

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

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

#### 6. Representations

By accepting this policy, you agree:

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

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

## 7. Separation Of Insureds

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

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

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

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

## 9. When We Do Not Renew

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

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

## 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, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

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

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

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

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

**21. "Your product":**

**a. Means:**

- (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (a)** You;
  - (b)** Others trading under your name; or
  - (c)** A person or organization whose business or assets you have acquired; and
- (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

**b. Includes:**

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

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

**22. "Your work":**

**a. Means:**

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

**b. Includes:**

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

**COMMERCIAL GENERAL LIABILITY  
CG 01 24 01 93**

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

## **WISCONSIN CHANGES – AMENDMENT OF POLICY CONDITIONS**

This endorsement modifies insurance provided under the following:

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

**1. The following is added to CHANGES (Common Policy Conditions):**

If one of our agents knows of a fact that breaches a condition of this Coverage Part, we will be considered to have knowledge of this same fact if:

- a.** The agent knows of this fact at the time the Coverage Part is issued or an application is made; or
- b.** The agent later learns of this fact in the course of his dealings as an agent with you.

Any fact that breaches a condition of this Coverage Part and is known to the agent prior to loss shall not void the Coverage Part or prevent a recovery in the event of loss.

**2. The LEGAL ACTION AGAINST US Condition (Section IV) does not apply.**

**3. The following is added to Condition 6. REPRESENTATIONS (Section IV):**

No misrepresentation or breach of affirmative warranty made by you or on your behalf in the negotiation of this Coverage Part affects our obligation under this Coverage Part unless:

- a.** We rely on it and it is either material or made with intent to deceive; or
- b.** The facts misrepresented or falsely warranted contribute to the loss.

No failure of a condition before the loss and no breach of a promissory warranty affects our obligation under this Coverage Part unless such failure or breach:

- a.** Exists at the time of the loss; and
- b.** Either increases the risk at the time of the loss or contributes to the loss.

The provisions of this condition do not apply to nonpayment of premium.

**4. Condition 8. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (Section IV) is replaced by the following:**

In the event of any payment under this Coverage Part, we will be entitled to the insured's rights of recovery against any person or organization and the insured will do whatever is necessary to secure such rights. We will be entitled to a recovery only after the insured has been fully compensated for damages.

**5. CONFORMITY TO STATUTE OR RULE**

Any provision of this policy (including endorsements which modify the policy) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under Wis. Stat. Ann. Section 227.11(2) and published in the Wisconsin Administrative Code.



**COMMERCIAL GENERAL LIABILITY  
CG 21 06 05 14**

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

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

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

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

**2. Exclusions**

This insurance does not apply to:

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

Damages arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

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

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

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

**2. Exclusions**

This insurance does not apply to:

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

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

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

**COMMERCIAL GENERAL LIABILITY**  
**CG 21 47 12 07**

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

## **EMPLOYMENT-RELATED PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to:

"Bodily injury" to:

- (1)** A person arising out of any:
  - (a)** Refusal to employ that person;
  - (b)** Termination of that person's employment; or
  - (c)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2)** The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

- (1)** Whether the injury-causing event described in Paragraphs **(a)**, **(b)** or **(c)** above occurs before employment, during employment or after employment of that person;
- (2)** Whether the insured may be liable as an employer or in any other capacity; and
- (3)** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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

This insurance does not apply to:

"Personal and advertising injury" to:

- (1)** A person arising out of any:
  - (a)** Refusal to employ that person;
  - (b)** Termination of that person's employment; or
  - (c)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2)** The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

- (1)** Whether the injury-causing event described in Paragraphs **(a)**, **(b)** or **(c)** above occurs before employment, during employment or after employment of that person;
- (2)** Whether the insured may be liable as an employer or in any other capacity; and
- (3)** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**COMMERCIAL GENERAL LIABILITY  
CG 21 71 01 15**

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

## **EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

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

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

This insurance does not apply to:

**TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the "coverage territory". However, this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25,000,000 (valued in U.S. dollars). In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  - a. Physical injury that involves a substantial risk of death; or
  - b. Protracted and obvious physical disfigurement; or

c. Protracted loss of or impairment of the function of a bodily member or organ; or

3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

**B. The following definitions are added:**

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

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

**a.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;

**b.** The act resulted in damage:

**(1)** Within the United States (including its territories and possessions and Puerto Rico); or

**(2)** Outside of the United States in the case of:

**(a)** An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or

**(b)** The premises of any United States mission; and

**c.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**3. "Other act of terrorism"** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism".

Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

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

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

COMMERCIAL GENERAL LIABILITY  
CG 21 76 01 15

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

**EXCLUSION OF PUNITIVE DAMAGES  
RELATED TO A CERTIFIED ACT OF TERRORISM**

This endorsement modifies insurance provided under the following:

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

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

This insurance does not apply to:

**TERRORISM PUNITIVE DAMAGES**

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

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

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

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

**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 79 50 03 09**

## GENERAL LIABILITY COVERAGE EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### A. CONTRACTUAL LIABILITY

Paragraph 2. **EXCLUSIONS** b. **Contractual Liability** of **SECTION 1 — COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** of **COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG0001** is deleted and replaced by the following:

#### 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 had 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.

### B. NON OWNED WATERCRAFT

Paragraph 2. **EXCLUSIONS**, g. **Aircraft, Auto Or Watercraft (2)** of **SECTION 1 — COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** of **COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG0001** is deleted and replaced by the following:

#### g. Aircraft, Auto Or Watercraft

- (2) A watercraft you do not own that is:
  - (a) less than 50 feet long; and
  - (b) Not being used to carry persons or property for a charge.

### C. ELECTRONIC DATA LIABILITY

1. Paragraph 2. **EXCLUSIONS** p. **Electronic Data** of **SECTION 1 — COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** of **COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG0001** is deleted and replaced by the following:

#### 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" that does not result from physical injury to tangible property.

2. The following definition is added to **SECTION V — DEFINITIONS**:

"Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

3. For purposes of the coverage provided for Electronic Data, the definition of "Property Damage" in **SECTION V — DEFINITIONS** is replaced by the following:

#### 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; 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 purposes of this insurance, "electronic data" is not tangible property.

#### **D. DAMAGE TO PREMISES RENTED TO YOU**

1. The last paragraph of **SECTION I — COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY OF COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG0001** is deleted and replaced by the following:

Exclusions c. through n. do not apply to "property damage" by fire; smoke from a "hostile fire"; explosion; lightning; smoke resulting from such explosion or lightning; collision by "mobile equipment" or leakage from fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III — LIMITS OF INSURANCE**.

2. Item 6. of **SECTION III — LIMITS OF INSURANCE** is replaced by the following:
  6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay in any one event under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE** for damages because of "property damage" from fire; smoke from a "hostile fire"; explosion; lightning; smoke resulting from such explosion or lightning; collision by "mobile equipment" or leakage from fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner.

#### **E. MEDICAL PAYMENTS**

1. Paragraph 1.a. of **SECTION I COVERAGES, COVERAGE C. MEDICAL PAYMENTS OF COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG0001** is deleted and replaced by the following:

##### **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:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within three years of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonable require.

#### **F. SUPPLEMENTARY PAYMENTS**

**SUPPLEMENTARY PAYMENTS — COVERAGES A AND B** of **SECTION I COVERAGES OF COMMERCIAL GENERAL LIABILITY FORM CG0001** is deleted and replaced by the following:

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 \$500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
  - c. The cost of bonds to release attachments, but only for bond amounts with the applicable limit of insurance. We do 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 costs taxed against the "insured" in any "suit".
- 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".

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

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

#### G. NEWLY ACQUIRED ORGANIZATIONS

Paragraph 3.a. of **SECTION II — WHO IS AN INSURED** of **COMMERCIAL GENERAL LIABILITY FORM CG0001** is deleted and replaced by the following:

- a. Coverage under this provision is afforded only until the 120th day after you acquire or form the organization or the end of the policy period, whichever is earlier:

#### H. OTHER INSURANCE

Paragraph 4. **Other Insurance, b. Excess Insurance (1)(a)** of **SECTION IV — COMMERCIAL GENERAL LIABILITY CONDITIONS** of **COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG0001** is deleted and replaced by the following:

#### **4. Other Insurance**

##### **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, Builders Risk; Installation Risk or similar coverage for "your work";

(ii) That is insurance covering Fire; smoke from a "hostile fire"; explosion; lightning; smoke resulting from such explosion or lightning; collision by "mobile equipment" or leakage from fire protection systems for premises while rented to you or temporarily occupied by you with permission of the owner; or

(iii) That is insurance to cover your liability as a tenant for "property damage" to premises while 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 paragraph 2. **Exclusions g. Aircraft, Auto Or Watercraft of SECTION I COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY of COMMERCIAL GENERAL LIABILITY FORM CG0001.**

#### **I. AMENDMENT OF AGGREGATE LIMIT OF INSURANCE**

The General Aggregate Limit Of Insurance referenced in paragraph 2. **SECTION III — LIMITS OF INSURANCE** applies separately to:

1. Each of your "locations" owned by or rented to you; and

2. Each of your projects away from premises owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

#### **J. BODILY INJURY REDEFINITION**

Paragraph 3. **SECTION V. — DEFINITIONS of COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG0001** is deleted and replaced by the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish, injury or illness or emotional distress and/or death resulting from any of these at any time.

#### **K. INSURED CONTRACT — LEASE OF PREMISES**

Paragraph 9.a. of **SECTION V — DEFINITIONS of COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG0001** is deleted and replaced by the following:

9. "Insured contract" means:

a. a contract for lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire; smoke from a "hostile fire", explosion; lightning; smoke resulting from such explosion or lightning; collision by "mobile equipment" or leakage from fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract".

#### **L. LIBERALIZATION**

If we revise this endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the day the revision is effective in your state.

**COMMERCIAL GENERAL LIABILITY**  
**CG 80 34 06 03**

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

## **EXCLUSION — ASBESTOS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. 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:

**Asbestos Liability**

**a. "Bodily injury", "property damage" in any way or to any extent resulting from or arising out of:**

- (1)** The inhaling of, ingesting or physical exposure to asbestos, asbestos fibers or goods or products containing asbestos or asbestos fibers;
- (2)** The use of asbestos or asbestos fibers in constructing or manufacturing any good, product, building or structure;
- (3)** The removal or abatement of asbestos or asbestos fibers from any good, product, building or structure;
- (4)** The manufacture, sale, transportation, storage or disposal of asbestos or goods, or products containing asbestos or asbestos fibers;
- (5)** The presence of asbestos or asbestos fibers in any good, product, building or structure;
- (6)** The release of asbestos or asbestos fibers from or at any good, product, building or structure;
- (7)** Damage to, loss of use of, or reduction in the value of a building or any property due to the actual or alleged presence of asbestos or asbestos fibers;
- (8)** The encapsulation or containment of asbestos or asbestos fibers within a building;
- (9)** The providing of or failing to provide warnings or instructions concerning asbestos or asbestos fibers; or

- (10)** Warranties or representations made at any time with respect to or concerning asbestos or asbestos fibers.

**b. Any loss, cost or expense arising out of :**

- (1)** 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 asbestos or asbestos fibers; or
- (2)** Any claim or suit by or on behalf of a governmental authority or any other party 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 or asbestos fibers.

**c. Payment for the investigation or defense of any loss, injury or damage, any cost, fine, penalty or for any expense or claim or suit resulting from, arising out of or related to Paragraphs a. and b. above.**

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

**2. Exclusions**

**Asbestos Liability**

This insurance does not apply to:

**a. "Personal and advertising injury" in any way or to any extent resulting from or arising out of:**

- (1)** The inhaling of, ingesting or physical exposure to asbestos, asbestos fibers or goods or products containing asbestos or asbestos fibers;
- (2)** The use of asbestos or asbestos fibers in constructing or manufacturing any good, product, building or structure;

- (3)** The removal or abatement of asbestos or asbestos fibers from any good, product, building or structure;
- (4)** The manufacture, sale, transportation, storage or disposal of asbestos or goods, or products containing asbestos or asbestos fibers;
- (5)** The presence of asbestos or asbestos fibers in any good, product, building or structure;
- (6)** The release of asbestos or asbestos fibers from or at any good, product, building or structure;
- (7)** Damage to, loss of use of, or reduction in the value of a building or any property due to the actual or alleged presence of asbestos or asbestos fibers;
- (8)** The encapsulation or containment of asbestos or asbestos fibers within a building;
- (9)** The providing of or failing to provide warnings or instructions concerning asbestos or asbestos fibers; or

- (10)** Warranties or representations made at any time with respect to or concerning asbestos or asbestos fibers.

**b.** Any loss, cost or expense arising out of :

- (1)** 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 asbestos or asbestos fibers; or
- (2)** Any claim or suit by or on behalf of a governmental authority or any other party 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 or asbestos fibers.

- c.** Payment for the investigation or defense of any loss, injury or damage, any cost, fine, penalty or for any expense or claim or suit resulting from, arising out of or related to **Paragraphs a. and b.** above.

## COMMERCIAL GENERAL LIABILITY

CG 81 55 03 09

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

## NONCONTRACTOR'S ADDITIONAL INSURED'S ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. WHO IS AN INSURED (Section II)** is amended to include as an insured any person or organization (called additional insured) described in Paragraphs **A.1.** through **A.8.** below whom you are required to add as an additional insured on this policy under a written contract or written agreement; but the written contract or written agreement must be currently in effect or becoming effective during the term of this policy; executed prior to the "bodily injury," "property damage" or "personal injury and advertising injury," but

this paragraph does not apply to any additional insured more specifically identified elsewhere in the policy.

#### **1. ADDITIONAL INSURED — STATE OR POLITICAL SUBDIVISIONS — PERMITS**

A state or political subdivision subject to the following provisions:

**a.** A state or political subdivision is an additional insured only with respect to the following hazards for which the state or political subdivision has issued a permit in connection, with premises you own, rent, or control to which this insurance applies:

- (1)** The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, drive-ways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decorations and similar exposures; or
- (2)** The construction, erection, or removal of elevators; or

**(3)** The ownership, maintenance, or use of any elevators covered by this insurance.

**b.** A state or political subdivision is an additional insured only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed by or for you for the state or political subdivision.

#### **2. ADDITIONAL INSURED — CONTROLLING INTEREST**

Any person or organizations with a controlling interest in you but only with respect to their liability arising out of:

- a.** Their financial control of you; or
- b.** Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for such additional insured.

#### **3. ADDITIONAL INSURED — MANAGERS OR LESSORS OF PREMISES**

A manager or lessor of premises but only with respect to liability arising out of the ownership, maintenance or use of that specific part of the premises leased to you and subject to the following additional exclusions:

This insurance does not apply to:

- a. Any "occurrence" which takes place after you can cease to be a tenant in that premises: or
- b. Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

**4. ADDITIONAL INSURED — MORTGAGEE, ASSIGNEE OR RECEIVER**

A mortgagee, assignee or receiver but only with respect to their liability as mortgagee, assignee or receiver and arising out of the ownership, maintenance, or use of a premises by you.

This insurance does not apply to structural alterations, new construction or demolition operations performed by or for such additional insured.

**5. ADDITIONAL INSURED — OWNERS OR, OTHER INTERESTS FROM WHOM LAND HAS BEEN LEASED**

An owner or other interest from whom land has been leased by you but only with respect to liability arising out of the ownership, maintenance or use of that specific part of the land leased to you and subject to the following additional exclusions.

This insurance does not apply to:

- a. Any "occurrence" which takes place after you cease to lease that land; or
- b. Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

**6. ADDITIONAL INSURED — CO-OWNER OF INSURED PREMISES**

A co-owner of a premises co-owned by you and covered under this insurance but only with respect to the co-owners liability as co-owner of such premises.

**7. ADDITIONAL INSURED — LESSOR OF LEASED EQUIPMENT**

Any person or organization from whom you lease equipment. Such person or organization are insured only with respect to their liability arising out of the maintenance, operation or use by you or equipment leased to you by such person or organization. A person's or organization's status as an insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

With respect to the insurance afforded these additional insureds, the following additional exclusions apply:

This insurance does not apply:

- a. To any "occurrence" which takes place after the equipment lease expires; or
- b. To "bodily injury" or "property damage" arising out of the sole negligence of such additional insured.

Any insurance provided to an additional insured designated under Paragraphs **A.1.** through **A.8.** above does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard."

**8. ADDITIONAL INSURED — VENDORS**

Any "vendor", but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

- a. The insurance afforded the vendor does not apply to:
  - (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
  - (2) Any express warranty unauthorized by you;
  - (3) Any physical or chemical change in the product made intentionally by the vendor;
  - (4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - (5) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
  - (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product.

- (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor, or
  - (8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
    - (a) The exceptions contained in Sub-paragraphs **d.** or **f.**; or
    - (b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
  - b. This insurance does not apply to any insured person or organization, from whom-you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
- B.** As respects the coverage provided under this endorsement, Paragraph. **4.b.(3.) SECTION IV — COMMERCIAL GENERAL LIABILITY CONDITIONS** is added:
- 4.b.(3.)** This insurance is excess over any other insurance covering the additional insured as an insured whether primary, excess, contingent or on any other basis, unless a written contract or written agreement specifically requires that this insurance be either primary or primary and noncontributing.

**COMMERCIAL GENERAL LIABILITY  
CG 02 24 10 93**

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

**EARLIER NOTICE OF CANCELLATION  
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

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

**SCHEDULE**

**Number of Days' Notice** 90

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

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.



**COMMERCIAL GENERAL LIABILITY  
CG 20 04 11 85**

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

**ADDITIONAL INSURED – CONDOMINIUM  
UNIT OWNERS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

WHO IS AN INSURED (Section II) is amended to include as an insured each individual unit owner of the insured condominium, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that unit owner's exclusive use or occupancy.

**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.

**COMMERCIAL GENERAL LIABILITY  
CG 71 30 03 98**

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

## **WISCONSIN CHANGES — HIRED AND NON-OWNED AUTO LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART (OCCURRENCE VERSION)**

**WHO IS AN INSURED**, paragraph **2.** on the Hired Auto and Non-Owned Auto Liability endorsement **CG 71 27**, is replaced by the following:

Each of the following is an insured under this insurance to the extent set forth below.

- a.** You;
- b.** Any other person using a "hired auto" with your permission;
- c.** With respect to a "non-owned auto", any partner (if you are a limited liability company) or executive officer of yours, but only while such "non-owned auto" is being used in your business;
- d.** Except as provided in paragraph **e.** below, any other person or organization, but only with respect to their liability because of acts or omissions of an insured under **a.**, **b.** or **c.** above;

- e.** If your business is other than selling, servicing, repairing or parking "autos", **WHO IS AN INSURED** is changed to include anyone working in any of these businesses. However, that person is an "insured" only if he or she has no other available coverage (whether primary, excess or contingent) and only up to the limits required by the Wisconsin financial responsibility law.

None of the following is an insured:

- a.** Any person engaged in the business of his or her employer with respect to "bodily injury" to any co-employee of such person injured in the course of employment;
- b.** Any partner or executive officer with respect to any "auto" owned by such partner or officer or a member of his or her household;
- c.** The owner or lessee (of whom you are a sublessee) of a "hired auto" or any agent or employee of any such owner or lessee;
- d.** Any person or organization with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

**COMMERCIAL GENERAL LIABILITY  
CG 79 44 04 95**

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

## **EXCLUSION — LEAD LIABILITY**

This endorsement modifies insurance provided under the following:

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

This policy does not apply to any liability, loss, cost or expense:

- a.** For injury or damage arising out of the actual, alleged or threatened ingestion, inhalation or absorption of lead into a person.
- b.** For damage to, loss of use of, or reduction in the value of a building or any property due to the actual or alleged presence of lead;
- c.** Arising out of the removal or abatement of lead from any building or from any property;
- d.** Arising out of the encapsulation or containment of lead within a building;
- e.** 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
- f.** Arising out of any claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead.

COMMERCIAL GENERAL LIABILITY  
CG 79 45 08 06

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

**ADDITIONAL PERSONS INSURED — EMPLOYEE BODILY  
INJURY TO ANOTHER EMPLOYEE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

**A. Paragraph 2.a.(1) in Section II — Who Is An Insured** is replaced with the following:

**(1)** "Bodily injury" or "personal and advertising injury":

- (a)** To you, to your partners or members (if you are a partnership or joint venture), or to your members (if you are a limited liability company); or
- (b)** 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)** above; or
- (c)** Arising out of his or her providing or failing to provide professional health care services.

**COMMERCIAL GENERAL LIABILITY  
CG 20 18 04 13**

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

## ADDITIONAL INSURED – MORTGAGEE, ASSIGNEE OR RECEIVER

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

<b>Name Of Person(s) Or Organization(s)</b> CITY OF GREEN BAY
<b>Designation Of Premises</b> 112-128 S WASHINGTON ST GREEN BAY WI
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you and shown in the Schedule.

However:

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

**B.** This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

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

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

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

whichever is less.

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

**COMMERCIAL GENERAL LIABILITY**  
**CG 71 27 08 06**

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

## HIRED AUTO AND NON-OWNED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART (OCCURRENCE VERSION)

### SCHEDULE

Coverage	Additional Premium
Non-Owned Auto Liability	\$ INCLUDED
Hired Auto Liability	\$ INCLUDED

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

**A.** Insurance is provided only for those coverages for which a specific premium charge is shown in the Schedule above.

**1. HIRED AUTO LIABILITY**

The insurance provided under **COVERAGE A — Bodily Injury and Property Damage Liability (SECTION I)** applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

**2. NON-OWNED AUTO LIABILITY**

The insurance provided under **COVERAGE A — Bodily Injury and Property Damage Liability (SECTION I)** applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in your business by any person.

**B.** With respect to the insurance provided by this endorsement:

1. Subparagraphs **c., e., g., h., j., k., l., m., and n.** of paragraph **2. Exclusions** of **COVERAGE A — Bodily Injury and Property Damage Liability (SECTION I)** are deleted in their entirety and the following exclusions are added:

This insurance does not apply to:

a. "Bodily injury":

- (1) To 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) To the spouse, child, parent, brother or sister of that "employee" as a consequence of **1.a.(1)** above.

This exclusion applies:

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

This exclusion does not apply to:

- (1) Liability assumed by the insured under an "insured contract"; or  
(2) "Bodily injury" arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers' compensation law.

b. "Property damage" to:

- (1) Property owned or being transported by, or rented or loaned to the insured; or  
(2) Property in the care, custody or control of the insured.

**2. SECTION II — WHO IS AN INSURED** is replaced by the following:

Each of the following is an insured under this insurance to the extent set forth below.

- a.** You;
- b.** Any other person using a "hired auto" with your permission;
- c.** With respect to a "non-owned auto", any partner or "executive officer" of yours, but only while such "non-owned auto" is being used in your business; and
- d.** Any other person or organization, but only with respect to their liability because of acts or omissions of an insured under **a.**, **b.**, or **c.** above.

None of the following is an insured:

- a.** Any person engaged in the business of his or her employer with respect to "bodily injury" to any co-"employee" of such person injured in the course of employment or to the spouse, child, parent, brother or sister of that co-"employee" as a consequence of such "bodily injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury;
  - b.** Any partner or "executive officer" with respect to any "auto" owned by such partner or officer or a member of his or her household;
  - c.** Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;
  - d.** The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee;
  - e.** Any person or organization with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.
- 3. Paragraph 2.b. of LIMITS OF INSURANCE (SECTION III)** is replaced by the following:
- b.** Damages under **COVERAGE A** and **COVERAGE B**, except damages because of:
    - (1)** Injury and damage included in the "products-completed operations hazard"; or

**(2)** "Bodily injury" or "property damage" arising out of the:

- (a)** Maintenance or use of a "hired auto" by you or your "employee" in the course of your business; or
- (b)** Use of any "non-owned auto" in your business by any person other than you.

**C.** The following additional definitions apply:

- 1.** "Auto business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".
- 2.** "Insured contract" is changed by the addition of the following:
- 9.** "Insured contract" means:

- g.** That part of any contract or agreement entered into as part of your business, by you or any of your employees pertaining to the rental or lease of any "auto".

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

- (1)** That pertains to the loan, lease or rental of an "auto" to you or any of your employees, if the "auto" is loaned, leased or rented with a driver; or
  - (2)** That holds a person or organization, engaged in the business of transporting property by "auto" for hire, harmless for your use of a covered "auto" over a route or territory that that person or organization is authorized to serve by public authority.
- 3.** "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
  - 4.** "Non-owned auto" means any "auto" you do not own, lease, hire, rent or borrow that is used in connection with your business. This includes any "auto" owned by your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.



ORIGINAL COPY  
COMPREHENSIVE INSURANCE POLICY

RENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD	COVERAGE IS PROVIDED IN THE	AGENCY
CCI 0431831	10/01/2015 10/01/2016	GENERAL CASUALTY CO OF WI	0480399
NAMED INSURED AND ADDRESS		AGENT	
GREEN BAY RIVERSIDE UNIT % THE ALEXANDER CO PER G40-1 345 W WASHINGTON AVE STE 301 MADISON WI 53703		HAUSMANN-JOHNSON INSURANCE INC 700 REGENT STREET PO BOX 259408 MADISON WI 025 53725	

THE COMMERCIAL CRIME COVERAGE PART CONSISTS OF THIS DECLARATIONS FORM AND THE COMMERCIAL CRIME COVERAGE FORM.

INSURING AGREEMENTS, LIMITS OF INSURANCE AND DEDUCTIBLES:

		LIMIT OF INSURANCE	DEDUCTIBLE AMOUNT
INSURING AGREEMENTS		PER OCCURRENCE	PER OCCURRENCE
1.	EMPLOYEE THEFT	\$ 100,000	\$ 1,000
2.	FORGERY OR ALTERATION	\$ NOT COVERED	\$
3.	INSIDE THE PREMISES — THEFT OF MONEY AND SECURITIES	\$ NOT COVERED	\$
4.	INSIDE THE PREMISES — ROBBERY OR SAFE BURGLARY OF OTHER PROPERTY	\$ NOT COVERED	\$
5.	OUTSIDE THE PREMISES	\$ NOT COVERED	\$
6.	COMPUTER FRAUD	\$ NOT COVERED	\$
7.	FUNDS TRANSFER FRAUD	\$ NOT COVERED	\$
8.	MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY	\$ NOT COVERED	\$
IF ADDED BY ENDORSEMENT, INSURING AGREEMENT(S) :		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
TOTAL PREMIUM\$			191

THE CANCELLATION TO BE EFFECTIVE AT THE TIME THIS COVERAGE PART BECOMES EFFECTIVE.

**CRIME AND FIDELITY  
CR 00 21 05 06**

## **COMMERCIAL CRIME COVERAGE FORM (LOSS SUSTAINED FORM)**

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

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

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

### **A. Insuring Agreements**

Coverage is provided under the following Insuring Agreements for which a Limit of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations, except as provided in Condition **E.1.k.** or **E.1.l.**, which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition **E.1.g.**:

#### **1. Employee Theft**

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

#### **2. Forgery Or Alteration**

a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you; or
- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

b. If you are sued for refusing to pay any instrument covered in Paragraph **2.a.**, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this Insuring Agreement.

### **3. Inside The Premises – Theft Of Money And Securities**

a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premises":

- (1) Resulting directly from "theft" committed by a person present inside such "premises" or "banking premises"; or
- (2) Resulting directly from disappearance or destruction.

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

c. We will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted "theft" of or unlawful entry into those containers.

### **4. Inside The Premises – Robbery Or Safe Burglary Of Other Property**

a. We will pay for loss of or damage to "other property":

- (1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or
- (2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.

- c. We will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

#### **5. Outside The Premises**

- a. We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.
- b. We will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

#### **6. Computer Fraud**

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the "premises" or "banking premises":

- a. To a person (other than a "messenger") outside those "premises"; or
- b. To a place outside those "premises".

#### **7. Funds Transfer Fraud**

We will pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

#### **8. Money Orders And Counterfeit Money**

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- a. Money orders issued by any post office, express company or bank that are not paid upon presentation; or
- b. "Counterfeit money" that is acquired during the regular course of business.

#### **B. Limit Of Insurance**

The most we will pay for all loss resulting directly from an "occurrence" is the applicable Limit of Insurance shown in the Declarations.

If any loss is covered under more than one Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or Coverages.

#### **C. Deductible**

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

#### **D. Exclusions**

##### **1. This insurance does not cover:**

##### **a. Acts Committed By You, Your Partners Or Your Members**

Loss resulting from "theft" or any other dishonest act committed by:

(1) You; or

(2) Any of your partners or "members";

whether acting alone or in collusion with other persons.

##### **b. Acts Of Employees Learned Of By You Prior To The Policy Period**

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of that "theft" or dishonest act prior to the Policy Period shown in the Declarations.

##### **c. Acts Of Employees, Managers, Directors, Trustees Or Representatives**

Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:

(1) Whether acting alone or in collusion with other persons; or

(2) While performing services for you or otherwise;

except when covered under Insuring Agreement A.1.

##### **d. Confidential Information**

Loss resulting from:

(1) The unauthorized disclosure of your confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or

- (2) The unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.

**e. Governmental Action**

Loss resulting from seizure or destruction of property by order of governmental authority.

**f. Indirect Loss**

Loss that is an indirect result of an "occurrence" covered by this insurance including, but not limited to, loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
- (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

**g. Legal Fees, Costs And Expenses**

Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Insuring Agreement A.2.

**h. Nuclear Hazard**

Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

**i. Pollution**

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**j. War And Military Action**

Loss or damage resulting from:

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

**2. Insuring Agreement A.1. does not cover:**

**a. Inventory Shortages**

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

**b. Trading**

Loss resulting from trading, whether in your name or in a genuine or fictitious account.

**c. Warehouse Receipts**

Loss resulting from the fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

**3. Insuring Agreements A.3., A.4. and A.5. do not cover:**

**a. Accounting Or Arithmetical Errors Or Omissions**

Loss resulting from accounting or arithmetical errors or omissions.

**b. Exchanges Or Purchases**

Loss resulting from the giving or surrendering of property in any exchange or purchase.

**c. Fire**

Loss or damage resulting from fire, however caused, except:

- (1) Loss of or damage to "money" and "securities"; and
- (2) Loss from damage to a safe or vault.

**d. Money Operated Devices**

Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

**e. Motor Vehicles Or Equipment And Accessories**

Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.

**f. Transfer Or Surrender Of Property**

- (1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
  - (a) On the basis of unauthorized instructions;
  - (b) As a result of a threat to do bodily harm to any person;
  - (c) As a result of a threat to do damage to any property;
  - (d) As a result of a threat to introduce a denial of service attack into your computer system;
  - (e) As a result of a threat to introduce a virus or other malicious instruction into your computer system which is designed to damage, destroy or corrupt data or computer programs stored within your computer system;
  - (f) As a result of a threat to contaminate, pollute or render substandard your products or goods; or
  - (g) As a result of a threat to disseminate, divulge or utilize:
    - (i) Your confidential information; or
    - (ii) Weaknesses in the source code within your computer system.

- (2) But, this Exclusion does not apply under Insuring Agreement **A.5.** to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

- (a) Had no knowledge of any threat at the time the conveyance began; or
- (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

**g. Vandalism**

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

**h. Voluntary Parting Of Title To Or Possession Of Property**

Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

**4. Insuring Agreement A.6. does not cover:**

**a. Credit Card Transactions**

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

**b. Funds Transfer Fraud**

Loss resulting from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

**c. Inventory Shortages**

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

**5. Insuring Agreement A.7. does not cover:**

**COMPUTER FRAUD**

Loss resulting from the use of any computer to fraudulently cause a transfer of "money", "securities" or "other property".

## E. Conditions

The following Conditions apply in addition to the Common Policy Conditions:

### 1. Conditions Applicable To All Insuring Agreements

#### a. Additional Premises Or Employees

If, while this insurance is in force, you establish any additional "premises" or hire additional "employees", other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of, another entity, such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the Policy Period shown in the Declarations.

#### b. Concealment, Misrepresentation Or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other Insured, at any time, intentionally conceal or misrepresent a material fact concerning:

- (1) This insurance;
- (2) The property covered under this insurance;
- (3) Your interest in the property covered under this insurance; or
- (4) A claim under this insurance.

#### c. Consolidation – Merger Or Acquisition

If you consolidate or merge with, or purchase or acquire the assets or liabilities of, another entity:

- (1) You must give us written notice as soon as possible and obtain our written consent to extend the coverage provided by this insurance to such consolidated or merged entity or such purchased or acquired assets or liabilities. We may condition our consent by requiring payment of an additional premium; but

- (2) For the first 90 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, the coverage provided by this insurance shall apply to such consolidated or merged entity or such purchased or acquired assets or liabilities, provided that all "occurrences" causing or contributing to a loss involving such consolidation, merger or purchase or acquisition of assets or liabilities, must take place after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities.

#### d. Cooperation

You must cooperate with us in all matters pertaining to this insurance as stated in its terms and conditions.

#### e. Duties In The Event Of Loss

After you "discover" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" you must:

- (1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreement A.1. or A.2.) involves a violation of law, you must also notify the local law enforcement authorities.
- (2) Submit to examination under oath at our request and give us a signed statement of your answers.
- (3) Produce for our examination all pertinent records.
- (4) Give us a detailed, sworn proof of loss within 120 days.
- (5) Cooperate with us in the investigation and settlement of any claim.

#### f. Employee Benefit Plans

- (1) The "employee benefit plans" shown in the Declarations (hereinafter referred to as Plan) are included as Insureds under Insuring Agreement A.1.
- (2) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance for Insuring Agreement A.1. that is sufficient to provide a Limit of Insurance for each Plan that is at least equal to that required if each Plan were separately insured.

- (3) With respect to loss sustained or "discovered" by any such Plan, Insuring Agreement **A.1.** is replaced by the following:

We will pay for loss of or damage to "funds" and "other property" resulting directly from fraudulent or dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

- (4) If the first Named Insured is an entity other than a Plan, any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (5) If two or more Plans are insured under this insurance, any payment we make for loss:
- (a) Sustained by two or more Plans; or
  - (b) Of commingled "funds" or "other property" of two or more Plans;
- resulting directly from an "occurrence" will be made to each Plan sustaining loss in the proportion that the Limit of Insurance required for each Plan bears to the total Limit of Insurance of all Plans sustaining loss.
- (6) The Deductible Amount applicable to Insuring Agreement **A.1.** does not apply to loss sustained by any Plan.

**g. Extended Period To Discover Loss**

We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you:

- (1) No later than 1 year from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
- (2) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

**h. Joint Insured**

- (1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- (2) If any Insured, or partner, "member" or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- (3) An "employee" of any Insured is considered to be an "employee" of every Insured.
- (4) If this insurance or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you:
- (a) No later than 1 year from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
  - (b) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".
- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.
- (6) Payment by us to the first Named Insured for loss sustained by any Insured, other than an "employee benefit plan", shall fully release us on account of such loss.

**i. Legal Action Against Us**

You may not bring any legal action against us involving loss:

- (1) Unless you have complied with all the terms of this insurance;
- (2) Until 90 days after you have filed proof of loss with us; and
- (3) Unless brought within 2 years from the date you "discovered" the loss.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

**j. Liberalization**

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this insurance.

**k. Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate**

**(1) Loss Sustained Partly During This Insurance And Partly During Prior Insurance**

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place:

- (a)** Partly during the Policy Period shown in the Declarations; and
- (b)** Partly during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the Policy Period(s) of the prior insurance.

**(2) Loss Sustained Entirely During Prior Insurance**

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place entirely during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

- (a)** This insurance became effective at the time of cancellation of the prior insurance; and
- (b)** The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the Policy Period(s) of any other prior insurance.

**(3) In settling loss subject to this Condition:**

- (a)** The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.
- (b)** We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under this insurance. If no loss was sustained under this insurance, we will apply the Deductible Amount shown in the Declarations to the amount of loss sustained under the most recent prior insurance.

If the Deductible Amount is larger than the amount of loss sustained under this insurance, or the most recent prior insurance, we will apply the remaining Deductible Amount to the remaining amount of loss sustained during the prior insurance.

We will not apply any other Deductible Amount that may have been applicable to the loss.

- (4)** The following examples demonstrate how we will settle losses subject to this Condition **E.1.k.:**

**EXAMPLE NO. 1:**

The insured sustained a covered loss of \$10,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B**.

**POLICY A**

The current policy. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

**POLICY B**

Issued prior to Policy **A**. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

The amount of loss sustained under Policy **A** is \$2,500 and under Policy **B** is \$7,500.



The highest single Limit of Insurance applicable to this entire loss is \$50,000 written under Policy A. The Policy A Deductible Amount of \$5,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$2,500) is settled first. The amount we will pay is nil (\$0.00) because the amount of loss is less than the Deductible Amount (i.e., \$2,500 loss - \$5,000 deductible = \$0.00).
2. The remaining amount of loss sustained under Policy B (\$7,500) is settled next. The amount recoverable is \$5,000 after the remaining Deductible Amount from Policy A of \$2,500 is applied to the loss (i.e., \$7,500 loss - \$2,500 deductible = \$5,000).

The most we will pay for this loss is \$5,000.

#### **EXAMPLE NO. 2:**

The insured sustained a covered loss of \$250,000 resulting directly from an "occurrence" taking place during the terms of Policy A and Policy B.

##### **POLICY A**

The current policy. Written at a Limit of Insurance of \$125,000 and a Deductible Amount of \$10,000.

##### **POLICY B**

Issued prior to Policy A. Written at a Limit of Insurance of \$150,000 and a Deductible Amount of \$25,000.

The amount of loss sustained under Policy A is \$175,000 and under Policy B is \$75,000.

The highest single Limit of Insurance applicable to this entire loss is \$150,000 written under Policy B. The Policy A Deductible Amount of \$10,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$175,000) is settled first. The amount we will pay is the Policy A Limit of \$125,000 because \$175,000 loss - \$10,000 deductible = \$165,000 which is greater than the \$125,000 policy limit.
2. The remaining amount of loss sustained under Policy B (\$75,000) is settled next. The amount we will pay is \$25,000 (i.e., \$150,000 Policy B limit - \$125,000 paid under Policy A = \$25,000).

The most we will pay for this loss is \$150,000.

#### **EXAMPLE NO. 3:**

The insured sustained a covered loss of \$2,000,000 resulting directly from an "occurrence" taking place during the terms of Policies A, B, C and D.

##### **POLICY A**

The current policy. Written at a Limit of Insurance of \$1,000,000 and a Deductible Amount of \$100,000.

##### **POLICY B**

Issued prior to Policy A. Written at a Limit of Insurance of \$750,000 and a Deductible Amount of \$75,000.

##### **POLICY C**

Issued prior to Policy B. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

##### **POLICY D**

Issued prior to Policy C. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

The amount of loss sustained under Policy A is \$350,000, under Policy B is \$250,000, under Policy C is \$600,000 and under Policy D is \$800,000.

The highest single Limit of Insurance applicable to this entire loss is \$1,000,000 written under Policy A. The Policy A Deductible Amount of \$100,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$350,000) is settled first. The amount we will pay is \$250,000 (i.e., \$350,000 loss - \$100,000 deductible = \$250,000).
2. The amount of loss sustained under Policy B (\$250,000) is settled next. The amount we will pay is \$250,000 (no deductible is applied).
3. The amount of loss sustained under Policy C (\$600,000) is settled next. The amount we will pay is \$500,000, the policy limit (no deductible is applied).
4. We will not make any further payment under Policy D as the maximum amount payable under the highest single Limit of Insurance applying to the loss of \$1,000,000 under Policy A has been satisfied.

The most we will pay for this loss is \$1,000,000.

## **I. Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**

- (1)** If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place during the Policy Period of any prior cancelled insurance that was issued to you or a predecessor in interest by another company, and the period of time to discover loss under that insurance had expired, we will pay for the loss under this insurance, provided:
  - (a)** This insurance became effective at the time of cancellation of the prior insurance; and
  - (b)** The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".
- (2)** In settling loss subject to this Condition:
  - (a)** The most we will pay for the entire loss is the lesser of the Limits of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior cancelled insurance.
  - (b)** We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under the prior cancelled insurance.
- (3)** The insurance provided under this Condition is subject to the following:
  - (a)** If loss covered under this Condition is also partially covered under Condition **E.1.k.**, the amount recoverable under this Condition is part of, not in addition to, the amount recoverable under Condition **E.1.k.**
  - (b)** For loss covered under this Condition that is not subject to Paragraph **(3)(a)**, the amount recoverable under this Condition is part of, not in addition to, the Limit of Insurance applicable to the loss covered under this insurance and is limited to the lesser of the amount recoverable under:
    - (i)** This insurance as of its effective date; or
    - (ii)** The prior cancelled insurance had it remained in effect.

## **m. Other Insurance**

If other valid and collectible insurance is available to you for loss covered under this insurance, our obligations are limited as follows:

### **(1) Primary Insurance**

When this insurance is written as primary insurance, and:

- (a)** You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.
- (b)** You have other insurance covering the same loss other than that described in Paragraph **(1)(a)**, we will only pay for the amount of loss that exceeds:
  - (i)** The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or
  - (ii)** The Deductible Amount shown in the Declarations;
 whichever is greater. Our payment for loss is subject to the terms and conditions of this insurance.

### **(2) Excess Insurance**

- (a)** When this insurance is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this insurance.
- (b)** However, if loss covered under this insurance is subject to a Deductible, we will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

**n. Ownership Of Property; Interests Covered**

The property covered under this insurance is limited to property:

- (1) That you own or lease; or
- (2) That you hold for others whether or not you are legally liable for the loss of such property.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

**o. Records**

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

**p. Recoveries**

- (1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:
  - (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;
  - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
  - (c) Third, to you in satisfaction of any Deductible Amount; and
  - (d) Fourth, to you in satisfaction of any loss not covered under this insurance.
- (2) Recoveries do not include any recovery:
  - (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
  - (b) Of original "securities" after duplicates of them have been issued.

**q. Territory**

This insurance covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions), Puerto Rico and Canada.

**r. Transfer Of Your Rights Of Recovery Against Others To Us**

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

**s. Valuation – Settlement**

- (1) The value of any loss for purposes of coverage under this policy shall be determined as follows:
  - (a) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America:
    - (i) At face value in the "money" issued by that country; or
    - (ii) In the United States of America dollar equivalent determined by the rate of exchange published in **The Wall Street Journal** on the day the loss was "discovered".
  - (b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:
    - (i) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
    - (ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
      - i. Market value of the "securities" at the close of business on the day the loss was "discovered"; or
      - ii. The Limit of Insurance applicable to the "securities".

(c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:

- (i) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose;
- (ii) The amount you actually spend that is necessary to repair or replace the lost or damaged property; or
- (iii) The Limit of Insurance applicable to the lost or damaged property.

With regard to Paragraphs **s.(1)(c)(i)** through **s.(1)(c)(iii)**, we will not pay on a replacement cost basis for any loss or damage:

- i. Until the lost or damaged property is actually repaired or replaced; and
- ii. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

- (2) We will, at your option, settle loss or damage to property other than "money":
  - (a) In the "money" of the country in which the loss or damage occurred; or
  - (b) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage occurred determined by the rate of exchange published in **The Wall Street Journal** on the day the loss was "discovered".
- (3) Any property that we pay for or replace becomes our property.

## 2. Conditions Applicable To Insuring Agreement A.1.

### a. Termination As To Any Employee

This Insuring Agreement terminates as to any "employee":

(1) As soon as:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers, directors, or trustees not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

(2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

### b. Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory Condition **E.1.q.** for a period of not more than 90 consecutive days.

## 3. Conditions Applicable To Insuring Agreement A.2.

### a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement **A.2.**

### b. Electronic And Mechanical Signatures

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

### c. Proof Of Loss

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

**d. Territory**

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.q.** does not apply to Insuring Agreement **A.2.**

**4. Conditions Applicable To Insuring Agreements A.4. And A.5.**

**a. Armored Motor Vehicle Companies**

Under Insuring Agreement **A.5.**, we will only pay for the amount of loss you cannot recover:

- (1) Under your contract with the armored motor vehicle company; and
- (2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

**b. Special Limit Of Insurance For Specified Property**

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to:

- (1) Precious metals, precious or semi-precious stones, pearls, furs, or completed or partially completed articles made of or containing such materials that constitute the principal value of such articles; or
- (2) Manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

**5. Conditions Applicable To Insuring Agreement A.6.**

**a. Special Limit Of Insurance For Specified Property**

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

**b. Territory**

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.q.** does not apply to Insuring Agreement **A.6.**

**F. Definitions**

1. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.

2. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.

3. "Custodian" means you, or any of your partners or "members", or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.

4. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance

5. "Employee":

**a. "Employee" means:**

- (1) Any natural person:

- (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any dishonest act committed by the "employee";
- (b) Who you compensate directly by salary, wages or commissions; and
- (c) Who you have the right to direct and control while performing services for you;

- (2) Any natural person who is furnished temporarily to you:

- (a) To substitute for a permanent "employee" as defined in Paragraph **a.(1)**, who is on leave; or
- (b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the "premises";

- (3)** Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **a.(2)**;
- (4)** Any natural person who is:
  - (a)** A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan"; and
  - (b)** A director or trustee of yours while that person is engaged in handling "funds" or "other property" of any "employee benefit plan";
- (5)** Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained as a consultant while performing services for you;
- (6)** Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the "premises";
- (7)** Any "employee" of an entity merged or consolidated with you prior to the effective date of this policy; or
- (8)** Any of your "managers", directors or trustees while:
  - (a)** Performing acts within the scope of the usual duties of an "employee"; or
  - (b)** Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.
- b.** "Employee" does not mean:  
Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph **5.a.**
- 6.** "Employee benefit plan" means any welfare or pension benefit plan shown in the Declarations that you sponsor and which is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.
- 7.** "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
- 8.** "Fraudulent instruction" means:
  - a.** An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
  - b.** A written instruction (other than those described in Insuring Agreement **A.2.**) issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
  - c.** An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an "employee" but which was in fact fraudulently transmitted by someone else without your or the "employee's" knowledge or consent.
- 9.** "Funds" means "money" and "securities".
- 10.** "Manager" means a person serving in a directorial capacity for a limited liability company.
- 11.** "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
- 12.** "Messenger" means you, or a relative of yours, or any of your partners or "members", or any "employee" while having care and custody of property outside the "premises".
- 13.** "Money" means:
  - a.** Currency, coins and bank notes in current use and having a face value; and
  - b.** Travelers checks, register checks and money orders held for sale to the public.
- 14.** "Occurrence" means:
  - a.** Under Insuring Agreement **A.1.:**
    - (1)** An individual act;
    - (2)** The combined total of all separate acts whether or not related; or

- (3)** A series of acts whether or not related; committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.k.** or **E.1.l.**
- b.** Under Insuring Agreement **A.2.**:
- (1)** An individual act;
- (2)** The combined total of all separate acts whether or not related; or
- (3)** A series of acts whether or not related; committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.k.** or **E.1.l.**
- c.** Under All Other Insuring Agreements:
- (1)** An individual act or event;
- (2)** The combined total of all separate acts or events whether or not related; or
- (3)** A series of acts or events whether or not related; committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.k.** or **E.1.l.**
- 15.** "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property specifically excluded under this insurance.
- 16.** "Premises" means the interior of that portion of any building you occupy in conducting your business.
- 17.** "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
- a.** Caused or threatened to cause that person bodily harm; or
- b.** Committed an obviously unlawful act witnessed by that person.
- 18.** "Safe burglary" means the unlawful taking of:
- a.** Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
- b.** A safe or vault from inside the "premises".
- 19.** "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
- a.** Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- b.** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money".
- 20.** "Theft" means the unlawful taking of property to the deprivation of the Insured.
- 21.** "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "funds":
- a.** By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
- b.** By means of written instructions (other than those described in Insuring Agreement **A.2.**) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.
- 22.** "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

**COMMERCIAL CRIME  
CR 01 06 07 02**

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

## **WISCONSIN CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM  
GOVERNMENT CRIME COVERAGE FORM  
KIDNAP/RANSOM AND EXTORTION COVERAGE FORM

- A.** Under the Commercial Crime Coverage Form and Government Crime Coverage Form, the following is added to Paragraph **(3)** of the **Duties In The Event Of Loss** Condition:

If you file proof of loss as soon as possible and within one year after the time limit, your failure to file proof of loss within the time limit will not invalidate or reduce any claim by you unless we are prejudiced by that failure and it was reasonably possible to meet the time limit.

- B.** Under the Kidnap/Ransom And Extortion Coverage Form, the following is added to the **Duties In The Event Of An Occurrence** Condition:

If you file proof of loss as soon as possible and within one year after the time limit, your failure to file proof of loss within the limit will not invalidate or reduce any claim by you unless we are prejudiced by that failure and it was reasonably possible to meet the time limit.

- C.** Under the Commercial Crime Coverage Form and Government Crime Coverage Form, the **Legal Action Against Us** Condition is replaced by the following:

### **LEGAL ACTION AGAINST US**

You may not bring any legal action against us involving loss:

1. Until 60 days after you have filed proof of loss with us; and
2. Unless brought within 2 years from the date you discover the loss.

- D.** Under the Kidnap/Ransom And Extortion Coverage Form the **Legal Action Against Us** Condition is replaced by the following:

### **LEGAL ACTION AGAINST US**

You may not bring any legal action against us involving loss:

1. Until 60 days after you have filed proof of loss with us; and
2. Unless brought within 2 years from the date you reported the loss to us.

- E.** The following is added to the **Transfer Of Your Rights Of Recovery Against Others To Us** Condition:

We will be entitled to a recovery only after you have been fully compensated for damages.

- F.** The following are added to Section **E. Conditions**:

### **1. Knowledge And Acts Of Agents**

- a. If any of our agents knows any fact that breaches a condition of this insurance, we will be considered to know it also if that fact:

- (1) Is known to the agent at the time the insurance is issued or an application made; or
- (2) Later becomes known to the agent in the course of his or her dealings as an agent with you.

- b. Any fact that breaches a condition of this insurance and is known to the agent before the loss will not:

- (1) Void this insurance; or
- (2) Prevent a recovery in the event of loss.

### **2. Conformity To Statute Or Rule**

Any provision of this Coverage Part (including endorsements which modify the Coverage Part) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under Wis. Stat. Ann. Section 227.11(2) and published in the Wisconsin Administrative Code.



CCI 0431831

ORIGINAL COPY  
COMPREHENSIVE INSURANCE POLICY

ACCOUNT NO. 9324304648  
RENEWAL DECLARATION

RENEWAL OF:  
CCI 0431831

POLICY NUMBER	POLICY PERIOD		COVERAGE IS PROVIDED IN THE	AGENCY
CCI 0431831	10/01/2015	10/01/2016	GENERAL CASUALTY CO OF WI	0480399
NAMED INSURED AND ADDRESS			AGENT	
GREEN BAY RIVERSIDE UNIT % THE ALEXANDER CO PER G40-1 345 W WASHINGTON AVE STE 301 MADISON WI 53703			HAUSMANN-JOHNSON INSURANCE INC 700 REGENT STREET PO BOX 259408 MADISON WI 025 53725	

ADDITIONAL INSURED      UNIT 001  
CITY OF GREEN BAY  
100 N JEFFERSON ST  
GREEN BAY WI 54301

MORTGAGEE      UNIT 001  
ANCHOR BANK FSB ISAOA  
COMMERCIAL LENDING  
25 W MAIN ST  
MADISON WI 53703

                                 UNIT 001  
CITY OF GREEN BAY  
100 N JEFFERSON ST  
GREEN BAY WI 54301



COMPREHENSIVE INSURANCE POLICY

ACCOUNT NO. 9324304648  
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---S T A T E M E N T O F A C C O U N T--- CCI0431831 1110 MONTHLY BILL  
GREEN BAY RIVERSIDE UNIT

TOTAL POLICY PREMIUM ..... \$36,361.00  
SUBJECT TO AUDIT

THIS IS NOT A BILL....BILLING INFORMATION WILL BE MAILED SEPARATELY.

IF YOU HAVE ANY POLICY CHANGES, PLEASE CONTACT YOUR AGENT IMMEDIATELY.

YOUR INDEPENDENT AGENT IS WORKING FOR YOU

ISSUE DATE - 11/06/2015

**THIS FORM PROVIDES CLAIMS-MADE COVERAGE. PLEASE READ IT CAREFULLY.**

## **BOARD OF GOVERNORS LIABILITY COVERAGE**

If Board of Governors Coverage is designated in the Declarations, the following coverage applies. None of the provisions applicable only to Business Liability Coverage apply to this coverage.

Words and phrases that appear in quotation marks have special meaning. Refer to **F. BOARD OF GOVERNORS LIABILITY DEFINITIONS.**

### **A. COVERAGES**

#### **1. Insuring Agreement**

- a. We will pay those sums to which this insurance applies that:

**(1) Board of Governors Liability**

Your "Board of Governors" or any member thereof becomes legally obligated to pay as damages because of a "wrongful act."

**(2) Reimbursement**

You are required to indemnify, or for which you have, to the extent permitted by law, indemnified the "Board of Governors" or members thereof for damages paid because of a "wrongful act."

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **2. Supplementary Payments.**

- b. We will have the right and duty to defend any "suit" to which this insurance applies, seeking damages, but:

**(1)** The amount we will pay for damages is limited as described in **C. LIMITS OF INSURANCE;**

**(2)** We may investigate and settle any claim or "suit" at our discretion; and

**(3)** Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements or such expenses as are included in the "ultimate net loss."

- c. This insurance applies to damages because of a "wrongful act" only if:

**(1)** The "wrongful act" out of which the damages arise is committed in the "coverage territory;" and

**(2)** A claim for damages because of a "wrongful act" is first made in writing against the "Board of Governors" or member thereof during the policy period.

d. A claim by a person or organization seeking damages will be deemed to have been made when written notice of such claim is received by the "Board of Governors," a member thereof, or by us, whichever comes first.

e. All claims for damages because of a "wrongful act" to the same person or organization will be deemed to have been made at the time the first of those claims is made against the "Board of Governors" or member thereof.

#### **2. Supplementary Payments**

We will pay, with respect to any claim or "suit" we defend:

a. All expenses we incur.

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

c. All reasonable expenses incurred by the "Board of Governors" or any member thereof at our request, including actual loss of earnings up to \$100 a day because of time off from work.

d. All costs taxed against the "Board of Governors" or any member thereof in the "suit".

e. Pre-judgment interest awarded against the "Board of Governors" 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 pre-judgment interest based on that period of time after the offer.

f. 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.

## B. EXCLUSIONS

Insurance provided by this Board of Governors Coverage does not apply to any claim made against the "Board of Governors":

1. Based upon or attributable to their gaining in fact any personal profit or advantage to which they were not legally entitled;
2. For the return by the "Board of Governors" of any remuneration paid in fact to them if payment of such remuneration is held to be in violation of law;
3. For an accounting of profits made from the purchase or sale by the "Board of Governors" of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934 and Amendments thereto or similar provisions of any state securities law or regulation;
4. By reason of any deliberately dishonest or fraudulent act or omission, or any criminal or malicious act or omission, or any willful violation of law.

However, the "Board of Governors" shall be protected under the terms of this Board of Governors Liability Coverage as to any claims upon which "suit" may be brought against them by reason of any alleged dishonesty on the part of the "Board of Governors". Coverage shall not apply if a judgment or other final adjudication thereof adverse to the "Board of Governors" shall establish that acts of deliberate dishonesty, as aforesaid, committed by the "Board of Governors" were material to the cause of action so adjudicated;

5. For which the "Board of Governors" are entitled to indemnity and/or payment by reason of having given notice of any circumstance which might give rise to a claim under any policy or policies the term of which has expired prior to the inception date of this coverage;
6. For damages because of "bodily injury," "property damage," "personal injury" or "advertising injury";
7. Based on or attributable to any "wrongful act" in procuring, effecting and maintaining insurance, or with respect to amount, form, conditions or provisions of such insurance;
8. Based upon, or arising out of, or in any way involving trust activities;

9. Based upon, or arising out of, or in any way involving, the Employee Retirement Income Security Act of 1974 (or amendments thereto or any regulations promulgated thereunder), or similar provisions of an Federal, State or Local statutory law or common law;
10. For damages because of discrimination including those in any way connected with a violation of any civil rights laws;
11. Based upon, or arising out of the actual, alleged or threatened discharge, dispersal, release or escape of "pollutants".

## C. 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. Named Insureds, "Boards of Governors", or members thereof;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits."
2. The Aggregate Limit is the most we will pay for:
  - a. All damages under this Coverage; and
  - b. Such expenses as are included in the "ultimate net loss".

We will only pay our percentage of the "ultimate net loss". Our percentage shall be 100% minus the Insured's Contribution percentage on the Declarations. The Insured's Contribution will not reduce the Aggregate Limit of Insurance.

3. Subject to 2. above, the Each Loss Limit is the most we will pay in excess of the Insured's Net Retention for Each Loss:
  - a. For all damages under this Coverage; and
  - b. Such expenses as are included in the "ultimate net loss";

because of any one loss. All losses arising out of the same act or acts of the "Board of Governors" shall be considered one loss.

The Each Loss Limit shall be reduced by the amount of the Insured's Net Retention.

We will only pay our percentage of the "ultimate net loss". Our percentage shall be 100% minus the Insured's Contribution percentage shown on the Declarations. The Insured's Contribution will not reduce the Each Loss Limit.

#### **D. BOARD OF GOVERNORS LIABILITY CONDITIONS**

The following additional or replacement conditions apply:

##### **1. Assignment.**

If you or persons who were members of the "Board of Governors" at the time of the "wrongful act" upon which a claim is based dies, this coverage shall cover the "ultimate net loss" arising from any claim made against the estate, heirs, legal representatives or assigns of such deceased persons.

Such coverage shall also apply to the legal representatives or assigns of members of the "Board of Governors" in the event of their incompetency, insolvency or bankruptcy.

##### **2. Notice Of Claim.**

a. If you or your "Board of Governors":

(1) Receive written or oral notice from any person or organization indicating it is the intent of such person or organization to hold the "Board of Governors", or any member thereof, responsible for a "wrongful act", or

(2) Become aware of any "wrongful act" which may subsequently give rise to a claim against the "Board of Governors", or any member thereof, for a "wrongful act";

And if you or the "Board of Governors" promptly notifies us in writing during the policy period:

(a) Of such written or oral notice under subparagraph (1) above;

or

(b) A "wrongful act" under subparagraph (2) above;

then any claim subsequently made against the "Board of Governors" or any member thereof arising out of such "wrongful act" will, for the purpose of this coverage be treated as a claim made during the policy period in which such notice was given.

b. You or the "Board of Governors" must promptly notify us or one of our authorized agents in writing of any claim made, and give us information and cooperate with us in the investigation, settlement or defense of the claim or "suit".

c. You and the "Board of Governors" must, upon our request, assist us in obtaining reimbursement in a reasonable manner from any person or organization which may be liable to you or the "Board of Governors" because of injury or damage to which this insurance may also apply.

d. Neither you nor the "Board of Governors" will make a payment, assume any obligation, or incur any expense, unless we agree.

##### **3. Legal Action Against Us.**

Neither you nor the "Board of Governors" may bring any "suit" or legal action against us to recover a claim unless the terms of this policy have been complied with. Nor can "suit" be brought against us until the amount of a claim against you or the "Board of Governors" and the "ultimate net loss" has been determined or agreed upon.

Nothing in this policy gives any person or organization the right to join us as defendants in a "suit" brought against you or the "Board of Governors".

##### **4. Other Insurance.**

a. Coverage provided hereunder is primary except as stated in b. below. When this coverage is primary, our obligations are not affected unless you or the "Board of Governors" have other insurance that is also primary. Then, we will only pay the amount of the "ultimate net loss" described in c. below.

b. This insurance is excess over other insurance, whether primary, excess, contingent or on any other basis that begins prior to the time this coverage begins and applies to damages on other than a claims-made basis.

c. If you or the "Board of Governors" have both this policy and another policy that is primary, the most we will pay is our share of the "ultimate net loss" based on the percentage our Limit of Insurance bears to the total Limits of Insurance of all insurance available for the "ultimate net loss".

d. When this insurance is excess, we have no duty to defend any claim or "suit" that any other insurer defends. If no other insurer defends, we will undertake to do so, but we will be entitled to your rights and those of the "Board of Governors" against all those other insurers.

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

If you or the "Board of Governors" have rights to recover all or part of any payment we have made under this Board of Governors Liability Coverage, those rights are transferred to us.

You or the "Board of Governors" must do nothing after loss to impair them. At our request, you or the "Board of Governors" will bring "suit" or transfer those rights to us and help us enforce them.

**6. Authorization And Notice.**

a. You agree to act on behalf of the "Board of Governors" with respect to:

- (1) Giving and receiving notice of a claim;
- (2) Giving and receiving notice of cancellation;
- (3) Payment of premiums;
- (4) Receiving any return premiums due; and
- (5) Exercising options under the **EXTENDED REPORTING PERIOD** as explained below.

b. The "Board of Governors" agrees that you will act on their behalf as respects a. above.

**7. Subsidiaries.**

In the event of sale or dissolution of any "subsidiary" after this coverage begins, the coverage shall end as respects the "subsidiary" on the date of such dissolution or sale.

In the event of the creation or acquisition of any "subsidiary" after this coverage begins, we will extend coverage to the "subsidiary" only:

- a. After receiving notice from you; and
- b. Agreeing in writing to provide this coverage.

If we agree to provide coverage, we may charge an additional premium.

**E. EXTENDED REPORTING PERIOD**

1. We will provide an Extended Reporting Period only if:
  - a. This Coverage is canceled or not renewed for any reason except non-payment of premium; and
  - b. It is not replaced immediately with no gap in coverage by a Claims-Made Coverage Form.

2. The Extended Reporting Period will be 3 years, starting with the end of the policy period. It:

- a. Is available only by endorsement; and
- b. For an extra charge.

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

3. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to claims for "wrongful acts" which take place before the end of the policy period. It does not reinstate or increase the Limits of Insurance applicable to any claim to which this coverage applies.

Claims for injury or damage which are first made during the Extended Reporting Period will be deemed to have been made on the last day of the policy period.

4. The Extended Reporting Period Endorsement will also amend the Exclusions so that the insurance provided will not apply if there is any other valid or collectible insurance available to you or the "Board of Governors" whether primary, excess, contingent or on any other basis, whose policy period begins or continues after the Endorsement takes effect.

**F. BOARD OF GOVERNORS LIABILITY DEFINITIONS**

1. **"Advertising Injury"** means injury arising out of one or more of the following offenses:
  - a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - b. Oral or written publication of material that violates a person's right of privacy;
  - c. Misappropriation of advertising ideas; or
  - d. Infringement of copyright, title or slogan; arising out of advertising activities.
2. **"Board of Governors"** means all persons who were, now are, or shall be duly elected Directors or duly elected or appointed Officers of your association holding any of the officer positions created by your charter or bylaws except as listed on the Declaration under 'This Insurance Does Not Apply To The Following Officer Positions'.

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 the United States of America, including its territories and possessions, Puerto Rico and Canada.
5. **"Personal Injury"** means injury other than "bodily injury" arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. Wrongful entry into, or eviction of a person from a room, dwelling or premises that the person occupies;
  - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
  - e. Oral or written publication of material that violates a person's right of privacy.
6. **"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.
7. **"Property Damage" means"**
  - a. Physical injury to tangible property, including all resulting loss of use of that property; or
  - b. Loss of use of tangible property that is not physically injured.

8. **"Subsidiary"** means any organization of which more than 50% of the voting stock is owned by you, either directly or through one or more of your subsidiaries.
9. **"Suit"** means a civil proceeding in which damages because of injury or damage to which this insurance applies are alleged. "Suit" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
10. **"Ultimate Net Loss" means the sum of:**
  - a. All sums to which this insurance applies, that you or the "Board of Governors" becomes legally obligated to pay as damages because of a "Wrongful act", and
  - b. All amounts we pay under 2. Supplementary Payments with respect to any claim or "suit" we defend except the following:
    - (1) The salaries of the insured's or our regular employees; and
    - (2) Our office expenses.
11. **"Wrongful Act"** means any actual or alleged error or misstatement or misleading statement or act or omission or neglect or breach of duty committed by the "Board of Governors" in the discharge of their duties, individually or collectively, or any matter claimed against them solely by reason of their being members of your "Board of Governors".



**GENERAL CASUALTY CO OF WI**

ONE GENERAL DRIVE  
SUN PRAIRIE WI 53596  
PHONE NUMBER: (608) 837-4440

## **COMPREHENSIVE INSURANCE POLICY**

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GREEN BAY RIVERSIDE UNIT  
% THE ALEXANDER CO PER G40-1  
345 W WASHINGTON AVE STE 301  
MADISON WI 53703

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**Your Independent Agent is:**

HAUSMANN-JOHNSON INSURANCE INC  
700 REGENT STREET  
PO BOX 259408  
MADISON WI 53725  
PHONE NUMBER: (608) 257-3795

**Our Regional Office:**

ONE GENERAL DRIVE  
SUN PRAIRIE WI 53596  
PHONE NUMBER: (608) 837-4440  
FAX NUMBER: (608) 837-4418

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# Comprehensive Insurance Policy Quick Reference

**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.**

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**Policy Period**

This policy period begins at 12:01 a.m. standard time at the named insured's mailing address on the date shown in the Declarations.

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**This Comprehensive Insurance Policy consists of one or more Coverage Part(s). Each Coverage Part consists of several items as described below:**

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**Declaration Pages**

The Declarations list the named insured, policy period, the coverages provided and the limits of insurance. They also show the forms and endorsements that apply to this policy.

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**Coverage Parts**

Each Coverage Part is made up of a Coverage Form and Declaration(s), and is subject to the Common Policy Conditions. The Coverage Form describes the nature and extent of coverage provided. It also includes any conditions that apply specifically to that Coverage Part.

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**Additional Provisions or Exclusions**

This policy may be modified by additional provisions or exclusions. When this happens, the forms which contain those provisions or exclusions will be found after the Coverage Forms. The form numbers will also appear on the Declarations.

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**Common Policy Conditions and Conditions specific to Individual Coverage Parts**

This policy contains a Common Policy Conditions Form which lists those conditions which apply to all Coverage Parts written in the policy. Forms listing conditions which apply to individual coverage parts also appear on the Declarations.

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**This quick reference is not part of the Comprehensive Insurance Policy and does not provide coverage. Please read the Comprehensive Insurance Policy itself for actual contractual provisions.**

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In witness whereof, the Company designated on the Declaration page has caused this policy to be signed by its president and secretary, but this policy shall not be valid unless completed by the attachment hereto of a Declaration page and countersigned on the aforesaid Declaration page by a duly authorized representative of the company.



President



Secretary

## Problems with your Insurance?

### KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS

If you are having problems with your insurance company or agent, do not hesitate to contact the insurance company or agent to resolve your problem.

**General Casualty Insurance Companies**  
**One General Drive**  
**Sun Prairie, WI 53596**  
**1-800-553-4471**

You can also contact the **OFFICE OF THE COMMISSIONER OF INSURANCE**, a state agency which enforces Wisconsin's insurance laws, and file a complaint. You can contact the **OFFICE OF THE COMMISSIONER OF INSURANCE** by writing to:

Office of the Commissioner of Insurance  
Complaints Department  
P.O. Box 7873  
Madison, WI 53707-7873

or you can call 1-800-236-8517 outside of Madison or 266-0103 in Madison, and request a complaint form.

## Policyholder Notice

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Your commercial insurance policy may be audited. Your policy explains your rights and duties regarding an audit and this notice answers some common questions.

### **Why would your policy be audited?**

The premium charged when your policy was issued was an estimate based on the nature of your business and your exposures (payrolls, sales, etc.) for the policy period. A review of your records at the end of the policy period allows us to adjust your premium based on actual operations during that time.

### **How and when will an audit be done?**

A premium auditor may either review your records in person or by phone. We may send you a letter asking you to mail us the needed audit information. We will try to visit your business or contact you by mail or phone as soon as we can after the end of your policy period.

### **What records are needed for the audit?**

We will need to review your ledgers, journals, vouchers, contracts, tax reports, profit and loss statements and payroll and disbursement records. If you use subcontractors, we will need to see a Certificate of Insurance for each, evidencing coverage and limits at least equal to those we provide. This requirement can be met by limits of primary liability and umbrella or excess liability coverage listed in the subcontractors Certificate of Insurance. If a subcontractor does not have this minimum limit you will be charged for the exposure. Our premium auditor will let you know which of these items are specifically needed for your audit.

### **Will keeping detailed records help me save money?**

You may be able to lower your final premium cost by keeping detailed records. A variety of insurance classifications may apply to your business, each having a different insurance rate. Detailed records should give us accurate payroll, sales and subcontracted costs allowing us to apply the approximate classifications to these exposures.

### **Do I need a Certificate of Insurance for each subcontractor I use?**

You should always keep current Certificates of Insurance for all subcontractors you hire. Without these certificates, you may be charged as though the subcontractors' work was your own, or for workers compensation as if the subcontractors' workers were your own — increasing your premium charge.

### **Why should I make sure the premium basis (such as sales or payroll) are realistic estimates?**

Your initial policy premium is based on an estimate of your business operations for the policy period. The final policy premium is not determined until after your insurance audit. If your estimates are low, your deposit premium will be low and you will have to pay an additional premium after the audit. Likewise, overestimating your operations for the coming year will cause your deposit premium to be high, tying up your money until after the audit.

Please contact your agent if you need more information or clarification on premium audit.