

\* S1 \* 10/08/2020 \* PAC 3652300 00

GREAT AMERICAN INSURANCE COMPANY  
\*D/B\* 204545406 253325

JAMES B OSWALD COMPANY

1100 SUPERIOR AVE #1500  
CLEVELAND, OH 44114 2544

## The Moment of Truth: Reporting a Claim



### Online

[MyGreatAmerican.gaig.com](http://MyGreatAmerican.gaig.com)



### Email

[SpecialtyHumanServicesClaims@gaig.com](mailto:SpecialtyHumanServicesClaims@gaig.com)



### Phone

Toll Free: 888-317-4828

Fax: 888-307-3180



### Mail

Great American Insurance Group  
Specialty Human Services Division  
Claims Department, P.O. Box 1997  
Cincinnati, OH 45202

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**365** days a year,  
**7** days a week,  
**24** hours a day.

## Your Great American Insurance Policy<sup>SM</sup>

301 E. Fourth St., Cincinnati, OH 45202



If you prefer to view your Specialty Human Services  
insurance policy online, please visit

**MyGreatAmerican.gaig.com**

*Log into this secure portal  
with the policy number(s) and ZIP Code  
of any valid Great American policy*

- Access policy documents
- Follow a claim
- Pay a bill
- See additional policy benefits

800-545-4269

SpecialtyHumanServices.com

## IMPORTANT NOTICE

**Dear Customer:**

As your partner in insurance, you can count on us to provide dependable coverages and outstanding customer service. In return, we are counting on you to provide continuous full disclosure of changes in your operation - including driver and vehicle changes.

**You must notify your agent of any changes in your drivers or vehicles within 30 days of the change.** This would include new drivers, individuals whose duties have changed to include driving and any family members who may drive vehicles covered by this policy. This ensures that resulting premium or coverage adjustments are made and that your policy continues to provide the coverage you need and expect.

If you have any questions about your reporting requirements, please contact your local Great American agent.

Thank you for allowing us to serve your insurance needs.

Great American Insurance Group

## **NOTICE TO POLICYHOLDERS**

No coverage is provided by this summary nor can it be construed to replace or modify any provision of your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is any conflict between the policy and this Notice to Policyholders, the provisions of the policy shall prevail.

This policy contains an exclusion for claims arising from, in whole or in part, the actual, alleged, threatened, or suspected inhalation or ingestion of, exposure to, or contact with "silica" or dust that includes or contains "silica"; and 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, "silica" or dust that includes or contains "silica," by any insured or by any other person or entity, as described in the endorsement. For further information, please review the provisions of your policy.

## **NOTICE TO POLICYHOLDERS**

No coverage is provided by this summary nor can it be construed to replace or modify any provision of your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is any conflict between the Policy and this Notice to Policyholders, the provisions of the Policy shall prevail.

This Policy contains a Welding and Cutting Operations Exclusion which applies to your Stop Gap Employers Liability Coverage. For further information, please review the provisions of your policy.

**POLICYHOLDER NOTICE**  
**CERTAIN COMPUTER-RELATED LOSSES**

**(Applicable to Commercial Fire, Commercial Inland Marine, and Crime Policies)**

**NO COVERAGE IS PROVIDED BY THIS POLICYHOLDER NOTICE NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISION OF YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS SUMMARY, THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

An exclusion has been added to your policy to explicitly state that coverage is not provided for loss caused by a computer's inability, or that of computerized or other electronic equipment, to properly recognize a particular date or time. An example of this is a loss caused by the inability of the computer to recognize the year 2000 (Y2K). However, coverage is provided under certain circumstances: if the computer's inability to recognize a date or time results in a covered cause of loss - - for example, fire - - the loss resulting from that fire will be covered.

### **Policyholder Notice**

#### **Jurisdictional Inspections for Boilers and Pressure Vessels**

This notice is to provide information regarding Equipment Breakdown Coverage.

If your policy includes breakdown coverage for boilers or certain other pressure vessels, jurisdictional inspections may be required by law. You, the Insured, can request this jurisdictional inspection and/or get help with technical questions regarding all of the equipment directly from Hartford Steam Boiler Company by contacting:

#### **Hartford Steam Boiler's Inspection Hotline**

**Telephone: 1-800-333-INSP**  
**Fax: 1-484-582-1811**  
**E-mail: NSCINSP\_HOTLINE@hsb.com**

**Inspections will be scheduled promptly!**



## **IMPORTANT NOTICE TO POLICYHOLDERS**

**This notice describes changes in your insurance policy. This notice is not a part of your policy. For complete information on all coverages, terms, conditions and exclusions, please review your policy and its declarations pages. If there is any conflict between your policy and this notice, the provisions of the policy shall prevail.**

Your Equipment Breakdown (boiler and machinery) coverage has been changed to our new Equipment Breakdown Coverage form. Please note the new additional coverages listed below.

### **MICROELECTRONICS**

Equipment of all kinds now incorporates microelectronic circuitry - including components such as circuit boards, integrated circuits, computer chips and disk drives. This type of equipment is subject to types of failure that have not been covered under Equipment Breakdown policies until now. Specifically, this type of equipment can fail without showing any evidence of being physically damaged. Your equipment breakdown coverage continues to cover physical damage "accidents" but also offers coverage for "electronic circuitry impairments."

An "electronic circuitry impairment" is a fortuitous event that causes the electronic component to suddenly stop functioning, requiring replacement of the component. The electronic component does not have to show any evidence of physical damage in order for the event to be considered an "electronic circuitry impairment." However, some types of loss are specifically not covered as an "electronic circuitry impairment."

This additional cause of loss applies to most coverages, including Property Damage, Business Income and Extra Expense. It does not apply to coverages involving the equipment of third parties, such as Service Interruption and Contingent Business Income.

### **CLOUD COMPUTING**

Each year, more and more businesses and other entities are relying on various forms of cloud computing service to support their operations. This reliance means they can find themselves shut down if the cloud computing service is unavailable. Your Equipment Breakdown coverage has expanded its coverage for Service Interruption to include cloud computing. This coverage applies if your cloud provider has an interruption due to an Equipment Breakdown loss.

### **EXPANDED DATA RESTORATION**

Coverage for Data Restoration has been expanded to include loss of data arising from a covered interruption of utility service. In order to be a covered interruption of utility service, the interruption must arise from an "accident" and must exceed any applicable service interruption waiting period. This expanded Data Restoration coverage applies to data of yours that is stored in your equipment or that is stored in the equipment of a cloud computing service with which you have a contract.

## **OFF PREMISES EQUIPMENT BREAKDOWN**

Equipment is increasingly portable - and portable equipment is increasingly important to businesses and other entities. Because of this, we have expanded our coverage for equipment off premises. Previously, this coverage was limited to Property Damage only. Under your equipment breakdown coverage, off premises equipment is covered for Business Income, Extra Expense and Data Restoration as well as Property Damage.

## **PUBLIC RELATIONS**

In today's world of instant communications and social networks, an outage can have an immediate impact on a company's reputation. Your Equipment Breakdown coverage expands coverage for loss of Business Income to include additional costs to help our insureds communicate with their customers and the public.

**Policy No.** PAC 3652300 00  
**Renewal Of**

### POLICY COMMON DECLARATIONS

**NAMED INSURED** EDUCATIONAL THEATRE  
ASSOCIATION INTERNATIONAL  
**AND ADDRESS:** 4805 MONTGOMERY RD STE 400  
CINCINNATI, OH 45212

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

**AGENT'S NAME AND ADDRESS:**  
JAMES B OSWALD COMPANY  
1100 SUPERIOR AVE #1500  
CLEVELAND, OH 44114 2544

Insurance is afforded by the Company named below, a Capital Stock Corporation:  
GREAT AMERICAN INSURANCE COMPANY

**POLICY PERIOD:** From 10/01/2020 To 10/01/2021

12:01 A.M. Standard Time at the address of the Named Insured

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

|                                | Premium             |
|--------------------------------|---------------------|
| Commercial Property            | \$ 2,989.00         |
| Commercial General Liability   | \$ 92,033.00        |
| Commercial Crime and Fidelity  |                     |
| Commercial Inland Marine       | \$ 1,729.00         |
| Commercial Equipment Breakdown | \$ 433.00           |
| Commercial Auto                | \$ 262.00           |
| Commercial Umbrella            |                     |
| <b>TOTAL</b>                   | <b>\$ 97,446.00</b> |

**FORMS AND ENDORSEMENTS** applicable to all Coverage Parts and made part of this Policy at time of issue are listed on the attached Forms and Endorsements Schedule IL 88 01(11/85).

**POLICY ALTERNATE MAILING ADDRESS:**

**FORMS AND ENDORSEMENTS SCHEDULE**

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

|     | <b>Form and Edition</b> |       | <b>Date Added *<br/>or<br/>Date Deleted</b> | <b>Form Description</b>             |
|-----|-------------------------|-------|---|-------------------------------------|
| 1.  | IL0021                  | 09/08 |   | NUCLEAR ENERGY LIABILITY EXCLUSION  |
| 2.  | IL7001                  | 10/07 |   | BUSINESSPRO POLICY COMMON DEC       |
| 3.  | IL7125                  | 03/11 |   | NAMED INSURED ENDORSEMENT           |
| 4.  | IL7268                  | 09/09 |   | IN WITNESS CLAUSE                   |
| 5.  | IL7324                  | 08/12 |   | ECONOMIC AND TRADE SANCTIONS CLAUSE |
| 6.  | CG2167                  | 12/04 |   | FUNGI OR BACTERIA EXCLUSION         |
| 7.  | IL0244                  | 09/07 |   | OH CHANGES-CANCELLATION/NONRENEWAL  |
| 8.  | IL7069                  | 03/16 |   | EXCLUSION - ASBESTOS                |
| 9.  | IL7273                  | 08/08 |   | LOSS PREVENTION SERVICES            |
| 10. | 0790SHS                 |       |   | SHS POLICY COVER PAGE               |
| 11. | IL0935                  | 07/02 |   | EXCL - CERTAIN COMPUTER REL LOSSES  |
| 12. | IL0017                  | 11/98 |   | COMMON POLICY CONDITIONS            |
| 13. | IL0952                  | 01/15 |   | CAP ON LOSSES/CERT ACTS OF TERRORIS |
| 14. | IL7236                  | 07/05 |   | NUCLEAR, BIOLOGICAL, CHEMICAL EXCLU |
| 15. | IL7368                  | 01/20 |   | TERRORISM PREMIUM DISCLOSURE        |

\* If not at inception

## **NAMED INSURED ENDORSEMENT**

It is agreed that the Named Insured shown in the Declarations is amended to read as follows:

NAMED INSURED:

EDUCATIONAL THEATRE ASSOCIATION  
INTERNATIONAL THESPIAN SOCIETY  
EDUCATIONAL THEATRE FOUNDATION, INC  
THEATRE EDUCATION ASSOCIATION  
THE INTERNATIONAL THESPIAN FESTIVAL, LLC  
EDUCATIONAL THEATRE ASSOCIATION FOUNDATION  
EDUCATIONAL THEATRE ASSOCIATION GROUP AFFILIATES  
ALABAMA EDUCATIONAL THEATRE ASSOCIATION  
ALASKA CHAPTER OF EDTA  
ARIZONA THESPIANS  
EDTA ARKANSAS  
CALIFORNIA STATE THESPIANS  
COLORADO STATE THESPIANS  
CONNECTICUT EDUCATIONAL THEATRE ASSOCIATION  
FLORIDA STATE THESPIAN SOCIETY, INC  
GEORGIA THESPIANS  
THE GREEN MOUNTAIN THESPIANS  
HAWAII THESPIANS  
IDAHO CHAPTER OF EDTA  
ILLINOIS THESPIANS  
INDIANA THESPIANS  
IOWA EDUCATIONAL THEATRE ASSOCIATION  
KANSAS THESPIANS, INC  
KENTUCKY THESPIAN SOCIETY  
LOUISIANA THESPIANS  
MAINE EDTA  
MARYLAND CHAPTER OF EDTA  
MASSACHUSETTS EDUCATIONAL THEATRE ASSOCIATION

MICHIGAN EDUCATIONAL THEATRE ASSOCIATION  
MINNESOTA EDTA  
MISSISSIPPI THESPIANS  
MISSOURI STATE THESPIANS  
MONTANA STATE THESPIANS  
THE NEBRASKA THESPIAN SOCIETY  
NEVADA THESPIANS  
NEW HAMPSHIRE EDTA  
NEW JERSEY THESPIANS  
NEW MEXICO EDUCATIONAL THEATRE ASSOCIATION  
NEW YORK THESPIANS  
NORTH CAROLINA EDUCATIONAL THEATRE ASSOCIATION  
NORTH DAKOTA CHAPTER OF EDTA  
OHIO EDUCATIONAL THEATRE ASSOCIATION  
OKLAHOMA THESPIANS  
OREGON THESPIANS  
PENNSYLVANIA CHAPTER OF EDUCATIONAL THEATRE ASSOCIATION  
SOUTH CAROLINA THESPIANS  
SOUTH DAKOTA CHAPTER OF EDTA  
TENNESSEE EDUCATIONAL THEATRE ASSOCIATION  
TEXAS THESPIAN-CHAPTER OF THE EDUCATIONAL THEATRE  
VIRGINIA THESPIANS  
WASHINGTON STATE THESPIAN SOCIETY WV THESPIANS  
THESPIANS OF THE WESTERN PACIFIC ISLANDS WISCONSIN  
WYOMING CHAPTER OF EDTA

**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**

**Schedule - Part I**

Terrorism Premium (Certified Acts) \$ 0.00

This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies): PAC 365-23-00 - 00

Additional information, if any, concerning the terrorism premium:

**Schedule - Part II**

**Federal share of terrorism losses is 80%**  
(Refer to Paragraph **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) 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.

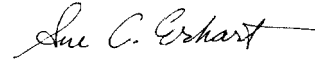


**In Witness Clause**

In Witness Whereof, we have caused this Policy to be executed and attested, and, if required by state law, this Policy shall not be valid unless countersigned by our authorized representative.



**President**



**Secretary**

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

**ECONOMIC AND TRADE SANCTIONS CLAUSE**

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

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

**EXCLUSION - ASBESTOS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS AND COMPLETED OPERATIONS COVERAGE PART  
OWNER AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
FARM COVERAGE PART

This insurance does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of or related in any way to asbestos, asbestos-containing materials, or asbestos-containing products.

We shall not have the duty to defend any such claim or "suit."

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

## **LOSS PREVENTION SERVICES**

This endorsement modifies insurance provided under the following:

### **COMMON POLICY CONDITIONS**

The following is added to the **Common Policy Conditions**

#### **G. Loss Prevention Services**

At our cost, we may provide or recommend a broad range of loss prevention services designed to improve the acceptability of an insured. These services may require your co-operation to make them effective.

We provide these services based on need as indicated by the size, hazard and experience of your operation. We may elect to provide these services through another entity.

In addition to inspections and surveys, referenced in **D. Inspections and Surveys**, these services may include, but are not limited

to, safety and prevention training, consultations, safety devices, health screenings and analyses of accident causes.

We are not obligated to provide any loss prevention services and 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.

This endorsement does not change any other provision of the Policy.

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

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

This endorsement modifies insurance provided under the following:

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

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

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

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

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

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

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

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

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

**1.** in a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or

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

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

**b.** in a Covered Cause of Loss under the Causes of Loss - Basic Form or the Causes of Loss - Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss," elevator collision, or Covered Cause of Loss.

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

**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.

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

**NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT  
(Broad Form)**

This endorsement modifies insurance provided under the following:

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

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

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

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

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

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

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

territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

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

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

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

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

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

**"Nuclear facility"** means:

- (a)** any "nuclear reactor";
- (b)** any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel," or **(3)** handling, processing or packaging "waste";
- (c)** any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "Insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d)** any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

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

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

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



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

**OHIO 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.** With respect to a policy which has been in effect for more than 90 days, or is a renewal of a policy we issued, the **Cancellation** Common Policy Condition is replaced by the following:
- 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 only for one or more of the following reasons, except as provided in paragraph **6.** below:
    - a.** nonpayment of premium;
    - b.** discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;
    - c.** discovery of a moral hazard or willful or reckless acts or omissions on your part which increases any hazard insured against;
    - d.** the occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed except to the extent the insurer could reasonably have foreseen the change or contemplated the risk in writing the contract;
    - e.** loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Superintendent has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;
    - f.** failure of an insured to correct material violations of safety codes or to comply with reasonable written loss control recommendations; or
    - g.** a determination by the Superintendent of Insurance that the continuation of the Policy would create a condition that would be hazardous to the policyholders or the public.

3. We will mail written notice of cancellation to the first Named Insured, and agent if any, at the last mailing addresses known to us. Proof of mailing will be sufficient proof of notice.

4. We will mail the 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 a reason stated in **2.b.** through **2.g.** above.

5. The notice of cancellation will:

a. State the effective date of cancellation. The policy period will end on that date.

b. Contain the date of the notice and the policy number, and will state the reason for cancellation.

6. Policies written for a term of more than one year or on a continuous basis may be cancelled by us for any reason at an anniversary date, upon 30 days' written notice of cancellation.

7. 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.

**B.** The following is added to the Common Policy Conditions and supersedes any provisions to the contrary:

#### **Nonrenewal**

1. If we elect not to renew this Policy, we will mail written notice of nonrenewal to the first Named Insured, and agent if any, at the last mailing addresses known to us. The notice will contain the date of the notice and the policy number, and will state the expiration date of the Policy.

2. We will mail the notice of nonrenewal at least 30 days before the expiration date of the Policy.

3. Proof of mailing will be sufficient proof of notice.

#### **C. Common Policy Conditions**

1. Paragraph **A.2.a.** of the Businessowners Common Policy Conditions is deleted.

2. Paragraph **E.2.** of the **Cancellation** Common Policy Condition in the **Standard Property Policy** is deleted. Paragraph **E.2.** is replaced by the following (unless item **A.** of this endorsement applies):

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, if we cancel for any other reason.

## 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 con-

sent except in the case of death of an individual named insured.

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

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

**NUCLEAR, BIOLOGICAL OR CHEMICAL EXCLUSION**

This endorsement modifies insurance provided under the following:

AGRIPAK® FARM AND RANCH POLICY  
AgriPro® AGRIBUSINESS® PROTECTION POLICY  
BOILER AND MACHINERY COVERAGE PART  
COMMERCIAL CRIME COVERAGE FORM  
COMMERCIAL CRIME POLICY  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL INLAND MARINE POLICY  
COMMERCIAL PROPERTY COVERAGE PART  
EQUINE CARE, CUSTODY AND CONTROL COVERAGE FORM  
EQUINE CARE, CUSTODY OR CONTROL POLICY  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
GOVERNMENT CRIME COVERAGE FORM  
GOVERNMENT CRIME POLICY  
SAFEPAK® POLICY  
SELECT BUSINESS POLICY  
SELECT BUSINESS POLICY COVERAGE FORM

The following exclusion is added:

**A. Nuclear, Biological or Chemical Exclusion**

Notwithstanding any other provision of this policy, we will not pay for any loss or damage caused, directly or indirectly, in whole or in part, by any of the following, regardless of any other cause(s) or event(s) that may contribute concurrently or in any other sequence to the loss or damage:

1. Any actual, attempted, suspected, or threatened use of any "NBC material" as part of any plan, effort, or design, actually or apparently intended to cause any:
  - a. loss or damage to any tangible or intangible property, or
  - b. "bodily injury" or emotional distress.
2. Any actual, attempted, suspected, or threatened presence, spread, dissemination, release, escape, or distribution of any "NBC material" as a direct or indirect result

of any actual, attempted, suspected, or threatened plan, effort, or design, actually or apparently intended to cause any:

- a. loss or damage to any tangible or intangible property, or
- b. "bodily injury" or emotional distress.

However, if a hostile fire results, directly or indirectly, from **1.** or **2.** above, we will not pay for any loss or damage from that fire, unless an applicable statute of the state whose law applies to this insurance requires us to do so. This is so, even if another exclusion in this Coverage Form, Coverage Part, or Policy also applies, and under that other exclusion we would pay for loss or damage from that fire.

However, if an applicable statute of the state whose law applies to this insurance requires us to pay for loss or damage from that fire, then we will do so, but only

(a) to the extent necessary to satisfy the minimum mandatory requirements of that statute and

(b) 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. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense Coverage Forms or Endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

## B. Definitions

The following definitions are added:

### 1. "NBC material"

"NBC material" means any nuclear, biological, or chemical material or substance

that causes damage to property or is harmful to human health. "NBC material" includes, but is not limited to:

(1) any radioactive substance or material, and the radiation it releases,

(2) any pathogen, bacterium, microbe, virus, or other organism,

(3) any substance or material produced by or from any pathogen, bacterium, microbe, virus, or other organism, and

(4) any poison, toxin, or other harmful chemical, substance, or material.

(5) the foregoing list (1) through (4) is only illustrative, and should not be construed as a complete, exclusive, or exhaustive list of all "NBC materials."

### 2. "Bodily injury"

"Bodily injury" includes any physical injury, disease, or death of any person.

Policy: PAC 3652300 00

**PROPERTY COVERAGE PART  
DECLARATIONS PAGE****NAMED INSURED:** EDUCATIONAL THEATRE  
ASSOCIATION INTERNATIONAL**POLICY PERIOD:**  
10/01/2020 to 10/01/2021**TOTAL PROPERTY PREMIUM:** \$ 2,989**DESIGNATED PREMISES:** At the locations specified below, insurance is provided only for those coverages for which  
a Limit of Insurance has been inserted.**BUSINESS INCOME AND EXTRA EXPENSE: SEE CP 73 07**

| Location | Building | Location                                 | Occupancy  |
|----------|----------|--|------------|
| 001      | 01       | 4805 MONTGOMERY RD STE 400<br>CINCINNATI | OFFICE TIB |
|          |          | OH 45212                                 |            |

-----  
**COVERAGE: Building**

Limit of Insurance: \$530,000

Coinsurance Percent (%): 90

Agreed Value 10/01/2021

Covered Causes of Loss:

Special Including Theft

Valuation: Replacement Cost

Deductible Amount: \$5,000

Inflation Guard Percent (%): 4

**COVERAGE: Personal Property of Insured - Item 001**

Limit of Insurance: \$100,000

Coinsurance Percent (%): 90

Agreed Value 10/01/2021

Covered Causes of Loss:

Special Including Theft

Valuation: Replacement Cost

Deductible Amount: \$5,000

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Mortgage Holder Name and Mailing Address:**FORMS AND ENDORSEMENTS** applying to this Coverage Part and made part of this Policy at time of issue:**SEE CP 88 01 11/85**

**FORMS AND ENDORSEMENTS SCHEDULE**

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

|    | <b>Form and Edition</b> |       | <b>Date Added *<br/>or<br/>Date Deleted</b> | <b>Form Description</b>             |
|----|-------------------------|-------|---|-------------------------------------|
| 1. | CP0010                  | 10/12 |   | BUILDING & PERSONAL PROPERTY COV    |
| 2. | CP0090                  | 07/88 |   | COMMERCIAL PROPERTY CONDITIONS      |
| 3. | CP0123                  | 04/08 |   | OH CHANGES                          |
| 4. | CP0140                  | 07/06 |   | VIRUS OR BACTERIA EXCLUSION         |
| 5. | CP1030                  | 09/17 |   | CAUSES OF LOSS - SPECIAL FORM       |
| 6. | CP7200                  | 11/85 |   | PROPERTY COVERAGE PART DECLARATIONS |
| 7. | CP7220                  | 01/86 |   | BUSINESSPRO DEDUCTIBLE ENDORSEMENT  |
| 8. | CP7307                  | 09/07 |   | HUMAN SERVICES BI (& EE) COV        |
| 9. | CP7465                  | 08/20 |   | HUMAN & SOCIAL SERVICES PPTY BROAD  |

\* If not at inception



## COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

### A. CONCEALMENT, MISREPRESENTATION OR FRAUD

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

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

### B. CONTROL OF PROPERTY

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

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

### C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

### D. LEGAL ACTION AGAINST US

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

1. There has been full compliance with all of the terms of this Coverage Part; and

2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

### E. LIBERALIZATION

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

### F. NO BENEFIT TO BAILEE

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

### G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

### H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

2. The coverage territory is:

- a. The United States of America (including its territories and possessions);
- b. Puerto Rico; and
- c. Canada.

**I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organiza-

tion must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- 1. Prior to a loss to your Covered Property or Covered Income.
- 2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
  - a. Someone insured by this insurance;
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you; or
  - c. Your tenant.

This will not restrict your insurance.

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

## **DEDUCTIBLE ENDORSEMENT**

This form replaces the deductible provision under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
BUILDERS' RISK COVERAGE FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

### **DEDUCTIBLE CLAUSE**

We shall pay only when the whole loss exceeds **SEE DEC PAGE** and then for only the amount of such excess. In the event there is any other insurance covering the property (or which would have covered the property except for the existence of this insurance) against the cause of loss (whether collectible or not), then we shall pay for only our proportion of the amount of such excess. Such proportion shall be determined in the same manner as our proportion of the whole loss would be determined.

The "whole loss" as used herein is defined as the amount which would be recoverable under this policy and any other insurance covering the property (or which would have covered the property except for the existence of this insurance), against the cause of loss (whether collectible or not), in any one occurrence, disregarding any deductible clause.

The deductible specified above shall apply separately to each:

- ( ☒ ) Occurrence  
( ☐ ) Location- except\*  
( ☐ ) Item -

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The provisions of this deductible clause shall supersede any other deductible provisions in the policy to which this deductible is attached. If this policy insures against loss by earthquake or volcanic eruption, the provisions of this deductible clause shall not apply to the amount of such loss payable under this policy.

\*Note: If this policy covers two or more locations or items, identify any location or item to which this Deductible Clause does not apply. The absence of an entry means no exceptions.

The two clauses which follow ( ☐ ) Are ( ☒ ) Are not applicable to this policy.

### **ANNUAL LOSS AGGREGATE CLAUSE**

If the aggregate of your proportion of whole losses reaches \$ during any one policy year commencing with the inception or an anniversary of this policy, but not extending beyond the expiration of this policy, as the result of application of any deductible clause, then we shall pay for each whole loss without application of the first four paragraphs of this deductible clause for the remainder of that policy year.

If there is any other insurance covering the property (or which would have covered the property except for the existence of this insurance) against the cause of loss (whether collectible or not), then we shall pay for only our proportion of the amount of such loss.

In arriving at the aggregate amount mentioned above, any whole loss which is less in amount than 10% of the deductible amount mentioned in Paragraph 1 shall be disregarded.

#### **LOSS REPORTING CLAUSE**

It is a condition of this policy that:

before the aggregate amount mentioned above is reached during anyone policy year, you shall give prompt written notice to us at the time of occurrence of each whole loss which is equal to or in excess of 10% of the deductible amount mentioned in Paragraph 1; any loss which is not reported to us shall be disregarded in totaling the aggregate amount mentioned above; and

after such aggregate amount has been reached, you shall give prompt written notice to us of each whole loss which occurs during the remainder of that policy year, in accordance with the provisions of the policy to which this deductible clause is attached.

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

**EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY**

- A.** The exclusion set forth in paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- However, this exclusion does not apply to loss or damage caused by or resulting from "fungus," wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants."
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
1. Exclusion of "Fungus," Wet Rot, Dry Rot and Bacteria; and
  2. Additional Coverage - Limited Coverage for "Fungus," Wet Rot, Dry Rot and Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

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

**HUMAN AND SOCIAL SERVICES PROPERTY BROADENING  
ENDORSEMENT**

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

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

This endorsement modifies and is subject to the insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CAUSES OF LOSS - SPECIAL FORM

The following is a summary of Coverage and Limits of Insurance provided by this endorsement. Except as otherwise indicated, these coverages and limits apply separately to each of your locations described in the Declarations.

If you purchase additional limits for any of these coverages at a specified location, the limits shown below will apply in excess of the insurance purchased separately. We will not pay more under this endorsement than the Limits of Insurance shown below under the Coverages included in the Blanket Limit of Insurance or Summary of Additional Scheduled Coverages with Specific Limits of Insurance.

**A. Coverage**

**1. Coverages Included in the Blanket Limit of Insurance**

\$250,000 Each Occurrence  
\$250,000 Aggregate Loss Limit

The Blanket Limit of Insurance shown above applies to all coverages shown in **Section A 1. of Schedule of Coverages Included in the Blanket Limits of Insurance** of this endorsement at each scheduled location. At the time of loss, the First Named Insured may elect to apportion this Blanket Limit of Insurance to one or any combination of coverages shown in the **Schedule of Coverages Included in the Blanket Limit of Insurance** per Each Occurrence but under no circumstances will the aggregate apportionment be permitted to exceed the Aggregate Loss Limit at one covered location.

**Schedule of Coverages Included in the Blanket Limit of Insurance**

Accounts Receivable (Including Credit or Charge Card Slips)  
Business Income and Extra Expense  
Business Electronic Systems and Telecommunications (Including Electronic Equipment, Data and Media, Extra Expense, Mechanical Breakdown and Transit)  
Fine Arts (\$10,000 Maximum Limit Any One Item)  
Fire Department Service Charge  
Property of Others and Building Glass (If Required in a Lease Agreement)  
Valuable Papers and Records (Other than Electronic Data)

**2. Summary of Additional Scheduled Coverages with Specific Limit of Insurance**

| <b>Schedule of Additional Coverages</b>                          | <b>Limit of Insurance</b> | <b>Page</b> |
|--|---------------------------|-------------|
| Appurtenant Buildings  | \$10,000                  | 13          |
| Arson Reward   | \$50,000                  | 5           |
| Automated External Defibrillators                                | \$5,000                   | 5           |
| Business Personal Property Temporarily in Portable Storage Units | \$25,000                  | 13          |
| Crime Coverage   |                           |             |
| Employee Theft   | \$10,000                  | 6           |
| Forgery or Alteration  | \$2,500                   |             |
| Inside the Premises - Theft of Money and Securities              | \$10,000                  |             |
| Outside the Premises   | \$10,000                  |             |
| Computer and Funds Transfer                                      |                           |             |
| Fraud  | \$2,500                   |             |
| Money Orders and Counterfeit Money                               | \$2,500                   |             |
| Crisis Communication Expense                                     |                           | 6           |
| Each Accident  | \$12,500                  |             |
| Maximum Limit Per Policy   |                           |             |
| Period   | \$25,000                  |             |
| Debris Removal   | \$100,000                 | 4           |
| Donation Reimbursement   | \$50,000                  | 8           |
| Emergency Real Estate Consulting Fee                             | \$50,000                  | 7           |
| Emergency Vacating Expense                                       | \$25,000                  | 7           |
| Fire Protection Device Recharge                                  | \$50,000                  | 14          |
| Foundations  | Included                  | 8           |
| Furs   | \$10,000                  | 18          |
| Identity Theft Expense   | \$50,000                  | 9           |
| Jewelry  | \$2,500                   | 18          |
| Key Individual Replacement Cost                                  | \$50,000                  | 8           |
| Kidnap Expense   | \$50,000                  | 9           |
| Lease Cancellation Moving Expense                                | \$5,000                   | 10          |
| Lessor's Leasehold Interest                                      | \$10,000                  | 10          |
| Lock Replacement   | \$10,000                  | 10          |

|   |   |    |
|---|---|----|
| Loss Data Preparation   | \$50,000                                      | 11 |
| Newly Acquired Locations for 90 Days                                |   |    |
| Building  | \$1,000,000                                   |    |
| Business Personal   |   | 11 |
| Property  | \$500,000                                     |    |
| Ordinance or Law - Loss to Undamaged Portion of Building            | Included                                      | 14 |
| Ordinance or Law, Demolition Cost and Increase Cost of Construction | 25% of Building<br>Limit/Maximum<br>\$500,000 | 14 |
| Outdoor Property (Including Trees, Shrubs and Plants)               |   | 12 |
| Any One Occurrence  | \$50,000                                      |    |
| Personal Effects  |   |    |
| Per   |   |    |
| Occurrence  | \$50,000                                      | 12 |
| Any One Person  | \$10,000                                      |    |
| Pollutant Clean Up  | \$50,000                                      | 4  |
| Precious Metals   | \$25,000                                      | 18 |
| Property in Transit   | \$100,000                                     | 18 |
| Property Off Premises   | \$500,000                                     | 12 |
| Property on Exhibition  | \$100,000                                     | 12 |
| Retaining Walls (Not Part of Building)                              | \$10,000                                      | 14 |
| Signs - Attached or Unattached, Indoor or Outdoor                   | \$50,000                                      | 14 |
| Spoilage  | \$50,000                                      | 18 |
| Temporary Meeting Space and Relocation Expense                      | \$25,000                                      | 11 |
| Terrorism Travel Reimbursement                                      | \$50,000                                      | 11 |
| Utility Services - Time Element                                     | \$50,000                                      | 20 |
| Vacancy Clause – Seasonal Operations                                | Included                                      | 17 |
| Water Back Up of Sewers or Drains                                   | \$30,000                                      | 18 |
| Workplace Violence Counseling                                       | \$50,000                                      | 11 |

**B. Deductible**

The deductible, as shown in the Declarations, under **Section D. DEDUCTIBLE**, of the **Building and Personal Property Coverage Form**, applies to this endorsement unless otherwise stated in this endorsement.

**C. Building and Personal Property Coverage Form** is amended as follows:

- Under Item A.1. **Covered Property** - Item 1.b. - **Your Business Personal Property**, the first paragraph is deleted in its entirety and replaced with the following:

**b. Your Business Personal Property** consists of the following property located in or on the building or structure



described in the Declarations or in the open (or in a vehicle) within 2000 feet of the building or structure or within 2000 feet of the location described in the Declarations, whichever distance is greater:

- (1) furniture and fixtures;
- (2) machinery and equipment;
- (3) "stock";
- (4) all other personal property owned by you and used in your business;
- (5) labor, materials or services furnished or arranged by you on personal property of others;
- (6) your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
  - (a) made a part of the building or structure you occupy but do not own; and
  - (b) you acquired or made at your expense but cannot legally remove;
- (7) leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property of Others.

2. Item 4. **Additional Coverages** is amended as follows:

a. Under Item a. **Debris Removal**, subparagraph a. (4) is deleted in its entirety and replaced by the following:

- (4) We will pay up to an additional **\$100,000** as a Limit of Insurance for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
  - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) 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**.

b. Item c. **Fire Department Service Charge** is deleted in its entirety and is replaced by the following:

c. **Fire Department Service Charge** is included in **A.1. Coverages Included in the Blanket Limit of Insurance**. When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the limit available 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.

c. Under Item d. **Pollutant Clean Up and Removal** - the last paragraph is deleted in its entirety and replaced with the following:

The most we will pay under this Additional Coverage for each described location is **\$50,000** for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of

this Policy.

3. The following are added to item 4. **Additional Coverages:**

**g. Arson Reward**

We will pay up to **\$50,000** as a Limit of Insurance for information leading to the arrest and conviction of persons responsible for crimes committed against the Insured. This Additional Coverage only applies when a covered fire is deemed suspicious or arson by the fire department, and only when the person responsible is convicted of the crime. The administration of the reward is completed by an approved, independent organization.

**h. Automated External Defibrillators**

We will pay up to **\$5,000** per occurrence as a Limit of Insurance to cover physical loss or physical damage caused by a Covered Cause of Loss to Automated External Defibrillators located at each location described in the Declarations.

**i. Business Income and Extra Expense**

**(1) Limit of Insurance**

**Business Income and Extra Expense** is included in **A.1. Coverages Included in the Blanket Limit of Insurance**. We will pay up to the limit available to cover loss of Business Income, including "Rental Value," and Extra Expense resulting from direct physical loss or physical damage to property at locations which are described in the Declarations.

Payments under the following coverages will not increase the applicable Limit of Insurance under this Additional Coverage:

- (a) Alterations and New Buildings;
- (b) Civil Authority;
- (c) Extra Expense; or
- (d) Extended Business Income.

**(2) Extended Business Income**

**(a) Business Income Other than Rental Value**

Under this additional coverage, we will pay the actual loss of Business Income Other than Rental Value you sustain for a period up to 90 consecutive days after 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.

**(b) "Rental Value"**

Under this additional coverage, we will pay the actual loss of "Rental Value" you sustain for a period up to 90 consecutive days after the date you could restore tenant occupancy with reasonable speed, to the level which would generate the "Rental Value" amount that would have existed if no direct physical loss or damage had occurred.

This Additional Coverage is subject to the provisions of **Business Income (and Extra Expense) Coverage Form, CP 00 30 (or equivalent state specific form)**, with the exception of the Limit of Insurance provision contained in that form. **Business Income (and Extra Expense) Coverage Form, CP 00 30 (or equivalent state specific form)**, is made a part of this Policy whether or not Business Income and Extra Expense coverage is indicated in the Declarations.

**j. Crime Coverage**

**(1) Employee Theft**

We will pay up to **\$10,000** as a Limit of Insurance for loss in any one "occurrence" under the Employee Theft Insuring Agreement.

**(2) Forgery or Alteration**

We will pay up to **\$2,500** as a Limit of Insurance for loss in any one "occurrence" under the Forgery or Alteration Insuring Agreement.

**(3) Inside the Premises - Theft of Money and Securities**

We will pay up to **\$10,000** as a Limit of Insurance for loss in any one "occurrence" under the Inside of Premises - Theft of Money or Securities Insuring Agreement.

**(4) Outside the Premises**

We will pay up to **\$10,000** as a Limit of Insurance for loss in any one "occurrence" under the Outside the Premises Insuring Agreement.

**(5) Computer and Funds Transfer Fraud**

We will pay up to **\$2,500** as a Limit of Insurance for loss in any one "occurrence" under the Computer and Funds Transfer Fraud Insuring Agreement.

**(6) Money Orders and Counterfeit Money**

We will pay up to **\$2,500** as a Limit of Insurance for loss in any one "occurrence" under the Money Orders and Counterfeit Insuring Agreement.

This Additional Coverage is subject to the provisions of **Commercial Crime Coverage Form (Loss Sustained), CR 00 21 (or equivalent state specific form)**, with the exception of the Limit of Insurance provision contained in that form. **Commercial Crime Coverage Form (Loss Sustained), CR 00 21 (or equivalent state specific form)**, is made a part of this Policy whether or not Commercial Crime coverage is indicated in the Declarations.

**k. Crisis Communication Expense**

We will pay, up to **\$12,500** per incident and up to a maximum of **\$25,000** per policy period for all locations, for this Additional Coverage, for the actual "Crisis Communication Expense," you incur due to an "incident" giving rise to a "crisis" occurring at your location described in the Declarations or an event sponsored by you.

We will reimburse only for those "Crisis Communication Expenses" which are incurred as a direct result of an "incident" that occurs during the policy period, and which are reported to us in writing within 180 days of the date the "crisis" event occurred.

**"Crisis"** means the public announcement by a news media or social networking site that an "incident" occurred at your location or an event sponsored by you.

**"Crisis Communication Expense"** means those reasonable expenses incurred for services provided by a "crisis management firm." "Crisis Communication Expense" does not include:

- (1)** Compensation, fees, benefits, overhead charges, or expenses of any insured, or any of your employees.
- (2)** Any expense payable on your behalf or reimbursable to you under any other valid and collectible insurance.

**"Crisis management firm"** means any service provider, such as but not limited to Public Relations, Media Relations or similar professional communications and/or risk management firm that you hire in assisting to minimize negative publicity and, positively communicate your image as a result of a "crisis." It does not include any insured's employees or in-house Public Relations or Communication Department. It does not include any attorneys or law firms including your in-house attorneys.

**"Incident"** means the following:

- (1) Violent Acts such as an actual, attempted, or threatened act committed with malicious intent at your location or at an event sponsored by you against any person(s) that results in injury or death to such person(s). This does not apply to actual, attempted or threatened acts caused by an insured, employee, or any partner, director or officer.
- (2) An act of "abuse." "Abuse" is defined as any actual, threatened, or alleged act, error, omission, conduct, or misconduct, that a claim or "suit" alleges to be, or to constitute, any form of abuse (including, but not limited to, elder abuse, child abuse, patient abuse, or abuse of a dependent person) under any applicable state or federal statute or regulation; and any actual, threatened, or alleged act, error, omission, conduct, or misconduct, of one or more of the following kinds:
  - (a) sexual behavior, sexual conduct or misconduct, sexual assault, sexual battery, sexual abuse, or sexual molestation, of or directed at a person;
  - (b) non-sexual assault, non-sexual battery, or non-sexual abuse, of or directed at a person.

This does not apply to actual, attempted or threatened acts of "abuse" caused by an insured, employee, or any partner, director or officer.

- (3) Other crisis "incident(s)" when they occur at your location described in the Declarations that require a full evacuation of the facility.

We will not pay for any Business Income "loss" under this Additional coverage.

No deductible applies to this Additional Coverage.

This Additional Coverage does not pay for expenses recoverable elsewhere under this Policy.

If there is other insurance covering the same loss under this Policy or any other policy, we will pay only for the amount of the covered loss in excess of the amount due from the other insurance, whether collectible or not. If the other insurance covers the same loss but with a deductible, we will pay for the deductible applicable to the other insurance.

Unless otherwise stated herein, the Crisis Communication Expense Additional Coverage is subject solely to its own coverage terms, conditions, limitations and exclusions.

#### **I. Emergency Real Estate Consultant Fee**

We will reimburse you up to **\$50,000** in any one policy year for any realtor's fee or real estate consultant's fee required by the Named Insured's need to relocate due to the loss or damage by a Covered Cause of Loss to the Named Insured's location scheduled on the Declarations.

#### **m. Emergency Vacating Expense**

We will pay up to **\$25,000** as a Limit of Insurance under this Additional Coverage - Emergency Vacating Expense for reasonable expenses you incur due to the emergency vacating of your location described in the Declarations when the vacating is necessary due to the imminent danger of loss of life or harm to occupants due to a Covered Cause of Loss.

**n. Failed Donation Coverage**

We will pay you up to \$50,000, in any one policy year, for "failed donation claims."

With respect to any "failed donation claim," it is further agreed that:

1. the donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization prior to the time the pledge that is the basis for the "failed donation claim" was made to the insured;
2. for non-cash donations, our payments of a "failed donation claim" shall be based on the fair market value of such non-cash donation at the time the pledge was made in writing to the insured;
3. in the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":
  - a. neither the natural person donor nor the insured shall have had a reason to believe the donor would become unemployed or incapacitated subsequent to the pledge date; and
  - b. the donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;
4. no coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period;
5. a pledge which is to be paid to the insured over more than a twelve (12) month period shall be deemed a single donation; and
6. This coverage only applies if the amount owed to you remaining on a pledge from any single donor is at least \$5,000.

As respects this coverage, the following definition is added:

**"Failed Donation Claim"** means written notice to the insured during the policy period of:

1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or
2. the unemployment or incapacitation of a natural person donor preventing the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

**o. Foundations**

Item **g.** is deleted in its entirety from Paragraph **2. Property Not Covered**

**p. Key Individual Replacement Expenses**

We will pay up to **\$50,000** as a Limit of Insurance per policy year under this Additional Coverage - "Key Individual Replacement Expenses" for expenses incurred by the Named Insured to replace the Chief Executive Officer or Executive Director if that officer or director suffers an "injury" during the policy period which results in the loss of life during the policy period.

Under this Additional Coverage:

**"Key Individual Replacement Expenses"** means:

1. costs of advertising the employment position opening;

2. travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up employment contracts.

**"Injury"** means an accident that causes damage or harm to a person.

**q. Kidnap Expense**

We will reimburse you up to **\$50,000**, in any one policy year, for reasonable and necessary expenses you incur as a result of the kidnapping of your executive officers, directors, or trustees, or the parent, spouse or child of any of your executive officers, directors or trustees.

Coverage afforded under this Additional Coverage applies only to the following expenses:

- (1) reasonable fees and expenses attributed to the use of a consultant or negotiator who is retained with our prior consent;
- (2) reasonable expenses associated with travel necessitated by the kidnapping;
- (3) the amount of any reward offered with our prior, written approval that leads to the arrest and conviction of the individual or individuals responsible for the kidnapping;
- (4) the salary owed to any kidnapped executive officer, director or trustee, exclusive of benefits and incentive bonuses, incurred during the period beginning 30 days after the abduction and continuing through the date you receive confirmation that the kidnapped person has died or been released, for a period not to exceed 12 months; and
- (5) the interest you are assessed on money you are required to borrow to pay the amounts described in paragraphs (1) through (4) immediately above that accrues during a period beginning 30 days after you borrow the money and ends on the date we make payment to you.

No deductible applies to this additional coverage.

**r. Identity Theft Expense**

**(1) Coverage**

We will pay for reimbursement of any present director or officer of the Named Insured for expenses incurred as the direct result of any Identity Theft occurring, discovered and reported during the policy period.

**(2) Limit of Insurance**

We will pay up to **\$50,000** as a Limit of Insurance under this Additional Coverage - Identity Theft Expense.

**(3) Identity Theft** means:

the act of knowingly transferring or using, without lawful authorization, the identity of any officer or director of the Named 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 a felony under any applicable state or local law.

**(4) Identity Theft Expenses** means:

- (1) Costs of notarizing documents required by financial institution or similar creditors as testaments to fraud.

- (2) Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar creditors.
- (3) Loan application fees for re-applying for loan(s) when the original application is rejected solely because of incorrect credit information.

**s. Lease Cancellation Moving Expenses**

We will reimburse the Named Insured up to **\$5,000** for moving expenses incurred when moving is made necessary by the cancellation of a lease at locations occupied by the Named Insured and described in the Declarations. The cancellation must result from direct physical loss of or damage to your Covered Property at the locations described in the Declarations caused by or resulting from a Covered Cause of Loss during the term of this Policy.

**t. Lessor's Leasehold Interest**

**(1) Coverage**

We will pay for loss of Covered Leasehold Interest you sustain due to the cancellation of lease contracts by tenants. The cancellation must result from direct physical loss of or damage to your Covered Property at the locations described in the Declarations caused by or resulting from a Covered Cause of Loss during the term of this Policy.

**(a) Covered Leasehold Interest** means:

- (1) rent you were collecting at the described location prior to the loss; and
- (2) "rental value" of the described location after loss or damage has been repaired or rebuilt.

**(b) Covered Leasehold Interest** does not include:

- (1) prepaid rent;
- (2) security or other deposits made by tenants; and
- (3) insurance, taxes or other payments made on your behalf by tenants.

**(2) Limits of Insurance**

The most we will pay under this Additional Coverage is the least of the following:

- (1) your Covered Leasehold Interest for the 12 months immediately following the "period of restoration" and ending with the normal expiration date of each canceled lease; or
- (2) **\$10,000** for all Covered Leasehold Interest of all tenants cancelling their leases arising out of an occurrence at locations described in the Declarations.

This Additional Coverage is subject to the provisions of **Business Income (and Extra Expense) Coverage Form, CP 00 30 (or equivalent state specific form)**, with the exception of the Limit of Insurance provision contained in that form. **Business Income (and Extra Expense) Coverage Form, CP 00 30 (or equivalent state specific form)**, is made a part of this Policy whether or not Business Income and Extra Expense coverage is indicated in the Declarations.

**u. Lock Replacement Coverage**

We will pay up to **\$10,000** in any one occurrence as a Limit of Insurance to cover the loss of your keys due to a theft used to secure a location described in the Declarations.

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

- (1) re-key the locks,
- (2) install new lock cylinders,
- (3) provide new master keys, or
- (4) replace existing locks with new locks of like kind and quality.

**v. Loss Data Preparation Costs**

We will pay up to **\$50,000** as a Limit of Insurance for reasonable costs you incur in preparing loss data required by policy conditions after a covered property loss. This includes the cost of taking inventory, making appraisals and preparing other data to determine the extent of your loss.

**w. Temporary Meeting Space**

We will reimburse you up to **\$25,000** as a Limit of Insurance in any one policy year under this Additional Coverage - Temporary Meeting Space for expenses incurred due to the temporary unavailability of the Named Insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Expenses will be reimbursed only for the rental of temporary meeting space required for meeting with parties who are not insured under this Policy.

No deductible applies to this Additional Coverage - Temporary Meeting Space.

**x. Terrorism Travel Reimbursement**

We will reimburse you up to **\$50,000** as a Limit of Insurance in any one policy year for "Emergency Travel Expenses" incurred by a director or officer of the Named Insured due to the occurrence of a Certified Act of Terrorism as defined in the Terrorism Risk Insurance Act.

"Emergency Travel Expenses" are additional travel expenses incurred to re-schedule comparable transport due to the cancellation of scheduled transport within forty-eight hours of a Certified Act of Terrorism.

**y. Workplace Violence Counseling**

We will reimburse you up to **\$50,000** as a Limit of Insurance in any one policy year under this Additional Coverage - Workplace Violence Counseling for expenses you incur for the counseling of employees of the Named Insured when that counseling is necessary due to an incident of "Workplace Violence."

"**Workplace Violence**" means the intentional use of, or threat to use deadly force by any person with the intent to cause harm and that results in bodily injury or death of a person while at the Named Insured's location.

**4. Item 5. Coverage Extensions** is amended as follows:

- a.** Under Item a. **Newly Acquired or Constructed Property**, the last paragraphs of Item a. (1) and Item a. (2)(a) are deleted and replaced with the following:

**(1) Buildings**

The most we will pay for loss or damage under this Extension is **\$1,000,000 at** each building.

**(2) Your Business Personal Property**

The most we will pay for loss or damage under this Extension is **\$500,000 at** each building.

- b.** Under Item a. **Newly Acquired or Constructed Property**, subparagraph (3)(b) is deleted in its entirety and



replaced with the following:

- (b) 90 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

- c. Item b. **Personal Effects and Property of Others** is deleted in its entirety and replaced by the following:

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

You may extend the insurance that applies to Your **Business Personal Property** to apply to:

- (1) Personal effects owned by you, your officers, directors, partners, trustees, managers, employees or individuals in the Insured's care in a group residential facility, while those personal effects are at the locations described in the Declarations.

The most we will pay for loss or damage under this Extension is **\$50,000** per occurrence and **\$10,000** for any one person as a Limit of Insurance per occurrence at each described location. Coverage does not apply if the property is already insured elsewhere.

- (2) Property of Others in your care, custody or control (including building plate glass that you are required to insure in a written lease agreement as a building tenant).

This Coverage Extension is included in **A.1. Coverages Included in the Blanket Limit of Insurance**. We will pay up to the limit available for loss or damage to Property of Others in your care, custody or control. Coverage does not apply if the property is already insured elsewhere.

Our payment for loss of or damage to personal effects or property of others will only be for the account of the owner of the property. If this protection is used to cover someone else's property, we can settle all losses with you and make all payments to you.

Other than plate glass that you are required to insure in a written lease agreement as a building tenant, this coverage extension does not apply to loss or damage by theft.

- d. Under Item c. **Valuable Papers and Records (Other than Electronic Data)**, subparagraph (4) is deleted in its entirety and replaced by the following:

- (4) This Coverage Extension is included in A.1. **Coverages Included in the Blanket Limit of Insurance**. Under Valuable Papers and Records (Other than Electronic Data) we will pay up to the limit available to replace or restore the lost information. We will also pay, up to the limit available, for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on your Business Personal Property and therefore coverage of such costs is not additional insurance.

- e. Under Item d. **Property Off-Premises**, subparagraph (3) is deleted in its entirety and replaced by the following:

- (3) The most we will pay for loss or damage under this Coverage Extension for Property Off-Premises, other than Property at a fair, trade show or exhibition is **\$500,000**.

The most we will pay for Property Off-Premises at a fair, trade show or exhibition is \$100,000.

- f. Item e. **Outdoor Property** is deleted in its entirety and is replaced by the following:

**e. Outdoor Property**

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs, and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting

from any of the following causes of loss if they are Covered Causes of Loss.

- (1) fire;
- (2) lightning;
- (3) explosion;
- (4) riot or civil commotion; or
- (5) aircraft.

The most we will pay for loss or damage under this Extension is **\$50,000**. This limit applies to any one occurrence, regardless of the types or numbers of items lost or damaged in that occurrence.

**g. Item g. Business Personal Property Temporarily in Portable Storage Units** is changed as follows:

In paragraph (1) the references to **100** feet are changed to **2000** feet. In

paragraph (3) the references to **90** days are changed to **180** days the

limit shown in paragraph (4) is changed to **\$25,000**.

**5. The following are added to Item 5. Coverage Extensions:**

**h. Accounts Receivable** (Including Credit or Charge Card Slips)

This Coverage Extension is included under **A.1. Coverages Included in the Blanket Limit of Insurance**. Under Accounts Receivable (including credit or charge card slips), we will pay up to the limit available to replace or restore the lost information. You may extend the insurance that applies to your Business Personal Property to include your records of accounts receivable, including credit or charge card slips.

This Coverage Extension is subject to the provisions of Accounts **Receivable Coverage Form, CM 00 66 (or equivalent state specific form)**, with the exception of the Limit of Insurance provision contained in that form. **Accounts Receivable Coverage Form, CM 00 66 (or equivalent state specific form)**, is made a part of this Policy whether or not Accounts Receivable coverage is indicated in the Declarations.

**i. Appurtenant Buildings**

- (1) you may extend the insurance that applies to Buildings to apply to direct physical loss or damage by a Covered Cause of Loss to incidental appurtenant buildings or structures which are at a covered location but not specifically described in the Declarations; and
- (2) you may extend the insurance that applies to Your Business Personal Property, Personal Property of Others, "Electronic Data Processing Equipment" and "Electronic Data Processing Data and Media," if any, to apply to direct physical loss or damage by a Covered Cause of Loss to such property located within incidental appurtenant buildings or structures which are at the covered location but not specifically described in the Declarations.
- (3) appurtenant Buildings or Structures include, but are not limited to, storage buildings, garages, pump houses and above ground tanks. But incidental appurtenant buildings or structures does not include:
  - (a) outside signs, whether or not attached to buildings;
  - (b) any property to which the Outdoor Property Coverage Extension applies; or
  - (c) any property excluded under the Property Not Covered section.

We will pay up to **\$10,000** as a Limit of Insurance under this Coverage Extension - Appurtenant Buildings.

**j. Business Electronic Systems and Telecommunications** (Including Electronic Equipment, Data and Media, Extra Expense, Mechanical Breakdown and Transit)

This Coverage Extension is included under **A.1. Coverages Included in the Blanket Limit of Insurance**. We will pay up to the limit available for loss to your Electronic Data Processing Equipment (Including Electronic Equipment, Data and Media, Extra Expense, Mechanical Breakdown and Transit). You may extend the insurance that applies to Your Business Personal Property to cover direct physical loss or physical damage to your Business Electronic Data Processing Equipment.

This Coverage Extension is subject to the provisions of **Business Electronic Systems and Telecommunications Form, CM 76 58 (or equivalent state specific form)**, with the exception of the Limit of Insurance provision contained in that form. **Business Electronic Systems and Telecommunications Form, CM 76 58 (or equivalent state specific form)**, is made a part of this Policy whether or not Business Electronic Systems and Telecommunications coverage is indicated in the Declarations.

**k. Fine Arts**

This Coverage Extension is included under **A.1. Coverages Included in the Blanket Limit of Insurance**. You may extend the insurance that applies to Your Business Personal Property to cover direct physical loss or physical damage to your Fine Arts.

We will pay up to the limit available, but not more than **\$10,000** for any one item for loss or damage under this Coverage Extension - Fine Arts.

This Coverage Extension is subject to the provisions of **Commercial Fine Arts Coverage Form, CM 76 69 (or equivalent state specific form)**, with the exception of the Limit of Insurance provision contained in that form. **Commercial Fine Arts Coverage Form, CM 76 69 (or equivalent state specific form)**, is made a part of this Policy whether or not Fine Arts coverage is indicated in the Declarations.

**l. Fire Protection Device Recharge**

You may extend the insurance that applies under Building coverage to recharge or refill fire protective devices that are permanently installed in buildings at locations described in the Declarations. This Coverage Extension only applies when such devices have been discharged while being used to combat a covered fire.

We will pay up to **\$50,000** as a Limit of Insurance to recharge or refill fire protective devices under this Coverage Extension - Fire Protection Device Recharge.

**m. Retaining Walls**

You may extend the insurance that applies under Building coverage to direct physical loss or physical damage to retaining walls not attached to the building.

We will pay up to **\$10,000** in any one occurrence as a Limit of Insurance to apply at each location described in the Declarations under this Coverage Extension - Retaining Walls.

Additional Exclusion: We will not pay under this Coverage Extension - Retaining Walls for physical loss or physical damage caused by tree roots, freezing, thawing or normal deterioration.

**n. Signs - Attached or Unattached: Indoor and Outdoor**

You may extend the insurance that applies to Your Business Personal Property to include signs, whether or not attached to buildings or structures, inside or outside the covered Location.

We will pay up to **\$50,000** as a Limit of Insurance under this Coverage Extension - Signs - Attached or Unattached: Indoor and Outdoor.

**o. Building Ordinance or Law Coverage**

You may extend the insurance that applies to Building coverage to apply to the Loss to the Undamaged Portion of the Building, Demolition costs and Increased Cost of Construction due to the enforcement of or compliance with an Ordinance or Law as provided below.

Coverage under this Extension applies only if both **1.** and **2.** below are satisfied and is then subject to the qualifications set forth in **3.**

**1. The ordinance or law:**

- a.** regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described locations; and
- b.** is in force at the time of loss.

But coverage under this Extension 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 Extension.

- 2. a.** the building sustains direct physical damage that is covered under this Policy and as a result of such damage you are required to comply with the ordinance or law; or
  - b.** the building sustains both direct physical damage that is covered under this Policy and direct physical damage that is not covered under this Policy, and as a result of the building damage in its entirety, you are required to comply with the ordinance or law.
  - c.** but if the building sustains direct physical damage that is not covered under this Policy, and such damage is the subject of the ordinance or law, then there is no coverage under this Extension even if the building has also sustained covered direct physical damage.
- 3.** In the situation described in paragraph 2.b. above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B** and/or **C** of this Extension. 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. However, if the covered direct physical damage, alone, would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B**, and **C** of this Extension.

We will not pay under this Extension for loss due to any ordinance or law that:

- 1.** you were required to comply with before the loss, even if the building was undamaged; and
- 2.** you failed to comply with

**4. Coverage****a. Coverage A - Loss to the Undamaged Portion of the Building**

With respect to the building that has sustained covered direct physical damage, we will pay for the loss in value of the undamaged portion of the building as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building. This coverage does not increase the applicable 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 and clear the site of undamaged parts of the same building as a consequence of a requirement to comply with an ordinance or law that requires demolition of such undamaged property.

**c. Coverage C - Increased Cost of Construction**

With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to repair, rebuild or reconstruct the damaged portions of that building and/or reconstruct or remodel undamaged portions of that building, whether or not demolition is required, when the increased cost is a consequence of a requirement to comply with the minimum standards of the ordinance or law.

However:

1. This coverage applies only if the repaired or rebuilt property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use law.
2. We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

When Coverage **C** is applicable, coverage for the increased cost of construction also applies to repair or reconstruction of the following: the cost of excavations, grading, filling and backfilling, foundation of the building, pilings, and underground pipes, flues and drains.

**5. Limits of Insurance and Loss Payment**

- a. When there is a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
  - (1) If the Replacement Cost Coverage Option applies and the property is being repaired or replaced, we will not pay more than the lesser of:
    - a. the amount you would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building at the same location and to the same height, floor area, style and comparable quality of the original property insured; or
    - b. the Limit of Insurance shown in Declarations as applicable to the covered building.
  - (2) If the Replacement Cost Coverage Option applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:
    - a. the actual cash value of the building at the time loss; or
    - b. the Limit of Insurance shown in the Declarations as applicable to the covered building.
- b. For Demolition and Increased Cost of Construction combined, the most we will pay is the lesser of 25% of the Building Limit as applicable to the covered building or \$500,000 as a Limit of Insurance at each location described in the Declarations for loss under Demolition and Increased Cost of Construction.
  - (1) For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described location.
  - (2) With respect to Increased Cost of Construction
    - a. We will not pay for the increased cost of construction
      - i. until the property is actually repaired or replaced, at the same or another location; and
      - ii. unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years; and

iii. unless the Replacement Cost Optional Coverage applies to the building.

- 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 is the increased cost of construction at the same location.
- c. If the ordinance or law requires relocation to another location, the most we will pay is the increased cost of construction at the new location.

In the event that the buildings are insured on a blanket basis, then the limit per each building shall be determined by reference to the building limit or stated value as shown in the Statement of Values or similar schedule on file with us.

#### 6. Ordinance or Law Coverage Additional Exclusion Ordinance

We will not pay under these Ordinance or Law Coverages for:

- (a) the costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants," "fungus," wet or dry rot or bacteria; or.
- (b) enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus," wet or dry rot or bacteria.

The terms of these Coverages apply separately to each building.

#### 6. Vacancy Clause - Seasonal Operations

The following is added to Item **E. Loss Conditions** paragraph **6.a.**:

- (3) Buildings where customary activities are suspended due to seasonal operations and the Business Personal Property has not been removed or the business personal property was moved to another building owned or occupied by the Named Insured at the same location during seasonal closing, are not considered vacant.

7. The following is added to Item **F. Additional Conditions**:

#### 3. Other Insurance

If there is other insurance covering the same loss or damage as would be payable under this endorsement, the additional insurance provided under this endorsement will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether collectable or not.

When this insurance is excess, we will have no duty under this coverage endorsement 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.

**D. The Causes of Loss - Special Form** is amended as follows:

- 1. Under Item B. **Exclusions**, subparagraph 1.e. **Utility Services** is deleted in its entirety and replaced with the following:

#### e. Utility Services

The failure of power, communication, water or other utility service supplied to the location described in the Declarations, however caused, if the failure occurs away from a covered location except as provided in the Additional Coverage Extension **Utility Services - Time Element**.

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 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.

2. Under Item C. **Limitations**, subparagraph 3.a. is deleted in its entirety and replaced with the following:

a. **\$10,000** for furs, fur garments and garments trimmed with fur.

3. Under Item C. **Limitations**, subparagraph 3.b. is deleted in its entirety and replaced with the following:

b. **\$2,500** for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones. This limit does not apply to jewelry and watches worth \$100 or less per item.

4. Under Item C. **Limitations**, subparagraph 3., the following item is added:

e. **\$25,000** for bullion, gold, silver, platinum and other precious alloys or metals, other than jewelry which is subject to the limitation in paragraph 3. b.

5. Under Item F. **Additional Coverage Extensions**, subparagraph 1. - **Property in Transit**, Item c. is deleted in its entirety and replaced with the following:

c. The most we will pay for loss or damage under this Extension is **\$100,000**.

6. The following are added to Item F. **Additional Coverage Extensions**:

**4. Water Back Up of Sewers and Drains**

We have extended coverage under the **Causes of Loss - Special Form** to provide coverage for loss or damage caused by or resulting from water or waterborne material that backs up or overflows from interior sewers, drains, or sumps within a covered building, provided such discharge is not induced by flood or flood-related conditions. This coverage extension applies to direct damage to building and personal property only but does not apply to loss of business income and/or extra expense coverage.

We will pay up to **\$30,000** as a Limit of Insurance under this Coverage Extension - Water Back Up of Sewers and Drains.

**5. Spoilage**

You may extend the insurance that applies to Your Business Personal Property to insure against direct physical loss or damage to "perishable stock" caused by or resulting from the Causes of Loss Breakdown or Contamination or Power Outage.

We will pay up to **\$50,000** as a Limit of Insurance under this Coverage Extension - Spoilage.

**a. Covered Property**

**Covered Property means** "perishable stock" owned by you or by others that is in your care, custody or control located at:

- (1) a location described in the Declarations; or
- (2) premises of a cold storage warehouse; or
- (3) premises of a consignee.

**b. "Perishable Stock"** means personal property:

- (1) maintained under controlled conditions for its preservation; and
- (2) susceptible to loss or damage if the controlled conditions change.

**c. Covered Causes of Loss**

**(1) Breakdown or Contamination**, meaning;

- (a) change in temperature or humidity resulting from mechanical breakdown or failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is at a covered location; and
- (b) contamination by the refrigerant.

**(2) Power Outage**, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either at or away from the described covered location, due to a covered cause of loss.

**d. Additional Exclusions**

**(1)** Only the following exclusions contained in paragraph **B.1.** of the **Causes of Loss - Special Form applicable** to this Coverage Part apply to this Spoilage Coverage Extension:

- (a) Earth Movement
- (b) Governmental Action
- (c) Nuclear Hazard
- (d) War and Military Action
- (e) Water

**(2)** The following exclusions are added to the **Causes of Loss - Special Form** applicable to this Coverage Part and apply only to the insurance provided under this Coverage Extension - Spoilage.

We will not pay for loss or damage caused by or resulting from:

- (a) The disconnection of any refrigerating, cooling or humidity control system from the source of power.
- (b) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- (c) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - (i) lack of fuel; or
  - (ii) governmental order.
- (d) The inability of a power source at a 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.



## 6. Utility Services - Time Element

### a. Coverage

You may extend your coverage for Business Income and/or Extra Expense to apply to a "suspension" of "operations" at a covered location caused by an interruption in utility service to that location. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the Utility Service located outside of a covered building described in the Declarations.

### b. Exception

Coverage under this endorsement does not apply to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

### c. Utility Services

(1) **Water Supply Services**, meaning the following types of property supplying water to covered location:

- (a) pumping stations; and
- (b) water mains.

(2) **Wastewater Removal Property**, meaning a utility system for removing wastewater and sewage from the described location, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities. Coverage under this Coverage Extension does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.

(3) **Communication Supply Services**, meaning property supplying communication services, including telephone, radio, microwave or television services to a covered location, including but not limited to:

- (a) communication transmission lines, including optic fiber transmission lines;
- (b) coaxial cables;
- (c) microwave radio relays except satellites; and
- (d) service relating to internet access or access to any electronic, cellular or satellite network.

(4) **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to a covered location:

- (a) utility generating plants;
- (b) switching stations;
- (c) substations;
- (d) transformers; and
- (e) transmission lines.

d. As used in this Coverage Extension, the term transmission lines include all lines which serve to transmit communication service or power, including lines which may be identified as distributions lines.

**e. Limit**

The most we will pay under this Coverage Extension is **\$50,000**. This limit is the only limit that applies to the coverage provided under this Coverage Extension and is a part of, not in addition to, the Limit of Insurance for Business Income and/or Extra Expense stated in the Declarations as applicable to a covered location.

We will only pay for loss you sustain after the first 12 hours following the direct physical loss or damage to the utility service property to which the Coverage Extension applies.

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

## **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**

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

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

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

### **A. Coverage**

We will pay for direct physical loss of or damage to covered property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

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

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.** Property Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

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

- (1) completed additions;
- (2) fixtures, including outdoor fixtures;
- (3) permanently installed:
  - (a) machinery; and
  - (b) equipment;
- (4) personal property owned by you that is used to maintain or service the building or structure or its premises, including:
  - (a) fire-extinguishing equipment;
  - (b) outdoor furniture;

(c) floor coverings; and

(d) appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

(5) if not covered by other insurance:

(a) additions under construction, alterations and repairs to the building or structure;

(b) materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

**b. Your Business Personal Property** consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

- (1) furniture and fixtures;
- (2) machinery and equipment;
- (3) "stock";
- (4) all other personal property owned by you and used in your business;

(5) labor, materials or services furnished or arranged by you on personal property of others;

(6) your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:

(a) made a part of the building or structure you occupy but do not own; and

(b) you acquired or made at your expense but cannot legally remove;

(7) leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property of Others.

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

(1) in your care, custody or control; and

(2) located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**2. Property Not Covered**

Covered Property does not include:

a. accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;

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

c. automobiles held for sale;

d. bridges, roadways, walks, patios or other paved surfaces;

e. contraband, or property in the course of illegal transportation or trade;

f. the cost of excavations, grading, backfilling or filling;

g. foundations of buildings, structures, machinery or boilers if their foundations are below:

(1) the lowest basement floor; or

(2) the surface of the ground, if there is no basement;

h. land (including land on which the property is located), water, growing crops or lawns; (other than lawns which are part of a vegetated roof);

i. personal property while airborne or waterborne;

j. bulkheads, pilings, piers, wharves or docks;

k. property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;

l. retaining walls that are not part of a building;

m. underground pipes, flues or drains;

n. electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term

computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, **n.**, does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;

- o.** the cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers and Records (Other than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p.** vehicles or self-propelled machines (including aircraft or watercraft) that:

- (1)** are licensed for use on public roads; or
- (2)** are operated principally away from the described premises.

This paragraph does not apply to:

- (a)** vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (b)** vehicles or self-propelled machines, other than autos, you hold for sale;
- (c)** rowboats or canoes out of water at the described premises; or

- (d)** trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or

- q.** the following property while outside of buildings:

- (1)** grain, hay, straw or other crops;
- (2)** fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

### 3. Covered Causes of Loss

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

### 4. Additional Coverages

#### a. Debris Removal

- (1)** Subject to paragraphs **(2)**, **(3)** and **(4)**, we will pay your expense to remove debris of covered property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

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

- (a)** remove debris of property of yours that is not insured under this Policy, or property in your possession that is not Covered Property;
- (b)** remove debris of property owned by or leased to the landlord of the building

where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this Policy;

(c) remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;

(d) remove property of others of a type that would not be Covered Property under this Coverage Form;

(e) remove deposits of mud or earth from the grounds of the described premises;

(f) extract "pollutants" from land or water; or

(g) remove, restore or replace polluted land or water.

(3) Subject to the exceptions in paragraph (4), the following provisions apply:

(a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.

(b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is

covered under this Additional Coverage) is \$5,000 at each location.

(4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

## (5) Examples

The following examples assume that there is no Coinsurance penalty.

### Example 1

|                                 |                                |
|---------------------------------|--------------------------------|
| Limit of Insurance:             | \$ 90,000                      |
| Amount of Deductible:           | \$ 500                         |
| Amount of Loss:                 | \$ 50,000                      |
| Amount of Loss Payable:         | \$ 49,500                      |
|                                 | (\$50,000 - \$500)             |
| Debris Removal Expense:         | \$ 10,000                      |
| Debris Removal Expense Payable: | \$ 10,000                      |
|                                 | (\$10,000 is 20% of \$50,000.) |

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of paragraph (3).

### Example 2

|                                 |                              |
|---------------------------------|------------------------------|
| Limit of Insurance:             | \$ 90,000                    |
| Amount of Deductible:           | \$ 500                       |
| Amount of Loss:                 | \$ 80,000                    |
| Amount of Loss Payable:         | \$ 79,500                    |
|                                 | (\$80,000 - \$500)           |
| Debris Removal Expense:         | \$ 40,000                    |
| Debris Removal Expense Payable: |                              |
|                                 | Basic Amount: \$ 10,500      |
|                                 | Additional Amount: \$ 25,000 |

The basic amount payable for debris removal expense under the terms of paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000, capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of paragraph (4), because the debris removal expense (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 is 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under paragraph (4). Thus, the total payable for debris removal expense in this example is \$35,500; \$4,500 of the debris removal expense is not covered.

### b. Preservation of Property

If it is necessary to move covered property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) while it is being moved or while temporarily stored at another location; and
- (2) only if the loss or damage occurs within 30 days after the property is first moved.

### c. Fire Department Service Charge

When the fire department is called to save or protect covered property from a Covered Cause of Loss, we will pay up to \$1,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

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

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

No Deductible applies to this Additional Coverage.

### d. Pollutant Clean-up and Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants." But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this Policy.

**e. Increased Cost of Construction**

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is covered property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in **e.(3)** through **e.(9)** of this Additional Coverage.
- (3) The ordinance or law referred to in **e.(2)** of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
  - (a) you were required to comply with before the loss, even when the building was undamaged; and
  - (b) you failed to comply with.
- (5) Under this Additional Coverage, we will not pay for:
  - (a) the enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due

to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus," wet or dry rot or bacteria; or

- (b) any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants," "fungus," wet or dry rot or bacteria.
- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

- (7) With respect to this Additional Coverage:
  - (a) We will not pay for the Increased Cost of Construction:
    - (i) until the property is actually repaired or replaced, at the same or another premises; and



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

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

(c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the new premises.

(8) This Additional Coverage is not subject to the terms of the Ordinance or Law Exclusion to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

(9) The costs addressed in the Loss Payment and Valuation Conditions and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of or compliance with an ordinance or law. The amount payable under this Additional Coverage, as stated in **e.(6)** of this Additional Coverage, is not subject to such limitation.

#### **f. Electronic Data**

(1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data. This Additional Coverage does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

(2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

(3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:

(a) If the Causes of Loss - Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.

(b) If the Causes of Loss - Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.

(c) If the Causes of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the

coverage provided under this Additional Coverage, Electronic Data.

- (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, Electronic Data, is \$2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

## 5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property lo-

cated in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

### a. Newly Acquired or Constructed Property

#### (1) Buildings

If this Policy covers Building, you may extend that insurance to apply to:

- (a) your new buildings while being built on the described premises; and
- (b) buildings you acquire at locations, other than the described premises, intended for:
  - (i) similar use as the building described in the Declarations; or
  - (ii) use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

### (2) Your Business Personal Property

- (a) If this Policy covers Your Business Personal Property, you may extend that insurance to apply to:
  - (i) business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or

- (ii) business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

- (b) This Extension does not apply to:

- (i) personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (ii) personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

### (3) Period of Coverage

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

- (a) this Policy expires;
- (b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) you report values to us.

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

that part of the building that would qualify as covered property.

### b. Personal Effects and Property of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

### c. Valuable Papers and Records (Other than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) If the Causes of Loss - Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.
- (3) If the Causes of Loss - Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.

- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

#### **d. Property Off-premises**

- (1) You may extend the insurance provided by this Coverage Form to apply to your covered property while it is away from the described premises, if it is:

- (a) temporarily at a location you do not own, lease or operate;
- (b) in storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
- (c) at any fair, trade show or exhibition.

- (2) This Extension does not apply to property:

- (a) in or on a vehicle; or
- (b) in the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

- (3) The most we will pay for loss or damage under this Extension is \$10,000.

#### **e. Outdoor Property**

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) fire;
- (2) lightning;
- (3) explosion;
- (4) riot or Civil Commotion; or
- (5) aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

#### **f. Non-owned Detached Trailers**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

- (a) the trailer is used in your business;
- (b) the trailer is in your care, custody or control at the premises described in the Declarations; and

- (c) you have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
  - (a) while the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
  - (b) during hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

**g. Business Personal Property Temporarily in Portable Storage Units**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of the premises described in the Declarations, whichever distance is greater.
- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.

**(3) Coverage under this Extension:**

- (a) will end 90 days after the business personal property has been placed in the storage unit;
  - (b) does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
- (4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.
- (5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

**B. Exclusions and Limitations**

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

**C. Limits of Insurance**

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up and Removal;
3. Increased Cost of Construction; and
4. Electronic Data.

Payments under the Preservation of Property Additional Coverage will not increase the applicable Limit of Insurance.

#### D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of covered property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

##### Example 1

(This example assumes there is no Coinsurance penalty.)

|                                   |           |
|-----------------------------------|-----------|
| Deductible:                       | \$ 250    |
| Limit of Insurance - Building #1: | \$ 60,000 |
| Limit of Insurance - Building #2: | \$ 80,000 |

Loss to Building #1: \$ 60,100

Loss to Building #2: \$ 90,000

The amount of loss to Building #1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building #1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building #1:

\$60,100  
- 250

\$59,850 Loss Payable - Building #1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building #2. Loss payable for Building #2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:  
\$59,850 + \$80,000 = \$139,850

##### Example 2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example #1.

|  |           |
|--|-----------|
| Loss to Building #1:                         | \$70,000  |
| (Exceeds Limit of Insurance plus Deductible) |           |
| Loss to Building #2:                         | \$90,000  |
| (Exceeds Limit of Insurance plus Deductible) |           |
| Loss Payable - Building #1:                  | \$60,000  |
| (Limit of Insurance)                         |           |
| Loss Payable - Building #2:                  | \$80,000  |
| (Limit of Insurance)                         |           |
| Total amount of loss payable:                | \$140,000 |

#### E. Loss Conditions

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

##### 1. Abandonment

There can be no abandonment of any property to us.

## 2. Appraisal

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

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

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

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

- a. You must see that the following are done in the event of loss or damage to covered property:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the

damaged property aside and in the best possible order for examination.

- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

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

- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

## 4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
  - (1) pay the value of lost or damaged property;

- (2) pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;
- (3) take all or any part of the property at an agreed or appraised value; or
- (4) repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.

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

- b.** The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
- c.** We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d.** We will not pay you more than your financial interest in the Covered Property.
- e.** We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f.** We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g.** We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

(1) we have reached agreement with you on the amount of loss; or

(2) an appraisal award has been made.

**h.** A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer of Rights of Recovery against Others to Us Condition in this Policy.

## 5. Recovered Property

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

## 6. Vacancy

### a. Description of Terms

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



(a) When this Policy is issued to a tenant, and with respect to that tenant's interest in covered property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

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

(i) rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or

(ii) used by the building owner to conduct customary operations.

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

#### **b. Vacancy Provisions**

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

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

(a) vandalism;

(b) sprinkler leakage, unless you have protected the system against freezing;

(c) building glass breakage;

(d) water damage;

(e) theft; or

(f) attempted theft.

(2) With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

#### **7. Valuation**

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

a. At actual cash value as of the time of loss or damage, except as provided in **b.**, **c.**, **d.** and **e.** below.

b. If the Limit of Insurance for Building satisfies the Additional Condition, Co-insurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value, even when attached to the building:

(1) awnings or floor coverings;

(2) appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or

(3) outdoor equipment or furniture.

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

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

**e. Tenants' Improvements and Betterments at:**

**(1)** Actual cash value of the lost or damaged property if you make repairs promptly.

**(2)** A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

**(a)** multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

**(b)** divide the amount determined in **(a)** above by the number of days from the installation of improvements to the expiration of the lease.

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

**(3)** Nothing if others pay for repairs or replacement.

**(1)** multiply the value of covered property at the time of loss by the Coinsurance percentage;

**(2)** divide the Limit of Insurance of the property by the figure determined in Step **(1)**;

**(3)** multiply the total amount of loss, before the application of any deductible, by the figure determined in Step **(2)**; and

**(4)** subtract the deductible from the figure determined in Step **(3)**.

We will pay the amount determined in Step **(4)** or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

**Example 1 (Underinsurance)**

|                                       |            |
|---------------------------------------|------------|
| When: The value of the property is:   | \$ 250,000 |
| The Coinsurance percentage for it is: | 80%        |
| The Limit of Insurance for it is:     | \$ 100,000 |
| The Deductible is:                    | \$ 250     |
| The amount of loss is:                | \$ 40,000  |

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

Step **(2)**:  $\$100,000 \div \$200,000 = .50$

Step **(3)**:  $\$40,000 \times .50 = \$20,000$

Step **(4)**:  $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

**Example 2 (Adequate Insurance)**

|                                       |            |
|---------------------------------------|------------|
| When: The value of the property is:   | \$ 250,000 |
| The Coinsurance percentage for it is: | 80%        |
| The Limit of Insurance for it is:     | \$ 200,000 |
| The Deductible is:                    | \$ 250     |
| The amount of loss is:                | \$ 40,000  |

**F. Additional Conditions**

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

**1. Coinsurance**

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

**a.** We will not pay the full amount of any loss if the value of covered property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 (\$250,000 x 80%). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than \$39,750 (\$40,000 amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

### Example 3

When: The value of the property is:

|                                   |                  |
|-----------------------------------|------------------|
| Building at Location #1:          | \$ 75,000        |
| Building at Location #2:          | \$ 100,000       |
| Personal Property at Location #2: | \$ <u>75,000</u> |
|                                   | \$ 250,000       |

|   |            |
|---|------------|
| The Coinsurance percentage for it is:   | 90%        |
| The Limit of Insurance for Buildings and Personal Property at Locations #1 and #2 is: | \$ 180,000 |
| The Deductible is:  | \$ 1,000   |

|                                   |                  |
|-----------------------------------|------------------|
| The amount of loss is:            |                  |
| Building at Location #2:          | \$ 30,000        |
| Personal Property at Location #2: | \$ <u>20,000</u> |
|                                   | \$ 50,000        |

Step (1):  $\$250,000 \times 90\% = \$225,000$   
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

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

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

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

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

## 2. Mortgageholders

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

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

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

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

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

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

(1) the mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

(2) the mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

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

f. If we cancel this Policy, we will give written notice to the mortgageholder at least:

(1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

g. If we elect not to renew this Policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this Policy.

## G. Optional Coverages

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

### 1. Agreed Value

a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

c. The terms of this Optional Coverage apply only to loss or damage that occurs:

(1) on or after the effective date of this Optional Coverage; and

(2) before the Agreed Value expiration date shown in the Declarations or the Policy expiration date, whichever occurs first.

## 2. Inflation Guard

a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.

b. The amount of increase will be:

(1) the Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times

(2) the percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times

(3) the number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

### Example

|   |           |
|---|-----------|
| If: The applicable Limit of Insurance is:   | \$100,000 |
| The annual percentage increase is:  | 8%        |
| The number of days since the beginning of the policy year (or last policy change) is: | 146       |
| The amount of increase is:  |           |
| $\$100,000 \times .08 \times 146$   |           |
| $\div 365 =$  | \$3,200   |

## 3. Replacement Cost

a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.

b. This Optional Coverage does not apply to:

- (1) personal property of others;
- (2) contents of a residence;
- (3) works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
- (4) "stock," unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.

d. We will not pay on a replacement cost basis for any loss or damage:

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

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

- (3) if the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost,

as set forth in the Valuation Loss Condition of this Coverage Form; and

- (4) we will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.

e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:

- (1) the Limit of Insurance applicable to the lost or damaged property;
- (2) the cost to replace the lost or damaged property with other property:
  - (a) of comparable material and quality; and
  - (b) used for the same purpose; or
- (3) the amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

#### 4. Extension of Replacement Cost to Personal Property of Others

a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then paragraph 3.b.(1) of the Replacement Cost Optional Coverage is deleted and all other provisions of

the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

#### H. Definitions

1. **"Fungus"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. **"Stock"** means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

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

## **OHIO CHANGES**

This endorsement modifies insurances provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY**

**A.** Paragraphs **c.** and **g.** of the **Loss Payment** Loss Condition are replaced by the following, except as provided in paragraph **B.**:

**c.** We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) accept your claim;
- (2) deny your claim; or
- (3) need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

**g.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we receipt your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss; and

(a) an appraisal award has been made; or

(b) we have reached an agreement with you on the amount of loss that was in dispute.

**B.** Paragraph **A.** does not apply to the **Loss Payment** Loss Condition in the following forms:

1. **Business Income (And Extra Expense) Coverage Form;**
2. **Business Income (Without Extra Expense) Coverage Form;**
3. **Extra Expense Coverage Form;**
4. **Leasehold Interest Coverage Form;** and
5. **Mortgageholders Errors And Omissions Coverage Form.**

In the forms listed above, the **Loss Payment** Loss Condition is replaced by the following:

### **Loss Payment**

**a.** We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) accept your claim;
- (2) deny your claim; or
- (3) need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We

will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

**b.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within:

**(1)** 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate

court or other extraordinary circumstances as documented in the claim file; or

**(2)** Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and

**(a)** an appraisal award has been made; or

**(b)** we have reached an agreement with you on the amount of loss that was in dispute.



## CAUSES OF LOSS - SPECIAL FORM

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

### A. Covered Causes Of Loss

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

### B. Exclusions

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

#### a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

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

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

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

### b. Earth Movement

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

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

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

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

(a) Airborne volcanic blast or airborne shock waves;

(b) Ash, dust or particulate matter; or

(c) Lava flow.

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

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

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

#### c. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

#### d. Nuclear Hazard

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

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

#### e. Utility Services

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

(1) Originates away from the described premises; or

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

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

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

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

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

#### f. War And Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

#### g. Water

(1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any

of these, all whether or not driven by wind (including storm surge);

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

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

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

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

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

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

This exclusion does not apply:

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

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

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

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

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

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

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

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

- b. Delay, loss of use or loss of market.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.
- d. (1) Wear and tear;
  - (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
  - (3) Smog;
  - (4) Settling, cracking, shrinking or expansion;
  - (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.
  - (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.
  - (7) The following causes of loss to personal property:
    - (a) Dampness or dryness of atmosphere;
    - (b) Changes in or extremes of temperature; or
    - (c) Marring or scratching.

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

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of

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

- f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.
- g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
  - (1) You do your best to maintain heat in the building or structure; or
  - (2) You drain the equipment and shut off the supply if the heat is not maintained.
- h. Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

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

employees (including temporary employees and leased workers) or authorized representatives is not covered.

- i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- j. Rain, snow, ice or sleet to personal property in the open.
- k. Collapse, including any of the following conditions of property or any part of the property:
  - (1) An abrupt falling down or caving in;
  - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
  - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above.

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

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

- (a) To the extent that coverage is provided under the Additional Coverage, Collapse; or
- (b) To collapse caused by one or more of the following:
  - (i) The "specified causes of loss";
  - (ii) Breakage of building glass;
  - (iii) Weight of rain that collects on a roof; or
  - (iv) Weight of people or personal property.

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

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

- m. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
3. We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph **1.** above to produce the loss or damage.
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;

of part or all of any property on or off the described premises.

#### 4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

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

We will not pay for:

- (1) Any loss caused by or resulting from:

- (a) Damage or destruction of "finished stock"; or
- (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

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

- (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
- (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restora-

tion" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

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

- (5) Any other consequential loss.

**b. Leasehold Interest Coverage Form**

- (1) Paragraph **B.1.a.**, Ordinance Or Law, does not apply to insurance under this Coverage Form.

- (2) We will not pay for any loss caused by:

- (a) Your cancelling the lease;
- (b) The suspension, lapse or cancellation of any license; or
- (c) Any other consequential loss.

**c. Legal Liability Coverage Form**

- (1) The following exclusions do not apply to insurance under this Coverage Form:

- (a) Paragraph **B.1.a.** Ordinance Or Law;
- (b) Paragraph **B.1.c.** Governmental Action;
- (c) Paragraph **B.1.d.** Nuclear Hazard;
- (d) Paragraph **B.1.e.** Utility Services; and
- (e) Paragraph **B.1.f.** War And Military Action.

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

**(a) Contractual Liability**

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

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

**(b) Nuclear Hazard**

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

**5. Additional Exclusion**

The following provisions apply only to the specified property:

**Loss Or Damage To Products**

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, mainten-

ance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

**C. Limitations**

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

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
  - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
  - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
  - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
    - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
    - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

- (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or

- (2) Business Income Coverage or Extra Expense Coverage.

- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.

- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:

- (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;

- (2) Changes in or extremes of temperature;

- (3) Disease;

- (4) Frost or hail; or

- (5) Rain, snow, ice or sleet.

2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

- a. Animals, and then only if they are killed or their destruction is made necessary.

- b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:

- (1) Glass; or

- (2) Containers of property held for sale.

- c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

- (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

- (2) To Business Income Coverage or to Extra Expense Coverage.

3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

- a. \$2,500 for furs, fur garments and garments trimmed with fur.

- b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.

- c. \$2,500 for patterns, dies, molds and forms.

- d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

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

This limitation, C.3., does not apply to Business Income Coverage or to Extra Expense Coverage.



4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

a. Results in discharge of any substance from an automatic fire protection system; or

b. Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

#### **D. Additional Coverage - Collapse**

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

1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;

b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;

c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.

d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

(1) A cause of loss listed in **2.a.** or **2.b.**;

(2) One or more of the "specified causes of loss";

(3) Breakage of building glass;

(4) Weight of people or personal property; or

(5) Weight of rain that collects on a roof.

3. This **Additional Coverage - Collapse** does **not** apply to:

a. A building or any part of a building that is in danger of falling down or caving in;

b. A part of a building that is standing, even if it has separated from another part of the building; or

c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

b. Awnings, gutters and downspouts;

c. Yard fixtures;

d. Outdoor swimming pools;

e. Fences;

- f. Piers, wharves and docks;
- g. Beach or diving platforms or appurtenances;
- h. Retaining walls; and
- i. Walks, roadways and other paved surfaces;

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

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

- a. The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.**;
- b. The personal property which collapses is inside a building; and
- c. The property which collapses is not of a kind listed in **4.**, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.

8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in **D.1.** through **D.7.**

#### **E. Additional Coverage - Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria**

1. The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under **E.2.** of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

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

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph **F.2.** (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.

6. The following, **6.a.** or **6.b.**, applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:

a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

## **F. Additional Coverage Extensions**

### **1. Property In Transit**

This Extension applies only to your personal property to which this form applies.

a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

b. Loss or damage must be caused by or result from one of the following causes of loss:

(1) Fire, lightning, explosion, wind-storm or hail, riot or civil commotion, or vandalism.

(2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with an-

other vehicle or object. It does not mean your vehicle's contact with the roadbed.

- (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

## 2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

## 3. Glass

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

This Coverage Extension **F.3.** does not increase the Limit of Insurance.

## G. Definitions

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

2. "Specified causes of loss" means the following: fire; lightning; explosion; wind-storm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sink-hole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into manmade underground cavities.

- b. Falling objects does not include loss or damage to:

- (1) Personal property in the open; or
- (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

- c. Water damage means:

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

by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

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

accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

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

## HUMAN SERVICES BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION E. DEFINITIONS.**

### A. COVERAGE

We will pay for the actual loss of Business Income you sustain due to the necessary suspension of "operations" during the "period of restoration." The suspension must be caused by direct physical loss of or damage to property at the described premises, including personal property in the open (or in a vehicle) within 100 feet, caused by or resulting from any Covered Cause of Loss.

#### 1. Business Income

**Business Income** means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. continuing normal operating expenses incurred, including payroll.

#### 2. Covered Causes of Loss

See applicable Causes of Loss Form.

#### 3. Additional Coverages

##### a. Extra Expense.

We will pay necessary Extra Expense 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 at the described premises, including per-

sonal property in the open (or in a vehicle) within 100 feet, caused by or resulting from a Covered Cause of Loss.

**Extra Expense** means expense incurred:

- (1) To avoid or minimize the suspension of business and to continue "operations":

- (a) at the described premises; or

- (b) at replacement premises or at temporary locations, including:

- (i) relocation expenses; and

- (ii) costs to equip and operate the replacement or temporary locations.

- (2) To minimize the suspension of business if you cannot continue "operations."

- (3) Other Expenses:

- (a) to repair or replace any property; or

- (b) to research, replace or restore the lost information on damaged valuable papers and records.

All of these expenses are covered only to the extent they reduce the amount of loss that otherwise would have been payable under Paragraph 1., **Business Income**, of this Coverage Form.

- b. **Alterations and New Buildings.** We will pay for the actual loss of Business Income you sustain due to direct physical loss or damage at the de-

scribed premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction.
- (2) Alterations or additions to existing buildings or structures; and
- (3) machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and
  - (a) used in construction, alterations, additions; or
  - (b) incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations," the "period of restoration" will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

#### 4. Coverage Extension

##### Newly Acquired Locations

- a. You may extend your Business Income Coverage to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay for loss under this Extension is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
  - (1) this policy expires;
  - (2) 30 days expire after you acquire or begin to construct the property;
  - (3) you report values to us.

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

#### B. EXCLUSIONS AND LIMITATIONS

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

#### C. LIMITS OF INSURANCE

We will only pay for loss of Business Income and Extra Expense that you sustain or incur during the "period of restoration," and that occurs within 12 consecutive months after the date of direct physical loss or damage. Under coverages **A.1.**, **A.3.a.**, and **A.3.b.** referenced above, the most we will pay is \$2,000,000 for the total of all loss of Business Income and Extra Expense resulting from any one occurrence, regardless of the number of locations involved.

#### D. LOSS CONDITIONS

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

##### 1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request the selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. pay its chosen appraiser and
- b. bear the other expenses of the appraisal and umpire equally.

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

##### 2. Duties in The Event Of Loss

- a. You must see that the following are done in the event of loss:

- (1) Notify the police if a law may have been broken.

(2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.

(3) As soon as possible, give us a description of how, when, and where the 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. 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.

(5) As often as we reasonably require, permit us to inspect the property proving the loss or damage and examine your books and records.

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

(6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

(7) Cooperate with us in the investigation or settlement of the claim.

(8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

b. We may examine any Insured under oath, while not in the presence of any other Insured and at such time as may be reasonably required, about any matter relating to this insurance or the claim, including an Insured's books and

records. In the event of an examination, an Insured's answers must be signed.

### 3. Limitation-Electronic Media and Records

We will not pay for any loss of Business Income caused by direct physical loss of or damage to Electronic Media and Records after the longer of:

- a. 60 consecutive days from the date of direct physical loss or damage; or
- b. the period, beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace with reasonable speed and similar quality, other property at the described premises due to loss or damage caused by the same occurrence.

Electronic Media and Records are:

- (1) electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
- (2) data stored on such media; or
- (3) programming records used for electronic data processing or electronically controlled equipment.

#### Example No. 1:

A Covered Cause of Loss damages a computer on June 1. It takes until September 1 to replace the computer, and until October 1 to restore the data that was lost when the damage occurred. We will only pay for the Business Income loss sustained during the period June 1 - September 1. Loss during the period September 2 - October 1 is not covered.

#### Example No. 2:

A Covered Cause of Loss results in the loss of data processing programming records on August 1. The records are replaced on October 15. We will only pay for the Business Income loss sustained during the period August 1 - September 29 (60 consecutive days). Loss during the period September 30 - October 15 is not covered.



**4. Loss Determination**

- a. The amount of Business Income loss will be determined based on:

- (1) the Net Income of the business before the direct physical loss or damage occurred;
- (2) the likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) the operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- (4) other relevant sources of information, including:
  - (a) your financial records and accounting procedures;
  - (b) bills, invoices and other vouchers; and
  - (c) deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on all necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations," in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

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

- d. If you do not resume "operations" or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

**5. Loss Payment**

We will not pay you more than the lesser of your financial interest or the amount of your actual Business Income loss. We will notify you of our intentions regarding payment of a claim within 30 days of completion of the following:

- a. receipt of a completed sworn proof of loss from you; and
- b. the reaching of an agreement with you on the amount of loss; or
- c. an appraisal award has been made; and
- d. you have complied with all of the terms of this coverage.

**E. DEFINITIONS**

1. **"Operations"** means your business activities occurring at the described premises.
2. **"Period of Restoration"** means the period of time that:
  - a. begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
  - b. ends on the earlier of:
    - (1) the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - (2) the date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

(1) regulates the construction, use or repair, or requires the tearing down of any property; or

The expiration date of this policy will not cut short the "period of restoration."

(2) requires any Insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants."

3. **"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.

Policy No. PAC 3652300 00

**GENERAL LIABILITY COVERAGE PART  
DECLARATION PAGE**

|  |   |
|--|---|
| <b>NAMED INSURED:</b> EDUCATIONAL THEATRE<br>ASSOCIATION INTERNATIONAL | <b>POLICY PERIOD:</b><br>10/01/2020 to 10/01/2021 |
|--|---|

**LIMITS OF INSURANCE:**

|   |    |           |                  |
|---|----|-----------|------------------|
| General Aggregate Limit<br>(Other Than Products - Completed Operations) | \$ | 3,000,000 |                  |
| Products - Completed Operations Aggregate Limit                         | \$ | 3,000,000 |                  |
| Personal and Advertising Injury Limit                                   | \$ | 1,000,000 |                  |
| Each Occurrence Limit   | \$ | 1,000,000 |                  |
| Damage to Premises Rented to You Limit                                  | \$ | 100,000   | Any One Premises |
| Medical Expense Limit   | \$ | 10,000    | Any One Person   |

**FORM OF BUSINESS:** CORPORATION**TOTAL ESTIMATED PREMIUM:** \$ 64,363.00**Products/Completed Operations**  
\$ 249.00 Min.Premium**All Other**  
\$ 64,114.00**SCHEDULE OF LOCATIONS**Location: 0001 Building: 0001  
4805 MONTGOMERY RD STE 400  
CINCINNATI, OH 45212CODE NUMBER: 01211 PREMIUM BASIS: MANUAL RATED - NON-AUDIT  
Classification: SIGNATURE GENERAL LIABILITY BROADENING ENDORSEMENT

|                               |                     |        |
|-------------------------------|---------------------|--------|
| Products/Completed Operations | All Other           |        |
| EXPOSURE:                     | EXPOSURE:           | IF ANY |
| RATE:                         | RATE:               |        |
| PREMIUM: \$0.00               | PREMIUM: \$1,250.00 |        |

CODE NUMBER: 13507 LOC: 0001 BLDG: 0001 PREMIUM BASIS: PER \$1000 GROSS SALES  
Classification: GIFT SHOPS - NOT-FOR-PROFIT

|                               |                   |
|-------------------------------|-------------------|
| Products/Completed Operations | All Other         |
| EXPOSURE: 600,000             | EXPOSURE: 600,000 |
| RATE: .205                    | RATE: .534        |
| PREMIUM: \$249.00             | PREMIUM: \$321.00 |
| Incl. Balance to Min. Premium |                   |

CODE NUMBER: 48600 LOC: 0001 BLDG: 0001 PREMIUM BASIS: PER 1000 SQUARE FEET  
Classification: SOCIAL SERVICES-CONSULTING SERVICE ONLY-OPERATED BY THE  
PRIVATE SECTOR  
PRODUCTS-COMPLETED OPERATIONS COVERAGE IS INCLUDED BUT IS  
SUBJECT TO THE GENERAL AGGREGATE LIMIT NOT THE PRODUCT COMPLETED  
OPERATION AGGREGATE LIMIT, IF ANY

|                               |                   |
|-------------------------------|-------------------|
| Products/Completed Operations | All Other         |
| EXPOSURE:                     | EXPOSURE: 5,000   |
| RATE: INCLUDED                | RATE: 28.606      |
| PREMIUM: INCLUDED             | PREMIUM: \$143.00 |

CODE NUMBER: 49891 LOC: 0001 BLDG: 0001 PREMIUM BASIS: PER EACH REGISTRANT  
Classification: YOUTH RECREATION PROGRAMS - NOT-FOR-PROFIT  
PRODUCTS-COMPLETED OPERATIONS COVERAGE IS INCLUDED BUT IS  
SUBJECT TO THE GENERAL AGGREGATE LIMIT NOT THE PRODUCT COMPLETED  
OPERATION AGGREGATE LIMIT, IF ANY

|                               |                      |
|-------------------------------|----------------------|
| Products/Completed Operations | All Other            |
| EXPOSURE:                     | EXPOSURE: 60,000     |
| RATE: INCLUDED                | RATE: 1.040          |
| PREMIUM: INCLUDED             | PREMIUM: \$62,400.00 |

**FORMS AND ENDORSEMENTS** applicable to this Coverage Part and made part of this Policy at time of issue:

**SEE CG 88 01 11/85**

Policy No. PAC 3652300 00

**OHIO STOP GAP EMPLOYERS' LIABILITY COVERAGE PART  
DECLARATIONS PAGE**

|  |   |
|--|---|
| <b>NAMED INSURED:</b> EDUCATIONAL THEATRE<br>ASSOCIATION INTERNATIONAL | <b>POLICY PERIOD:</b><br>10/01/2020 To 10/01/2021 |
|--|---|

**LIMITS OF INSURANCE:**

|                           |    |           |                 |
|---------------------------|----|-----------|-----------------|
| Bodily Injury By Accident | \$ | 1,000,000 | Each Accident   |
| Bodily Injury By Disease  | \$ | 1,000,000 | Each Employee   |
| Bodily Injury By Disease  | \$ | 1,000,000 | Aggregate Limit |

**FORM OF BUSINESS:** CORPORATION

|                                  |    |     |
|----------------------------------|----|-----|
| <b>ESTIMATED ANNUAL PREMIUM:</b> | \$ | 189 |
|----------------------------------|----|-----|

**FORMS AND ENDORSEMENTS** applicable to this Coverage Part and made part of this Policy at the time of issue are listed on the attached Forms and Endorsements Schedule CG 88 01 (11/85).

Policy No. PAC 3652300 00

**EMPLOYEE BENEFITS LIABILITY COVERAGE PART  
DECLARATIONS PAGE**

|  |             |   |
|--|-------------|---|
| <b>NAMED INSURED:</b> EDUCATIONAL THEATRE<br>ASSOCIATION INTERNATIONAL |             | <b>POLICY PERIOD:</b><br>10/01/2020 to 10/01/2021 |
| <b>LIMITS OF INSURANCE:</b>  |             |   |
| Aggregate Limit  | \$          | 3,000,000   |
| Each Claim Limit   | \$          | 1,000,000   |
| Deductible   | \$          | 1,000   |
| <b>FORM OF BUSINESS:</b>   | CORPORATION |   |
| <b>NUMBER OF EMPLOYEES</b>   | 45          |   |
| <b>TOTAL ESTIMATED PREMIUM</b>   | \$ 220      |   |

**FORMS AND ENDORSEMENTS** applicable to this Coverage Part and made a part of this Policy at the time of issue are listed on the attached Forms and Endorsements Schedule CG 88 01 (11/85).

**Policy No.** PAC 3652300 00

**ABUSE OR MOLESTATION COVERAGE FORM  
DECLARATIONS PAGE**

|  |   |
|--|---|
| <b>NAMED INSURED:</b> EDUCATIONAL THEATRE<br>ASSOCIATION INTERNATIONAL | <b>POLICY PERIOD:</b><br>10/01/2020 to 10/01/2021 |
|--|---|

**LIMITS OF INSURANCE:**

Aggregate Limit \$ 1,000,000

Each Abuse Limit \$ 1,000,000

**DESCRIPTION OF BUSINESS:**

Form of Business CORPORATION

**READ YOUR POLICY CAREFULLY, OPTIONAL COVERAGES ARE PROVIDED BY PREMIUM INSERTION.**

**Premium**

Abuse or Molestation Coverage

\$ 7,800

**TOTAL ADVANCE PREMIUM** \$ 7,800

Premium shown is payable: \$ at inception;

**FORMS AND ENDORSEMENTS** Applicable to this Coverage Part and made part of this Policy at time of issue are listed on the attached Forms and Endorsements Schedule CG 88 01 (11/85).

**Policy No.** PAC 3652300 00

**PROFESSIONAL LIABILITY COVERAGE PART  
DECLARATIONS PAGE**

|  |   |
|--|---|
| <b>NAMED INSURED:</b> EDUCATIONAL THEATRE<br>ASSOCIATION INTERNATIONAL | <b>POLICY PERIOD:</b><br>10/01/2020 to 10/01/2021 |
|--|---|

**LIMITS OF INSURANCE:**

Aggregate Limit \$ 3,000,000

Each Act, Error or Omission \$ 1,000,000

**DESCRIPTION OF BUSINESS:**

Form of Business CORPORATION

**TOTAL ADVANCE PREMIUM \$ 19,461**

Premium shown is payable: \$ at inception;

**FORMS AND ENDORSEMENTS** Applicable to this Coverage Part and made part of this Policy at time of issue are listed on the attached Forms and Endorsements Schedule CG 88 01 (11/85).



## FORMS AND ENDORSEMENTS SCHEDULE

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

|     | <b>Form and Edition</b> |       | <b>Date Added *<br/>or<br/>Date Deleted</b> | <b>Form Description</b>             |
|-----|-------------------------|-------|---|-------------------------------------|
| 1.  | CG0001                  | 04/13 |   | COMML GENERAL LIABILITY COVERAGE    |
| 2.  | CG0300                  | 01/96 |   | DEDUCTIBLE LIABILITY INSURANCE      |
| 3.  | CG2106                  | 05/14 |   | EXCLUSION-PERSONAL INFO & DATA-LIMI |
| 4.  | CG2147                  | 12/07 |   | EMPLOYMENT RELATED PRACTICES EXCL   |
| 5.  | CG2171                  | 01/15 |   | LTD TERROR EXCL(O/T CERTIFIED)CAP L |
| 6.  | CG2426                  | 04/13 |   | AMENDMENT OF INSURED CONTRACT DEFIN |
| 7.  | CG7400                  | 07/01 |   | GENERAL LIABILITY DEC PAGE          |
| 8.  | CG7518                  | 03/90 |   | EMPLOYEE BENEFITS DEC               |
| 9.  | CG7519                  | 12/07 |   | EMPLOYEE BENEFITS COVERAGE          |
| 10. | CG7794                  | 07/98 |   | EXCL-LIABILITY ARISING OUT OF LEAD  |
| 11. | CG8133                  | 08/11 |   | STOP GAP EMPLOYER'S LIABILITY DEC   |
| 12. | CG8134                  | 08/11 |   | OH STOP GAP EMPLOYER'S LIABILITY CO |
| 13. | CG8282                  | 12/09 |   | ABUSE & MOLESTATION                 |
| 14. | CG8361                  | 02/05 |   | SILICA OR DUST RELATED EXCL         |
| 15. | CG8366                  | 06/05 |   | NUCLEAR, BIOLOGICAL, CHEMICAL EXCL  |
| 16. | CG8440                  | 08/09 |   | COORDINATION OF LIMITS ENDORSEMENT  |
| 17. | CG8565                  | 01/12 |   | ABUSE OR MOLESTATION COVERAGE FORM  |
| 18. | CG8707                  | 06/14 |   | OH CHANGES                          |
| 19. | CG8710                  | 08/09 |   | PROFESSIONAL LIABILITY INSURANCE    |
| 20. | CG8711                  | 09/07 |   | PROFESSIONAL LIABILITY COV DEC PAGE |
| 21. | CG8970                  | 11/14 |   | SIGNATURE-GL-BROADNING ENDT         |
| 22. | CG9082                  | 06/17 |   | EXCLUSION - PROFESSIONAL SERVICES   |
| 23. | CG9083                  | 06/17 |   | ABUSE, MOL, HARASSMENT OR SEXUAL EX |
| 24. | CG9169                  | 02/20 |   | MEDICAL PAYMENTS AT YOUR REQUEST    |

\* If not at inception

## 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 **SEC-**

**TION 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," rea-

sonable 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 air-

craft, "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 sub-contractors 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 Chat Rooms or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chat room 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## DEDUCTIBLE LIABILITY INSURANCE

This endorsement modifies insurance provided under the following:

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

### SCHEDULE

| Coverage   | Amount and Basis of Deductible |    |                |
|--|--------------------------------|----|----------------|
|  | PER CLAIM                      | OR | PER OCCURRENCE |
| Bodily Injury Liability  | \$                             |    | \$             |
| <b>OR</b>  |                                |    |                |
| Property Damage Liability  | \$                             |    | \$             |
| <b>OR</b>  |                                |    |                |
| Bodily Injury Liability and/or<br>Property Damage Liability Combined | \$                             |    | \$ 25,000      |

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

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

Applies to All Other Coverage

- A.** Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.
- B.** You may select a deductible amount on either a per claim or a per "occurrence" basis. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:
- 1. Per Claim Basis.** If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:
    - a.** under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury";
    - b.** under Property Damage Liability Coverage, to all damages sustained by any one person because of

"property damage"; or

- c. under Bodily Injury Liability and/or Property Damage Liability Coverage combined, to all damages sustained by any one person because of:

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

as the result of any one "occurrence."

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

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

- 2. **Per Occurrence Basis.** If the deductible amount indicated in the Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:

- a. under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
- b. under Property Damage Liability Coverage, to all damages because of "property damage"; or
- c. under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:
  - (1) "bodily injury";
  - (2) "property damage"; or
  - (3) "bodily injury" and "property damage" combined

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

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

- 1. our right and duty to defend the Insured against any "suits" seeking those damages; and
- 2. your duties in the event of an "occurrence," claim, or "suit"

apply irrespective of the application of the deductible amount.

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

**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.



**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.

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

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

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

- A.** The following exclusion is added to paragraph  
**2. Exclusions of SECTION I - Coverage A -  
Bodily Injury and Property Damage Liability:**

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

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

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

- B.** The following exclusion is added to paragraph  
**2. Exclusions of SECTION I - Coverage B -  
Personal and Advertising Injury Liability:**

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

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

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

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

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

**AMENDMENT OF INSURED CONTRACT DEFINITION**

This endorsement modifies insurance provided under the following:

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

The definition of "insured contract" in the **Definitions** section is replaced by the following:

**"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, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent

your assumption of the tort liability is permitted by law. 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.

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

**EXCLUSION - LIABILITY ARISING OUT OF LEAD**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS COVERAGE PART

This insurance does not apply to:

1. "bodily injury," "property damage," or "personal and advertising injury" arising out of, resulting from, or in any way caused by or related to the actual, alleged or threatened ingestion, inhalation, absorption, or exposure to lead in any form from any source; or
2. any loss, cost, expense, liability or other type of obligation arising out of or resulting from, or in any way related to, any:
  - a. claim, suit, request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neu-

tralize, or in any way respond to, or assess the effects of lead in any form from any source, or to any

- b. claim or suit by or on behalf of any person, entity, or governmental authority for damages or any other relief or remedy because of testing for, monitoring, cleaning up, removing, containing, treating or detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead in any form.

We shall not be obligated to investigate on behalf of an Insured or to defend or indemnify an Insured or any person or entity claiming any right under the policy for the matters excluded in this endorsement.

**COORDINATION OF LIMITS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

PROFESSIONAL LIABILITY INSURANCE  
COMMERCIAL GENERAL LIABILITY  
ABUSE OR MOLESTATION COVERAGE

1. This endorsement applies if we have issued to you an **Abuse or Molestation Coverage Form**, whether on a claims-made basis or otherwise, and either:
    - a. a **Professional Liability Insurance Coverage Form**, whether on a claims-made basis or otherwise;
    - b. a **Commercial General Liability Coverage Form**, whether on a claims-made basis or otherwise; or
    - c. both a. and b.
  2. If we have both:
    - a. either a duty to defend or a duty to indemnify any one or more insureds under the **Abuse or Molestation Coverage Form** with respect to all or any part of a claim, "claim" (if the Coverage Form defines "claim"), or "suit"; and
    - b. either a duty to defend or a duty to indemnify any one or more insureds under either:
      - (1) the **Professional Liability Insurance Coverage Form**;
      - (2) the **Commercial General Liability Coverage Form**; or
      - (3) both a. and b.;with respect to all or any part of the same claim, "claim" (if the Coverage Form defines "claim"), or "suit"then:
    - c. the applicable Limits of Insurance of the **Abuse or Molestation Coverage Form** are the only Limits of Insurance that apply to that entire claim, "claim" (if the Coverage Form defines "claim") or "suit";
  - d. no part of the Limits of Insurance of any Coverage Form described in 2.b. (1) through 2.b. (3) applies to any part of that claim, "claim" (if the Coverage Form defines "claim"), or "suit"; and
  - e. our total potential liability for that entire claim, "claim" (if the Coverage Form defines "claim"), or "suit" will not exceed the applicable Limits of Insurance of the Abuse or Molestation Coverage Form.
3. The foregoing applies regardless:
    - a. whether we learn that insurance under the **Abuse or Molestation Coverage Form** and insurance under another Coverage Form apply to the same claim, "claim" (if the Coverage Form defines "claim"), or "suit":
      - (1) when we receive initial notice of the claim, "claim" (if the Coverage Form defines "claim"), or "suit," or thereafter;
      - (2) from the initial pleadings in a "suit" or an amended pleading during discovery, at trial, during an appeal, or at any other time.
    - b. the number or kinds of:
      - (1) theories of recovery asserted in the claim or "claim" (if the Coverage Form defines "claim"), or pleaded or asserted in the "suit";
      - (2) the number or kinds of counts, causes of action, or prayers for relief pleaded or asserted in the "suit."

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

**EXCLUSION - PROFESSIONAL SERVICES**

This endorsement modifies and is subject to the insurance provided under the following form:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

1. The following exclusion is added to paragraph 2. **Exclusions** of **SECTION I - COVERAGE A - Bodily Injury and Property Damage Liability** and paragraph 2. **Exclusions** of **SECTION I - COVERAGE B - Personal and Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" due to the rendering of or failure to render any "professional service".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any "professional service".

2. The following is added to **SECTION V. DEFINITIONS**:

- a. **"Professional Services"** includes any service:

1. that involves specialized education, knowledge, labor, judgment, and skill, and is predominantly mental or intellectual (as opposed to physical or manual) in nature.

- b. "Professional Services" includes the following:

1. advice, guidance, or assistance;
2. counseling;
3. social work;
4. therapy;
5. daycare;
6. nursing or health care;
7. educational instruction or teaching;
8. job training, job placement, job referral, and vocational services; and
9. other services of the kind described in a., above.

- c. "Professional Services" includes the furnishing, dispensing, or administration of any prescription drug.

**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 of 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.



**EMPLOYEE BENEFITS LIABILITY COVERAGE FORM  
EXCLUDING FIDUCIARY LIABILITY**

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

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

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 VI - DEFINITIONS**.

**SECTION I - EMPLOYEE BENEFITS COVERAGES****1. Insuring Agreement**

- a. We will pay those sums that the Insured becomes legally obligated to pay as damages sustained by an employee, former employee, prospective employee, or the beneficiaries or legal representatives thereof, and caused by any "negligent act, error or omission" of the Insured or any other person for whose acts you are legally liable in the "administration" of your "employee benefit program."

This insurance applies to any "negligent act, error, or omission" which occurs in the "coverage territory" and during the policy period.

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

- (1) the amount we pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**.

- (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 this Coverage Part.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplemental Payments.

**2. Exclusions**

This insurance does not apply to:

- a. Damages actually or allegedly arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error, or omission, committed by any insured, including, but not limited to, the willful violation of any statute.
- b. Damages claimed for any "bodily injury," "property damage" or "personal and advertising injury."
- c. Damages actually or allegedly arising out of any breach of or failure to perform any contract by any insured or insurer.
- d. Damages arising out of an insufficiency of funds to meet any obligations under any plan included in an "employee benefit program."

- e. Damages actually or allegedly arising out of any:
  - (1) failure of any investment to perform as predicted, expected, anticipated, advertised, or desired;
  - (2) advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program";
  - (3) error in providing information on past performance of any investment vehicle; or
  - (4) investment or non-investment of funds.
- f. Damages arising out of your failure to comply with the mandatory provisions of any law concerning workers' compensation, employment compensation insurance, social security or disability benefits law, or any similar law.
- g. Damages for which the Insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local law.
- h. Any "claim" arising from any failure to pay an employee benefit, to the extent such employee benefit is payable from applicable accrued funds or other collectible insurance, with the reasonable effort and cooperation of the Insured.
- i. Any tax, fine, or penalty, including, but not limited to, those imposed under the Internal Revenue Code or any similar state or local law.
- j. Damages actually or allegedly arising out of wrongful termination of employment, any unlawful discrimination, or any other employment related practice.
- 2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
- 3. 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.
- 4. 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.
- 5. Prejudgment interest awarded against the Insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after we made the offer.
- 6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the Limits of Insurance.

## 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 of-

### Supplementary Payments

We will pay, with respect to any "claim" we investigate or settle, or any "suit" against an insured we defend:

- 1. All expenses we incur.

ficers" 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. The following are also insureds:**

- a. Each of your "employees" who is or was authorized to administer your "employee benefit program," but only with respect to their "administration" of your "employee benefit program."
- b. Any person, organization, or "employee" having proper temporary authorization to administer your "employee benefit program" if you die, but only with respect to their "administration" of your "employee benefit program" and only until your legal representative is appointed.
- c. 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 Form.
- d. 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:

(1) 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;

(2) coverage does not apply to "negligent acts, errors, or omissions" that occurred 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;
- c. persons or organizations making "claims" or bringing "suits";
- d. "negligent acts, errors, or omissions"; or
- e. benefits included in your "employee benefit program."

2. The Limits of Liability shown in the Declarations applicable to Each Claim is, subject to the following provision respecting Aggregate, the most we will pay for all damages arising out of any covered "claim."

The Limit of Liability shown in the Declarations as Aggregate is the most we will pay for the sum of all damages on account of all "claims."

The limits 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 - DEDUCTIBLE

1. Our obligation to pay damages on your behalf applies only to the amount of damages in excess of the deductible amount stated in the Declarations. The Limits of Insurance shall not be reduced by the amount of the deductible.

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

- (a) our right and duty to defend any "suits" seeking those damages; and
- (b) your duties, and the duties of any other involved insured, in the event of a "negligent act, error, or omission," "claim," or "suit";

apply irrespective of the application of the deductible amount.

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

## **SECTION V - EMPLOYEE BENEFITS 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 a "Claim" or "Suit"**

- a. You and any other involved insured must see to it that we are notified as soon as practicable of any "negligent act, error, or omission" which may result in a "claim." To the extent possible, notice should include:

- (1) how, when and where the "negligent act, error, or omission" took place;
- (2) the names and addresses of any injured persons and witnesses; and
- (3) the nature of any injury or damage arising out of the "negligent act, error, or omission."

- b. If a "claim" is received by an insured, or a "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 and any other involved insured 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, settlement, or defense of the "claim" or "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 their own cost, voluntarily make a payment, assume any obligation, or incur any expense 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 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 due under the terms of this Coverage Part or that are in excess of the Limits 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 agent.

### **4. Other Insurance**

If other valid and collectible insurance is available to the Insured for a loss we cover under 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**

As respects any additional insured added to this Policy by attachment of an endorsement, this insurance is excess over any other insurance available to that Insured that applies on a primary basis to any "claim," "suit," "negligent act, error, or omission," or damages to which this Policy also applies.

When this insurance is excess, we will have no duty to defend that 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.

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:

- (1) the total amount that all such other insurance, would pay for the loss in the absence of this insurance; and
- (2) the total of all deductible and self-insured amounts under all that other insurance.

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 endorsement in accordance with our rules and rates.
- b. Premium shown 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 term 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 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 VI - DEFINITIONS

### 1. "Administration" means:

- a. giving counsel or providing information to "employees," or to their dependents or beneficiaries, with respect to the eligibility for or scope of any "employee benefit program."
- b. interpreting any "employee benefit program";
- c. handling records in connection with any "employee benefit program";
- d. effecting enrollment, or continuing, terminating, or canceling any "employee's" participation in any benefit included in an "employee benefits program," provided all such acts are authorized by you.

However, "administration" does not include handling any payroll deductions.

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

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

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

4. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with their own pretax dollars.

5. "Claim" means any demand made or "suit" brought, by an "employee" or an "employee's" dependents or beneficiaries, for damages as a result of a "negligent act, error, or omission" in the "administration" of your "employee benefit program."

6. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.

7. "Employee" means a person currently or formerly employed, on leave of absence, disabled, or retired. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."

8. "Employee benefit program" means a program providing some or all of the following benefits to "employees," whether provided through a "cafeteria plan" or otherwise:

- a. group life insurance; group accident or health insurance; dental, vision, and hearing plans; and flexible spending accounts; provided that (i) no one other than an "employee" may subscribe to such benefits and (ii) such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
- b. profit sharing plans, employee savings plans, employee stock ownership plans, pension plans, and stock subscription plans; provided that (i) no one other than an "employee" may subscribe to such benefits and (ii) such benefits are made generally available to all "employees" who are eligible for such benefits under the plan;
- c. unemployment insurance, social security benefits, workers' compensation and disability benefits;
- d. vacation plans, including buy and sell programs; leave of absence programs, including those for military, maternity, fam-

ily, and civil leaves; tuition assistance plans; transportation and health club subsidies; and

e. any other similar plan designated in the Declarations or added thereto by endorsement.

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

10. **"Negligent act, error, or omission"** means the failure to execute a required action, or the execution of a mistaken action, committed in the administration of the Insured's "employee benefit program."

11. **"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 organizations' 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";

g. infringing upon another's copyright, trade dress, or slogan in your "advertisement."

12. **"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.

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 or hardware, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices, or any other media which are used with electronically controlled equipment.

13. **"Suit"** means a civil proceeding in which damages because of a "negligent act, error, or omission" to which this insurance applies are claimed. "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.

14. **"Temporary worker"** means a person who substitutes for a permanent "employee" on leave, or to meet seasonal or short-term workload conditions.

## OHIO STOP GAP EMPLOYERS' LIABILITY COVERAGE PART

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

Throughout this Coverage Part the words "you" and "your" refer to the Named Insureds shown in the Declarations. The words "we," "us" and "our" refer to the Company providing the 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 - STOP GAP COVERAGE

#### 1. Insuring Agreement

a. We will pay those sums that the Insured becomes legally obligated by Ohio Law to pay as damages because of "bodily injury by accident" or "bodily injury by disease" to your "employee" 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 to which this insurance does not apply. We may, at our discretion, investigate any accident and settle any claim or "suit" that may result. But:

(1) the amount we will pay as 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 Limits of Insurance in the payment of judgments or settlements under this coverage.

No other obligation or liability to pay sums or performs acts or services is covered unless explicitly provided for under **3. Supplementary Payments**.

b. This insurance applies to "bodily injury by accident" or "bodily injury by disease" only if:

(1) The:

(a) "bodily injury by accident" or "bodily injury by disease" takes place in the "coverage territory";

(b) "bodily injury by accident" or "bodily injury by disease" arises out of and in the course of the injured "employee's" employment by you; and

(c) "employee," at the time of injury, was covered under a workers' compensation policy and subject to a "workers' compensation law" of Ohio; and

(2) The:

(a) "bodily injury by accident" is caused by an accident that occurs during the policy period; or

(b) "bodily injury by disease" is caused by or aggravated by the injured "employee's" conditions of employment by you and the injured "employee's" last day of last exposure to the conditions caus-



ing or aggravating such "bodily injury by disease" occurs during the policy period.

c. The damages we will pay, where this insurance applies and recovery is permitted by law, include damages:

(1) For:

(a) which you are liable to a third party by reason of a claim or "suit" against you by that third party to recover the damages claimed against such third party as a result of "bodily injury by accident" or "bodily injury by disease" to your "employee";

(b) care and loss of services resulting from the injury referred to in c.(1)(a); and

(c) "bodily injury by accident" or "bodily injury by disease" to a spouse, child, parent, brother or sister of the injured "employee" as a consequence of the injury referred to in c.(1)(a);

provided that these damages are the direct consequence of "bodily injury by accident" or "bodily injury by disease" that arises out of and in the course of the injured "employee's" employment by you; and

(2) Because of "bodily injury by accident" or "bodily injury by disease" to your "employee" that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

## 2. Exclusions

This insurance does not apply to any:

### a. Abuse

"Bodily injury by accident" or "bodily injury by disease" arising out of:

(1) any actual, threatened or alleged abuse, molestation, harassment, or sexual conduct or sexual conduct or misconduct, of or directed at any person by any other person; or

(2) the wrongful:

(a) employment;

(b) investigation;

(c) supervision;

(d) reporting to the proper authorities, or failure to so report;

(e) retention; or

(f) referral;

of or to any person for whom any insured is or ever was legally responsible and whose conduct would be excluded by (1) above.

This exclusion applies whether or not the conduct or misconduct described in (1) or (2) is, or is alleged to be, sexual, non-sexual, negligent, reckless, knowing, intentional, fraudulent, oppressive, malicious, or otherwise.

### b. Asbestos

Damages arising out of, attributable to, or in any way related to any form of asbestos, or the actual, threatened, or alleged transmission of any form of asbestos in any manner.

### c. Contractual Liability

Liability assumed by any insured under any contract or agreement.

### d. Crew Members

"Bodily injury by accident" or "bodily injury by disease" to a master or member of the crew of any vessel or any member of the flying crew of any aircraft.

**e. Criminal Acts**

"Bodily injury by accident" or "bodily injury by disease" resulting from a fraudulent act or "criminal act" by:

- (1) any insured;
- (2) the "employee" suffering the "bodily injury by accident" or "bodily injury by disease"; or
- (3) any other person employed, as either an "employee" or a "temporary worker," by the same employer as the "employee" suffering the "bodily injury by accident" or "bodily injury by disease."

**f. Employee Benefit Plans**

- (1) liability arising out of any activity by the Insured concerning any "employee" benefit plan or self-insured fund, or for any amount due under any fringe benefit or retirement program; or
- (2) obligation of the Insured under the Employee Retirement Income Security Act of 1974 (ERISA) or any of its amendments, or under any similar law, regulation, or ordinance.

**g. Failure to Comply with "Workers' Compensation Law"**

"Bodily injury by accident" or "bodily injury by disease" to an "employee" when you are:

- (1) deprived of common law defenses; or
- (2) otherwise subject to penalty;

because of your failure to secure your obligations or other failure to comply with any "workers' compensation law."

**h. Federal Laws**

- (1) "Bodily injury by accident" or "bodily injury by disease" to any person, sustained in the course of any employment that is subject to any of the following laws:

- (a) the Federal Employer's Liability Act (45 USC Sections 51-60);

- (b) the Non-appropriated Fund Instrumentalities Act (5 USC Sections 8171-8173);

- (c) the Longshore and Harbor Workers' Compensation Act (33 USC Sections 910-950);

- (d) the Outer Continental Shelf Lands Act (43 USC Sections 1331-1356);

- (e) the Defense Base Act (42 USC Sections 1651-1654);

- (f) the Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942);

- (g) the Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801- 1872);

- (h) any other workers' compensation, unemployment compensation or disability laws or any similar law; or

- (i) any subsequent amendments to the laws listed above; and

- (2) Premium, assessment, penalty, fine, benefit, liability, or other obligation imposed by or granted pursuant to any law described in (1)(a) through (1)(i).

**i. Fines and Penalties**

Assessment, penalty, or fine levied by any regulatory or inspection agency or authority;

**j. Intentional Injury**

"Bodily injury by accident" or "bodily injury by disease":

- (1) deliberately caused or aggravated by you with actual intent to injure an "employee"; or

- (2) resulting from an act or omission, actually or allegedly committed by you or by any person or organization on your behalf, if at the time of the act or omission it would have been reason-

able for you, or for that person or organization, to believe that an injury was substantially certain to occur.

**k. Pollution**

Liability arising from, related to, or which would not have occurred but for the discharge, dispersal, release, escape, presence of, or exposure to, smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquid gases, waste materials or other irritants, contaminants or pollutants from any source, at any location, at any time.

**l. Punitive Damages**

Punitive or exemplary damages, treble damages, the enhanced or multiple component of enhanced or multiplied damages, or any other damages intended to punish or deter conduct rather than to compensate for harm because of "bodily injury by accident" or "bodily injury by disease" to an "employee."

**m. Remuneration**

"Bodily injury by accident" or "bodily injury by disease" suffered by any "employee" whose full remuneration has not been included in the total remuneration upon which premium for this insurance is based.

**n. Silica**

"Bodily injury by accident" or "bodily injury by disease" which would not have occurred, in whole or in part, but for the actual, alleged, threatened, or suspected inhalation or ingestion of, presence of, exposure to, or contact with, "silica" or dust that includes or contains "silica."

This exclusion applies regardless of:

- (1) the circumstances of or leading to such actual, alleged, threatened, or suspected inhalation, ingestion, exposure, contact, existence, or presence; and

- (2) whether the "silica," or dust that includes or contains "silica," is mixed with or combined with, or also includes or contains, any other substance.

**o. Statutory Obligations**

Obligation of an insured under a workers' compensation or occupational disease law, disability benefits law, unemployment compensation law, or any similar law.

**p. Termination, Coercion or Discrimination**

Damages arising out of coercion, criticism, demotion, evaluation reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any "employee," or arising out of any other employment or personnel decision of the Insured.

**q. Violation of Age Laws or Employment of Minors**

"Bodily injury by accident" or "bodily injury by disease" suffered or caused by any person:

- (1) knowingly employed by you in violation of any law as to age; or
- (2) under the age of 14 years, regardless of any such law.

**r. Violation of Law**

"Bodily injury by accident" or "bodily injury by disease" suffered or caused by any "employee" while employed in violation of law with your actual knowledge or the actual knowledge of any of your "executive officers."

**s. War**

Damages arising out of war, whether or not declared, or any act or condition incidental to war. War includes civil war, insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**t. Welding and Cutting Operations**

"Bodily injury by accident" or "bodily injury by disease" arising out of, caused by, resulting from, contributed to, aggravated by, or related in any way, whether directly or indirectly, and whether in whole or in part, to any actual, alleged, or threatened exposure to, existence of, presence of, contact with, ingestion of, inhalation of, or absorption of, any fume, vapor, dust, residue, smoke, soot, gas, chemical radiation or radioactive material, particle, or particulate, arising from any:

- (1) welding operation, including, but not limited to, welding, brazing, soldering, thermal spraying, or cutting; or
- (2) welding or cutting equipment or material, including, but not limited to, rods, electrodes, wire or similar product, welding consumables, base metal, or any coating present on base material; or
- (3) any supervision, instruction, recommendation, warning, or advice, given or which should have been given, in connection with item 1. or 2. above.

This exclusion applies regardless of whether or not the exposure, existence, presence, contact, ingestion, inhalation, or absorption, or any of its effects, was sudden, accidental, gradual, intended, expected, unexpected, preventable, not preventable, manmade, naturally occurring, or any combination of the foregoing.

**3. Supplementary Payments**

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. 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 Insured at our request to assist us in the investigation or defense of the claim or

"suit," including actual loss of earnings up to \$100 a day because of time off from work.

- d. 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.
- e. 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.
- 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.

These payments will not reduce the Limits of Insurance.

**SECTION II - WHO IS AN INSURED****1. If you are designated in the Declaration as:**

- a. An individual, you and your spouse are insured, 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. 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 90th day after you acquire or form the organization or the end of the policy period whichever is earlier; and
  - b. coverage does not apply to "bodily injury by accident" or "bodily injury by disease" that occurred 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 or 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 "Bodily Injury by Accident" - Each Accident Limit shown in the Declarations is the most we will pay for all damages covered by this insurance because of "bodily injury by accident" to one or more "employees" in any one accident.
- 3. The "Bodily Injury by Disease" - Aggregate Limit shown in the Declarations is the most we will pay for all damages covered by this insurance and arising out of "bodily injury by disease," regardless of the number of "employees" who sustain "bodily injury by disease."

- 4. Subject to paragraph 3. above, the "Bodily Injury by Disease" - Each "Employee" Limit shown in the Declarations is the most we will pay for all damages because of "bodily injury by disease" to any one "employee."
- 5. The limits 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 - 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, Claim or Suit

- a. You must see to it that we or our agent are notified as soon as practicable of a "bodily injury by accident" or "bodily injury by disease" which may result in a claim. To the extent possible, notice should include:
  - (1) how, when and where the "bodily injury by accident" or "bodily injury by disease" took place;
  - (2) the names and addresses of any injured persons and witnesses; and
  - (3) the nature and location of any injury.
- 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 injury, claim or "suit";
- (2) authorize us to obtain records and other information;
- (3) cooperate with us in the investigation, settlement or defense of the claim or "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 to which this insurance may also apply.

**d.** No insured shall, 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**

- a.** This insurance is primary except when paragraph **b.** below applies.

**b.** If both this insurance and other insurance apply to the same "bodily injury by accident" or "bodily injury by disease," then our insurance applies only in excess of all that other insurance, regardless of whether that other insurance is described as primary, excess, contributing, contingent, or otherwise. However, our insurance is not excess over other insurance that is bought and issued specifically to apply only in excess of the limits of our insurance.

**c.** When our insurance is excess over other insurance, then we have no duty 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.

**d.** When our insurance is excess over other insurance, we will pay only our share of the amount of the damages to which our insurance applies, if any, that exceeds the sum of:

- (1) the total amount that all such other insurance would pay for those damages in the absence of this insurance; and
- (2) the total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining damages, if any, with any other insurance that is not described in this **Other Insurance** provision and was not bought and issued specifically to apply in excess of the limits of our insurance.

**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 ret-

respective 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 term 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. **"Bodily injury by accident"** means bodily injury, sickness or disease sustained by a person, including death, resulting from an accident. A disease is not "bodily injury by accident" unless it results directly from "bodily injury by accident."

2. **"Bodily injury by disease"** means a disease sustained by a person, including death. However, "bodily injury by disease" does not include a disease that results directly from an accident.

3. **"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 "bodily injury by accident" or "bodily injury by disease" occurs in the course of travel or transportation between any places included in **a.** above; and
- c. all other parts of the world, but only if the "bodily injury by accident" or "bodily injury by disease" arises out of the activities of a person whose home in the territory described in **a.** above, but who is away for a short time on your business;

provided the "bodily injury by accident" or "bodily injury by disease" arises out of and in the course of employment by an insured, either:

- i. in operations in Ohio or in operations necessary or incidental thereto; or
- ii. is sustained while temporarily outside the territory described in **a.** above, arising out of and in the course of employment by the Insured in connection with operations in Ohio.

4. **"Criminal act"** means an act punishable in Ohio under any federal, state or local criminal statute, ordinance or other law.

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, by-laws or any other similar governing document.
7. **"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."
8. **"Silica"** means any type or form of the chemical compound silicon dioxide (SiO<sub>2</sub>) in any form, from any source.
9. **"Suit"** means a civil proceeding in which damages to which this insurance applies are alleged and which is brought in a court located in the United States of America (including its territories and possessions), Puerto Rico, or Canada. "Suit" includes:
- a. an arbitration proceeding alleging such damages to which the Insured must submit or submits with our consent; and

- b. any other alternative dispute resolution proceeding in which such damages are claimed and to which the Insured submits with our consent;

which is commenced, conducted, and decided in the United States of America (including its territories and possessions), Puerto Rico, or Canada.

However, "suit" does not include any proceeding brought to enforce or collect on a judgment rendered by any court or tribunal located outside the United States of America (including its territories and possessions), Puerto Rico, and Canada.

10. **"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.
11. **"Workers' Compensation Law"** means the Workers Compensation Law and any Occupational Disease Law of Ohio. "Workers' Compensation Law" does not include the provisions of any law providing non-occupational disability benefits.



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

**SILICA OR RELATED DUST EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM - COVERAGE  
FOR OPERATIONS OF DESIGNATED CONTRACTOR

**A.** The following exclusion is added to paragraph 2., **Exclusions**, of **SECTION I. Coverage A. Bodily Injury and Property Damage Liability**, of the **Commercial General Liability Coverage Form**, and to paragraph 2., **Exclusions**, of **SECTION I. COVERAGES**, of the **Owners and Contractors Protective Liability Coverage Form - Coverage for Operations of Designated Contractor**:

**2. Exclusions**

This insurance does not apply to:

**Silica or Related Dust**

- a. Any "bodily injury" which would not have occurred, in whole or in part, but for the actual, alleged, threatened, or suspected inhalation or ingestion of, exposure to, or contact with, "silica" or dust that includes or contains "silica."
- b. Any "property damage" which would not have occurred, in whole or in part, but for the actual, alleged, threatened, or suspected contact with, exposure to, existence of, or presence of, "silica" or dust that includes or contains "silica."
- c. 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, "silica" or dust that includes or contains "silica," by any insured or by any other person or entity.

This exclusion applies regardless of:

- (i) the circumstances of or leading to such actual, alleged, threatened, or suspected inhalation, ingestion, exposure, contact, existence, or presence; and
- (ii) whether the "silica" or dust that includes or contains "silica," is mixed or combined with, or also includes or contains, any other substance.

**B.** The following exclusion is added to paragraph 2., **Exclusions** of **SECTION I. Coverage B. Personal and Advertising Injury Liability** of the **Commercial General Liability Coverage Form**:

**2. Exclusions**

This insurance does not apply to:

**Silica or Related Dust**

- a. Any "personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged, threatened, or suspected inhalation or ingestion of, contact with, exposure to, existence of, or presence of, "silica" or dust that includes or contains "silica."

- 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, "silica" or dust that includes or contains "silica," by any insured or by any other person or entity.

This exclusion applies regardless of:

- (i) the circumstances of or leading to such actual, alleged, threatened, or suspected inhalation, ingestion, exposure, contact, existence, or presence; and

- (ii) whether the "silica" or dust that includes or contains "silica," is mixed or combined with, or also includes or contains, any other substance.

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

**"Silica"** means silicon dioxide (SiO<sub>2</sub>) in any form, from any source.

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

**NUCLEAR, BIOLOGICAL, OR CHEMICAL EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM -  
COVERAGE FOR OPERATIONS OF DESIGNATED CONTRACTORS

**A.** The following exclusion is hereby added to paragraph 2. **Exclusions** of **SECTION I - COVERAGE A. Bodily Injury and Property Damage Liability**, of the **Commercial General Liability Coverage Form**, and to paragraph 2., **Exclusions**, of **SECTION I. COVERAGES**, of the **Owners and Contractors Protective Liability Coverage Form - Coverage for Operations of Designated Contractor**:

**2. Exclusions**

**Nuclear, Biological, or Chemical**

Notwithstanding any other provision of this policy, this insurance does not apply to any "bodily injury" or "property damage" caused, directly or indirectly, in whole or in part, by any of the following, regardless of any other cause(s) or event(s) that may contribute concurrently or in any other sequence to the "bodily injury" or "property damage":

**(1)** Any actual, attempted, suspected, or threatened use of any "NBC material" as part of any plan, effort, or design, actually or apparently intended to cause any:

**(a)** loss or damage to any tangible or intangible property, or

**(b)** "bodily injury" or emotional distress.

**(2)** Any actual, attempted, suspected, or threatened presence, spread, dissemination, release, escape, or distribution of any "NBC material" as a direct or indirect result of any actual, attempted, suspected, or threatened plan, effort, or design, actually or apparently intended to cause any:

**(a)** loss or damage to any tangible or intangible property, or

**(b)** "bodily injury" or emotional distress.

**"NBC Material"** means any nuclear, biological, or chemical material or substance that causes damage to property or is harmful to human health. "NBC material" includes, but is not limited to:

**(1)** any radioactive substance or material, and the radiation it releases,

**(2)** any pathogen, bacterium, microbe, virus, or other organism,

**(3)** any substance or material produced by or from any pathogen, bacterium, microbe, virus, or other organism, and

**(4)** any poison, toxin, or other harmful chemical, substance, or material.

The foregoing list **(1)** through **(4)** is only illustrative, and should not be construed as a complete, exclusive, or exhaustive list of all "NBC materials."

B. The following exclusion is hereby added to paragraph 2., **Exclusions** of **SECTION I. COVERAGE B., Personal and Advertising Injury Liability** of the **Commercial General Liability Coverage Form**:

## 2. Exclusions

### Nuclear, Biological, or Chemical

Notwithstanding any other provision of this policy, this insurance does not apply to any "personal or advertising injury" caused, directly or indirectly, in whole or in part, by any of the following, regardless of any other cause(s) or event(s) that may contribute concurrently or in any other sequence to the "personal and advertising injury":

(1) Any actual, attempted, suspected, or threatened use of any "NBC material" as part of any plan, effort, or design, actually or apparently intended to cause any:

(a) loss or damage to any tangible or intangible property, or

(b) "bodily injury" or emotional distress.

(2) Any actual, attempted, suspected, or threatened presence, spread, dissemination, release, escape, or distribution

of any "NBC material" as a direct or indirect result of any actual, attempted, suspected, or threatened plan, effort, or design, actually or apparently intended to cause any:

(a) loss or damage to any tangible or intangible property, or

(b) "bodily injury" or emotional distress.

**"NBC Material"** means any nuclear, biological, or chemical material or substance that causes damage to property or is harmful to human health. "NBC material" includes, but is not limited to:

(1) any radioactive substance or material, and the radiation it releases,

(2) any pathogen, bacterium, microbe, virus, or other organism,

(3) any substance or material produced by or from any pathogen, bacterium, microbe, virus, or other organism, and

(4) any poison, toxin, or other harmful chemical, substance, or material.

The foregoing list (1) through (4) is only illustrative, and should not be construed as a complete, exclusive, or exhaustive list of all "NBC materials."

**This endorsement does not change any other provision of the policy.**

## ABUSE OR MOLESTATION COVERAGE FORM

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

Throughout this Coverage Form the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a named insured under this Coverage Form. 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 III - WHO IS AN INSURED** of this Coverage Form.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION VI - DEFINITIONS** of this Coverage Form.

### SECTION I - ABUSE OR MOLESTATION COVERAGE

#### 1. Insuring Agreement

- a. We will pay those sums the Insured becomes legally obligated to pay as "damages" because of "abuse" 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 claim or "suit" seeking "damages" because of "abuse" to which this insurance does not apply. We may, at our discretion, investigate any actual, threatened, or alleged "abuse" and settle any claim or "suit" that may result. But:

- (1) the amount we will pay for "damages" is limited as described in **SECTION IV - LIMITS OF INSURANCE** of this Coverage Form; 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.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under this Coverage Form.

- b. This insurance applies to "abuse" only if:

- (1) the "abuse" takes place in the "coverage territory";
- (2) the "abuse" takes place during the policy period; and
- (3) prior to the policy period, no insured knew the "abuse" had occurred, in whole or in part. If any insured knew, prior to the policy period, that the "abuse" had occurred, in whole or in part, then any continuation, change, or resumption of such "abuse" during or after the policy period will be deemed to have been known prior to the policy period.

- c. Any "abuse" that occurs during the policy period and was not, prior to the policy period, known by any insured to have occurred, includes any continuation, change, or resumption of that "abuse" after the end of the policy period.
- d. Any "abuse" will be deemed to have been known to have occurred at the earliest time when any insured:

- (1) reports all, or any part, of the "abuse" to us or any other insurer;

- (2) receives a written or oral demand or claim for "damages" because of the "abuse"; or
- (3) becomes aware by any other means that the "abuse" has occurred or begun to occur.

Regardless of the number of acts or omissions constituting "abuse," the period of time over which such acts or omissions occur, or the number of persons performing, participating in, or subject to such acts or omissions, all injury arising out of all "abuse" by one person, or by any two or more persons acting together or in concert, is deemed one and the same "abuse," subject to one and the same Limit of Liability.

## 2. Exclusions

This insurance does not apply to any:

- a. "Damages" because of any injury, loss, harm, cost, or expense, expected or intended from the standpoint of the Insured.
- b. "Damages" because of any liability arising out of any criminal or fraudulent act committed by or at the direction of the Insured.
- c. Administrative hearing, investigation, licensure proceeding, enforcement proceeding, or any similar proceeding by any federal, state, or local governmental, administrative, or regulatory agency.
- d. "Damages" because of any:
  - (1) Liability assumed by any insured under any contract or agreement.
  - (2) Insured's failure to perform or comply with any duty or requirement under a contract, express or implied warranty, or agreement.

This exclusion does not apply to liability that the Insured would have in the absence of the contract or agreement.

- e. "Damages" because of any liability by reason of:
  - (1) causing or contributing to the intoxication of any person;

- (2) furnishing 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.

- f. Obligation of any insured under a workers' compensation, disability benefits, or unemployment compensation law, or any similar law.

- g. "Damages" because of any liability to:

- (1) Any 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, including but not limited to coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person; or
- (2) The spouse, child, parent, brother, or sister of that person as a consequence of any employment-related practice described in (1)(a), (1)(b), or (1)(c).

This exclusion applies:

- (i) whether the Insured may be liable as an employer or in any other capacity; and
- (ii) to any obligation to share "damages" with or repay someone else who must pay "damages" to the "employee" or to the "employee's" spouse, child, parent, brother, or sister.

- h. "Damages" because of any liability to:

- (1) Any "employee" of the Insured arising out of and in the course of that "employee's":
  - (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 paragraphs (1)(a) or (1)(b).

This exclusion applies:

(i) whether the Insured may be liable as an employer or in any other capacity; and

(ii) to any obligation to share "damages" with or repay someone else who must pay "damages" to the "employee" or to the "employee's" spouse, child, parent, brother, or sister.

i. "Damages" because of any liability of any insured to any other insured. This exclusion does not apply to "damages" for harm to one of your "volunteer workers."

j. "Damages" because of any liability arising out of any employee benefit plan or self-insured fund, or for any amount due under any fringe benefit or retirement program.

k. "Damages" because of any liability under the Employment Retirement Income Security Act of 1974 (as amended) or any similar federal or state law.

l. "Damages" because of any insured's hiring, employment, or retention in employment, of any person with a prior history of committing "abuse," if any insured knew of that history either before, or at any time during, the policy period.

m. "Damages" arising out of any insured's knowing:

(1) concealment of,

(2) failure to report, or

(3) failure to comply with any applicable federal, state, or local law, ordinance, or regulation, requiring the reporting of,

any "abuse."

n. "Damages" because of any:

(1) Liability arising in whole or in part from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, escape, or presence of, or exposure to, any "pollutant," from any source, at any location, at any time.

(2) Loss, cost, or expense which would not have occurred in whole or in part but for any:

(a) request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, abate, or neutralize, or in any way respond to or assess the effects of, any "pollutant"; or

(b) claim or "suit" by or on behalf of any federal, state, or local governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, abating, or neutralizing, or in any way responding to or assessing the effects of, any "pollutant."

o. "Damages" because of any:

(1) Liability arising in whole or in part from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, escape, inhalation, absorption, ingestion, or presence of, or exposure to, lead in any form, from any source, in any location, at any time.

(2) Loss, cost, or expense which would not have occurred in whole or in part but for any:

(a) request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, abate, or neutralize, or in any way respond to or assess the effects of, lead in any form, from any source, or

(b) claim or "suit" by or on behalf of any federal, state, or local governmental authority because of testing for, monitoring, cleaning

up, removing, containing, treating, detoxifying, abating, or neutralizing, or in any way responding to or assessing the effects of, lead in any form, from any source.

**p. "Damages" because of any:**

**(1)** Liability arising in whole or in part from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, escape, inhalation, absorption, ingestion, or presence of, or exposure to, asbestos in any form, from any source, in any location, at any time.

**(2)** Loss, cost, or expense which would not have occurred in whole or in part but for any:

**(a)** request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, abate, or neutralize, or in any way respond to or assess the effects of, asbestos in any form, from any source, or

**(b)** claim or suit by or on behalf of any federal, state, or local governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, abating, or neutralizing, or in any way responding to or assessing the effects of, asbestos in any form, from any source.

**q. "Damages" because of any:**

**(1)** liability arising in whole or in part from 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; or

**(2)** loss, cost, or expense which would not have occurred in whole or in part but for any:

**(a)** request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, abate, or neutralize, or in any way respond to or assess the effects of, "fungi" or bacteria in any form, from any source, or

**(b)** claim or suit by or on behalf of any federal, state, or local governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, abating, or neutralizing, or in any way responding to or assessing the effects of, any "fungi" or bacteria, in any form, from any source.

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

**r. "Damages" because of any liability arising out of the ownership, maintenance, use, or entrustment to others of any aircraft, "auto," or watercraft, whether or not owned or operated by, or rented or loaned to, any insured. Use includes operation and loading or unloading.**

This exclusion applies even if the claim or "suit" against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by that Insured, if the liability arises from the ownership, maintenance, use, or entrustment to others of any aircraft, "auto," or watercraft, whether or not owned or operated by, or rented or loaned to, any insured.

**s. "Damages" because of any insured's liability to any:**

**(1)** company, corporation, or other organization, or



- (2) shareholder, owner, or creditor of any company, corporation, or other organization,

of which that Insured is a director or officer, if such liability arises directly or indirectly out of any act, error, or omission by that Insured, committed in that Insured's capacity as a director or officer of that company, corporation, or other organization. This exclusion applies regardless of whether or not the act, error, or omission was performed by or on behalf of the Named Insured.

- t. "Damages" because of any liability arising directly or indirectly out of:

- (1) service by any insured for or as a member of any board or committee of any organization other than the Named Insured. This includes, but is not limited to, any board or committee relating to peer review, credentialing, quality assurance, utilization review, professional discipline, risk management, patient or client grievances, staff grievances, or professional education; or

- (2) the activities of any insured as a proprietor, superintendent, officer, director, shareholder, manager, or employee of any organization other than the Named Insured; or

- (3) any insured's capacity as a fiduciary, trustee, legal representative, guardian, banker, creditor, tax preparer, or lender.

- u. "Damages" because of any liability arising out of any failure to integrate, segregate, or desegregate:

- (1) enrollment;
- (2) participation in educational or non-educational activities;
- (3) busing or other transportation; or
- (4) the provision or receipt of any service, accommodation, or benefit;

on the basis of race, religion, sex, age, ethnic background, national origin, physical or mental disability, sexual orientation, or any other basis prohibited by applicable law.

- v. "Damages" because of any liability arising out of any discrimination, or failure to discriminate, on account of race, religion, sex, age, ethnic background, national origin, physical or mental disability, or sexual orientation, or arising out of any actual, threatened, or alleged violation of any local, state, or federal civil rights law, regulation, or ordinance.

- w. Civil or criminal fine or penalty, and any loss, cost, or expense paid or incurred in defending against any such fine or penalty.

- x. "Damages" arising out of the following professional services: legal, accounting, financial, appraisal, architectural, or engineering services.

## SECTION II - SUPPLEMENTARY PAYMENTS

We will pay, with respect to any claim we investigate or settle, or any "suit" we defend or settle:

1. All expenses we incur.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
3. 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.
4. 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.
5. Prejudgment interest awarded against the Insured on that part of a judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the Limits of Insurance.

### SECTION III - WHO IS AN INSURED

1. Subject to 4., below, 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," board members and directors are also 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 your stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Subject to 4., below, each of the following is also an insured:
  - a. If you are a religious or educational institution:
    - (1) your elders, deacons, vestrymen, councilmen, clergy, and teachers;
  - (2) members of your Board of Trustees, Board of Governors, or other governing body created by your charter, constitution, by-laws, or other similar governing document, but only while acting within the scope of their duties as such; and
  - (3) any subsidiary organization that is controlled by the Named Insured. A subsidiary organization is controlled by the Named Insured if the Named Insured owns a majority of the voting shares of that organization.
3. Subject to 4., below, your "employees," other than those already described in 1. or 2., above, are also insureds, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. Your "volunteer workers" are insureds, but only while performing duties related to the conduct of your business with your knowledge and consent.
4. However:
  - a. No "employee," "volunteer worker," director, "executive officer," officer, or other person is an insured for any liability:
    - (1) 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 any of your directors, "executive officers," officers, "employees," or "volunteer workers";
    - (2) to the spouse, child, parent, brother, sister, or next of kin of any person in connection with or as a consequence of 4.a.(1); or
    - (3) for which there is any obligation to share damages with or repay someone else who must pay damages, as a consequence of 4.a.(1) or (2).
  - b. No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, religious or educational institution, or other organization that is not shown as a named insured in the Declarations.

c. If we designate a person, an organization, or a class of persons or organizations, as an additional insured under this Coverage Form, then that designation does not include any "employee," "volunteer worker," "executive officer," officer, director, agent, representative, subsidiary, or affiliate of that additional insured. No such "employee," "volunteer worker," "executive officer," officer, director, agent, representative, subsidiary, or affiliate of an additional insured is an insured under this Coverage Form unless expressly designated as an insured in an endorsement we issue.

d. No person or organization is an insured as respects any "abuse" that person or organization is proved to have knowingly:

(1) committed, participated in, aided, assisted;

(2) concealed; or

(3) attempted to do (1) or (2).

For purposes of this provision, a person or organization is proved to have knowingly committed conduct described in d.(1), (2), or (3) if that person or organization:

(a) admits to having done so; or

(b) is found to have done so by a final judgment in a criminal or civil proceeding, including but not limited to a "suit" to which this insurance applies.

Upon the happening of either (a) or (b), that person or organization is not an insured, even if that person or organization was an insured before the happening of (a) or (b). An unproven allegation made in a claim or "suit" is not, by itself, sufficient to prove that a person or organization knowingly committed conduct described in d.(1), (2), or (3).

#### SECTION IV - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. insureds;

b. claims made or "suits" brought;

c. persons or organizations making claims or bringing "suits"; or

d. coverage parts or insuring agreements in this Policy

2. The Aggregate Limit shown in the Abuse or Molestation Coverage Part Declarations is the most we will pay for the sum of all "damages" under this Abuse or Molestation Coverage Part.

3. Subject to 2., the Each Abuse Limit is the most we will pay for the sum of all "damages" because of all injury arising out of all "abuse" by any one person or organization, or by any two or more persons or organizations acting together or in concert, regardless of the number of insureds, claims, "suits," or claimants.

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 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 V - CONDITIONS

##### 1. Bankruptcy

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

##### 2. Duties in the Event of Abuse, Claim or Suit

a. You must see to it that we are notified as soon as practicable of any actual, threatened, or alleged "abuse" which may result in a claim or "suit." To the extent possible, notice should include:

(1) how, when, and where the "abuse" took place;

(2) the names and addresses of injured persons and witnesses; and

(3) the nature and location of any injury or damage.

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 in connection with the claim or "suit";

(2) authorize us to obtain records and other information;

(3) cooperate with us in the investigation, settlement, or defense of the claim or "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 Limits 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

a. If other insurance is available to the Insured for a loss we cover under this Abuse or Molestation Coverage Part, our obligations are limited as follows:

(1) This insurance applies only in excess of, and does not contribute with, the sum of the applicable limits of any and all such other insurance, whether that other insurance:

(a) is valid or not;

(b) is collectible or not; or

(c) describes itself as primary, excess, contingent, contributing, or otherwise.

However, this provision a.(1) does not apply to other insurance that is issued expressly to apply only in excess of the applicable Limit of Insurance of this insurance.

b. If any insurer affording such other insurance refuses to defend the Insured under that other insurance, we will defend the Insured as though that other insurance were not available. If we defend, we are subrogated to all of the Insured's rights under such other insurance. The Insured must do all things necessary to help us enforce such rights.

c. If the Coordination of Limits Endorsement is attached to this **Abuse or Molestation Coverage Form**, and both:

(1) this **Abuse or Molestation Coverage Form**; and

(2) any other coverage form, coverage part, or policy issued by us, or by a company affiliated with us,

apply, in whole or in part, to the same claim, "suit," "abuse," or "damages," then this **Abuse or Molestation Coverage Form** and all such other coverage forms, coverage parts, or policies described in (2) are all subject to the Coordination of Limits Endorsement.

## 5. Representations

By accepting this Policy, you agree:

- a. the statements in the Abuse and Molestation Application are accurate and complete;
- b. those statements are representations you made to us; and
- c. we have issued this Policy in reliance upon your representations.

## 6. Separation of Insureds

Except with respect to the Limit 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.

## 7. 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.

## 8. 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 such notice is mailed, proof of mailing will be sufficient proof of notice.

## SECTION VI - DEFINITIONS

### 1. "Abuse" means:

- a. any actual, threatened, or alleged act, error, omission, conduct, or misconduct, that a claim or "suit" alleges to be, or to constitute, any form of abuse (including, but not limited to, elder abuse, child abuse, patient abuse, or abuse of a dependent person) under any applicable state or federal statute or regulation; and

- b. any actual, threatened, or alleged act, error, omission, conduct, or misconduct, of one or more of the following kinds:

(1) sexual behavior, sexual conduct or misconduct, sexual assault, sexual battery, sexual abuse, or sexual molestation, of or directed at a person;

(2) non-sexual assault, non-sexual battery, or non-sexual abuse, of or directed at a person; and

(3) any:

(i) employment;

(ii) investigation;

(iii) supervision;

(iv) reporting to proper authorities, or failure to so report; or

(v) retention in employment;

of any person committing conduct or misconduct described in **b.(1)** or **b.(2)**; or

(vi) referral of a patient, student, parishioner, client, or person, to any other person whose conduct or misconduct is described in **a.**, **b.(1)**, or **b.(2)**.

Conduct or misconduct described in **b.(1)** through **b.(3)** constitutes "abuse" within the meaning of this definition regardless of whether or not it is alleged to be neg-

ligent, reckless, knowing, intentional, fraudulent, oppressive, malicious, or otherwise.

2. **"Auto"** means a land motor vehicle, mobile equipment, trailer, or semi trailer, including any attached or towed machinery or equipment.

3. **"Coverage territory"** means:

a. the United States of America (including its territories and possessions), Puerto Rico and Canada;

b. international waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in paragraph a. above.

c. all parts of the world if:

(1) the injury or damages arise out of 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; and

(2) 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.

4. **"Damages"** means money damages awarded to compensate for harm, except those as to which applicable law prohibits liability insurance. "Damages" does not include the cost of complying with injunctive relief, declaratory relief, or other equitable actions; fines, penalties, punitive damages, exemplary damages, or any multiplied or enhanced damages; fees, deposits, or commissions; charges for goods or services, or the return, disgorgement, or reimbursement of such charges; or awards of attorneys' fees, attorneys' expenses, or other costs of making a claim or bringing a "suit."

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, by-laws or any other similar governing document.

7. **"Fungi"** means any type or form of fungus, including mold or mildew and any mycotoxin, spore, scent, or byproduct produced or released by any fungus or by the death or decay of any fungus.

8. **"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."

9. **"Pollutant"** 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.

10. **"Suit"** means a civil proceeding in which "damages" to which this coverage applies are alleged. "Suit" includes:

a. an arbitration proceeding in which such "damages" are claimed and to which you must submit or do submit with our consent; or

b. any other alternative dispute resolution proceeding in which such "damages" are claimed and to which you must submit or do submit with our consent.

**"Suit"** does not include any administrative hearing, investigation, licensure proceeding, enforcement proceeding, or any similar proceeding by any federal, state, or local governmental, administrative, or regulatory agency.

11. **"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.

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

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

**OHIO CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

VETERINARIAN PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART

- A.** With respect to a policy which has been in effect for more than 90 days, or is a renewal of a policy we issued, the **Cancellation** Common Policy Condition is replaced by the following:
- 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 only for one or more of the following reasons, except as provided in paragraph **6.** below:
    - a.** nonpayment of premium;
    - b.** discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;
    - c.** discovery of a moral hazard or willful or reckless acts or omissions on your part which increases any hazard insured against;
    - d.** the occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed except to the extent the insurer could reasonably have foreseen the change or contemplated the risk in writing the contract;
    - e.** loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Superintendent has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;
    - f.** failure of an insured to correct material violations of safety codes; or
    - g.** a determination by the Superintendent of Insurance that the continuation of the Policy would create a condition that would be hazardous to the Policyholders or the public.
  - 3.** We will mail written notice of cancellation to the first Named Insured, and agent if any, at the last mailing addresses known to us. Proof of mailing will be sufficient proof of notice.
  - 4.** We will mail the 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 a reason stated in **2.b.** through **2.g.** above.

5. The notice of cancellation will:

- a. State the effective date of cancellation. The Policy period will end on that date.
- b. Contain the date of the notice and the Policy number, and will state the reason for cancellation.

6. Policies written for a term of more than one year or on a continuous basis may be cancelled by us for any reason at an anniversary date, upon 30 days' written notice of cancellation.

7. 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.

B. The following is added to the Common Policy Conditions and supersedes any provisions to the contrary:

**Nonrenewal**

1. If we elect not to renew this Policy, we will mail written notice of nonrenewal to the first Named Insured, and agent if any,

at the last mailing addresses known to us. The notice will contain the date of the notice and the Policy number, and will state the expiration date of the Policy.

2. We will mail the notice of nonrenewal at least 30 days before the expiration date of the Policy.
3. Proof of mailing will be sufficient proof of notice.

**C. Common Policy Conditions**

1. Paragraph **A.2.a.** of the **Businessowners** Common Policy Conditions is deleted.
2. Paragraph **E.2.** of the **Cancellation** Common Policy Condition in the **Standard Property Policy** is deleted. Paragraph **E.2.** is replaced by the following (unless item **A.** of this endorsement applies):

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, if we cancel for any other reason.



## PROFESSIONAL LIABILITY INSURANCE

Various provisions of this **Professional Liability Coverage Part** restrict coverage. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

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

The word "insured" means any person or organization qualifying as such under **SECTION III - WHO IS AN INSURED** of this Coverage Part.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION VI - DEFINITIONS** of this Coverage Part.

### SECTION I - PROFESSIONAL LIABILITY COVERAGE

#### 1. Insuring Agreement

- a. We will pay those sums the Insured becomes legally obligated to pay as "damages" because of any act, error, or omission committed by:

- (1) an insured in the rendering of or failure to render "Professional Services"; or
- (2) another person or organization for whom the Named Insured is vicariously liable, in the course of that person's or organization's rendering of or failure to render "Professional Services" for or on behalf of the Named Insured;

as part of the Named Insured's operations as a social service, human service, religious, educational, or cultural organization.

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 any act, error, or omission to which this insurance does not apply. We may, at our discretion, investigate and settle any claim or "suit" that may result. But:

- (a) the amount we will pay for "damages" is limited as described in **SECTION IV - LIMITS OF INSURANCE** of this Coverage Part; and

- (b) our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SECTION II - SUPPLEMENTARY PAYMENTS** of this Coverage Part.

- b. This insurance applies to the "damages" described in 1.a., above, only if:

- (1) the act, error, or omission takes place in the "coverage territory,"
- (2) the act, error, or omission takes place during the policy period, and
- (3) prior to the policy period, no insured knew that the act, error, or omission had occurred, in whole or in part. If any insured knew, prior to the policy period, that the act, error, or omission had occurred, in whole or in part, then any continuation, change, or resumption of such act, error, or omission during or after the policy period will be deemed to have been known prior to the policy period.

c. Any act, error, or omission that occurs during the policy period and was not, prior to the policy period, known by any insured to have occurred, includes any continuation, change or resumption of that act, error, or omission after the end of the policy period.

d. Any act, error, or omission will be deemed to have been known to have occurred at the earliest time when any insured:

(1) reports all, or any part, of the act, error, or omission to us or any other insurer;

(2) receives a written or oral demand or claim for "damages" because of the act, error, or omission; or

(3) becomes aware by any other means that the act, error, or omission has occurred or has begun to occur.

## 2. Exclusions

This insurance does not apply to any:

a. "Damages" because of any liability for any injury, loss, harm, cost, or expense, expected or intended from the standpoint of the Insured.

b. "Damages" because of any liability arising out of any criminal or fraudulent act committed by or at the direction of the Insured. This exclusion applies regardless of:

(1) whether or not the criminal or fraudulent act constitutes a felony, misdemeanor, violation, or any other particular type, grade, or level of offense; and

(2) whether or not the Insured is prosecuted for, pleads guilty to, or is convicted of, any offense.

c. Administrative hearing, investigation, licensure proceeding, enforcement proceeding, or any similar proceeding by any federal, state, or local governmental, administrative, or regulatory agency.

d. "Damages" because of any:

(1) Liability assumed by any insured under any contract or agreement.

(2) Insured's failure to perform or comply with any duty or requirement under a contract, express or implied warranty, or agreement.

This exclusion does not apply to liability that the Insured would have in the absence of the contract or agreement.

e. "Damages" because of any liability by reason of:

(1) causing or contributing to the intoxication of any person;

(2) furnishing 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.

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

g. "Damages" because of any liability to:

(1) any 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, including but not limited to coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person; or

(2) the spouse, child, parent, brother, or sister of that person as a consequence of any employment-related practice described in (1)(a), (1)(b), or (1)(c).

This exclusion applies:

(i) whether the injury-causing event described in paragraphs (1)(a), (1)(b) or (1)(c) above occurs before employment, during employment or after employment of that person;

- (ii) whether the Insured may be liable as an employer or in any other capacity; and
- (iii) to any obligation to share "damages" with or repay someone else who must pay "damages" to the "employee" or to the "employee's" spouse, child, parent, brother, or sister.

**h. "Damages" because of any liability to:**

- (1) any "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 paragraphs (1)(a) or (1)(b).

This exclusion applies:

- (i) whether the Insured may be liable as an employer or in any other capacity; and
  - (ii) to any obligation to share "damages" with or repay someone else who must pay "damages" to the "employee" or to the "employee's" spouse, child, parent, brother, or sister.
- i. "Damages" because of any liability of any insured to any other insured. This exclusion does not apply to "damages" for harm to one of your "volunteer workers."**
- j. "Damages" because of any liability arising out of any employee benefit plan or self-insured fund, or for any amount due under any fringe benefit or retirement program.**
- k. "Damages" because of any liability under the Employment Retirement Income Security Act of 1974 (as amended) or any similar federal or state law.**
- l. "Damages" because of any:**
- (1) Liability arising in whole or in part from the actual, alleged, or threatened discharge, dispersal, seepage, migra-

tion, release, escape, or presence of, or exposure to, any "pollutant," from any source, at any location, at any time.

- (2) Loss, cost, or expense which would not have occurred in whole or in part but for any:

- (a) request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, abate, or neutralize, or in any way respond to or assess the effects of, any "pollutant"; or
- (b) claim or "suit" by or on behalf of any federal, state, or local governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, abating, or neutralizing, or in any way responding to or assessing the effects of, any "pollutant."

**m. "Damages" because of any:**

- (1) Liability arising in whole or in part from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, escape, inhalation, absorption, ingestion, or presence of, or exposure to, lead in any form, from any source, in any location, at any time.
- (2) Loss, cost, or expense which would not have occurred in whole or in part but for any:
  - (a) request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, abate, or neutralize, or in any way respond to or assess the effects of, lead in any form, from any source, or
  - (b) claim or "suit" by or on behalf of any federal, state, or local governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, abating, or neutralizing, or in any way responding to or assessing the effects of, lead in any form, from any source.

n. "Damages" because of any:

- (1) Liability arising in whole or in part from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, escape, inhalation, absorption, ingestion, or presence of, or exposure to, asbestos in any form, from any source, in any location, at any time.
- (2) Loss, cost, or expense which would not have occurred in whole or in part but for any:

(a) request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, abate, or neutralize, or in any way respond to or assess the effects of, asbestos in any form, from any source; or

(b) claim or suit by or on behalf of any federal, state, or local governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, abating, or neutralizing, or in any way responding to or assessing the effects of, asbestos in any form, from any source.

o. "Damages" because of any:

- (1) liability arising in whole or in part from 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; or
- (2) loss, cost, or expense which would not have occurred in whole or part but for any:

(a) request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, abate, or neutralize, or in any way respond

to or assess the effects of, "fungi" or bacteria in any form, from any source; or

(b) claim or suit by or on behalf of any federal, state, or local governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, abating, or neutralizing, or in any way responding to or assessing the effects of, any "fungi" or bacteria, in any form, from any source.

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

p. "Damages" because of any liability arising out of the ownership, maintenance, use, or entrustment to others of any aircraft, "auto," or watercraft, whether or not owned or operated by, or rented or loaned to, any insured. Use includes operation and loading or unloading.

This exclusion applies even if the claim or "suit" against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by that Insured, if the liability arises from the ownership, maintenance, use, or entrustment to others of any aircraft, "auto," or watercraft, whether or not owned or operated by, or rented or loaned to, any insured.

q. "Damages" because of any insured's liability to:

(1) any company, corporation, or other organization, or

(2) any shareholder, owner, or creditor of any company, corporation, or other organization,

of which that Insured is a director or officer, if such liability arises directly or indirectly out of any act, error, or omission by any insured, committed in that Insured's capacity as a director or officer of that company, corporation, or other organization. This exclusion applies regardless of

whether or not the act, error, or omission was performed by or on behalf of the Named Insured.

threatened, or alleged violation of any local, state, or federal civil rights law, regulation, or ordinance.

r. "Damages" because of any liability arising directly or indirectly out of:

- (1) service by any insured for or as a member of any board or committee of any organization. This includes, but is not limited to, any board or committee relating to peer review, credentialing, quality assurance, utilization review, professional discipline, risk management, patient or client grievances, staff grievances, or professional education; or
- (2) the activities of any insured as a proprietor, superintendent, officer, director, shareholder, manager, or employee of any organization other than the Named Insured; or
- (3) any insured's capacity as a fiduciary, trustee, legal representative, guardian, banker, creditor, tax preparer, or lender.

s. "Damages" because of any liability arising out of "Abuse."

t. "Damages" because of any liability arising out of any failure to integrate, segregate, or desegregate:

- (1) student enrollment;
- (2) student participation in educational or extracurricular activities;
- (3) busing or other transportation of students; or
- (4) the provision or receipt of any service, accommodation, or benefit;

on the basis of race, religion, sex, age, ethnic background, national origin, physical or mental disability, sexual orientation, or any other basis prohibited by applicable law.

u. "Damages" because of any liability arising out of any discrimination, or failure to discriminate, on account of race, religion, sex, age, ethnic background, national origin, physical or mental disability, or sexual orientation, or arising out of any actual,

## SECTION II - SUPPLEMENTARY PAYMENTS

We will pay, with respect to any claim we investigate or settle, or any "suit" we defend:

1. All expenses we incur.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
3. 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.
4. 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.
5. Prejudgment interest awarded against the Insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the applicable Limits of Insurance.

## SECTION III - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you are an insured.
- b. A partnership or joint venture, you are an insured. Your partners or members are also insureds, but only with respect to their duties as your partners or members.
- 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," members of your board of trustees, and your directors, governors, and stockholders are also insureds, but only with respect to their duties as your "executive officers," members of your board of trustees, and your directors, governors, and stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as your trustees.

2. Each of the following is also an insured:

- a. 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 while performing duties as such for the Named Insured.
- b. Your "volunteer workers," but only while performing duties related to the conduct of your business.

However, no "employee" or "volunteer worker" is an insured for any liability:

- (1) 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 any of your "employees" while they are in the course of their employment or performing duties relating to the conduct of your business, or to any of your "volunteer workers" while they are performing duties relating to the conduct of your business;
- (2) to the spouse, child, parent, brother, or sister of any "employee" or "volunteer worker" as a consequence of (1), above;
- (3) for which there is any obligation to share damages or repay someone else who must pay damages because of a liability described in (1) or (2), above.

No person or organization is an insured with respect to the conduct of any current or past part-

nership, joint venture, or limited liability company that is not shown as a named insured in the Declarations.

## SECTION IV - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. insureds;
  - b. claims made or "suits" brought;
  - c. persons or organizations making claims or bringing "suits"; or
  - d. coverage parts or insuring agreements in this Policy.
2. Subject to subparagraph c. of **SECTION V - CONDITIONS, 4. Other Insurance**, the Aggregate Limit shown in the **Professional Liability Coverage Part Declarations** is the most we will pay for the sum of all "damages" under this **Professional Liability Coverage Part**.
3. Subject to **SECTION V - CONDITIONS, 4. Other Insurance**, the Each Act, Error, or Omission Limit shown in the **Professional Liability Coverage Part Declarations** is the most we will pay for the sum of all damages in connection with the same act, error, or omission, or in connection with the same group or series of similar or interrelated acts, errors, or omissions, regardless of the number of insureds, claims, "suits," or claimants.

The limits of this **Professional Liability 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 V - CONDITIONS

### 1. Bankruptcy

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

## 2. Duties in the Event of an Act, Error, Omission, Claim or "Suit"

- a. You must see to it that we are notified as soon as practicable of the occurrence of any act, error, or omission which may result in a claim or "suit." To the extent possible, notice should include:

- (1) how, when, and where the act, error, or omission took place;
- (2) the names and addresses of injured persons and witnesses;
- (3) the nature and location of any injury or damage.

- 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, settlement, or defense of the claim or "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 their own cost, voluntarily make any payment, assume any obligation, or incur any expense 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 obtained after an actual trial, 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 this **Professional Liability Coverage Part**, our obligations are limited as follows:

### a. Primary Insurance

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 **b.**, below.

### b. 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.

### c. Two or More Coverage Parts, Coverage Forms, or Policies Issued by Us

If this **Professional Liability Coverage Part** and any other coverage form, coverage part, or policy issued by us or by any company affiliated with us both apply, in whole or in part, to the same claim, "suit," loss, act, error, omission, or "damages," then no two or more of their applicable Limits of Insurance may be combined to apply to that claim, "suit," loss, act, error, omission, or those "damages." Instead, the applicable Limit of Insurance of all such coverage parts, coverage forms, or policies, taken together, shall not exceed the highest applicable Limit of Insurance under any one such coverage part, coverage form, or policy. This condition does not apply to any coverage part, coverage form, or policy issued by us or an affiliated company specifically to apply only as excess insurance over this Coverage Part.

## 5. Representations

By accepting this Policy, you agree:

- a. the statements in the Declarations are correct 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.

## 6. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this **Professional Liability 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.

## 7. 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 **Professional Liability 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.

## 8. 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 VI - DEFINITIONS

The following terms used in this **Professional Liability Insurance Coverage** have the following meanings.

### 1. "Abuse" includes:

- a. any actual, threatened, or alleged act, error, omission, conduct, or misconduct, that a claim or "suit" alleges to be, or to constitute, any form of abuse (including, but not limited to, elder abuse, child abuse, patient abuse, or abuse of a dependent person) under any applicable state or federal statute or regulation; and
- b. any actual, threatened, or alleged act, error, omission, conduct, or misconduct, of one or more of the following kinds:

(1) sexual behavior, sexual conduct or misconduct, sexual assault, sexual battery, sexual abuse, or sexual molestation, of or directed at a person;

(2) non-sexual assault, non-sexual battery, or non-sexual abuse, of or directed at a person; and

(3) any:

(i) employment;

(ii) investigation;

(iii) supervision;

(iv) reporting to proper authorities, or failure to so report; or

(v) retention in employment;



of any person actually or allegedly committing, or who has actually or allegedly committed, any conduct or misconduct of a kind described in **b.(1)** or **b.(2)**.

(vi) referral of a patient, student, parishioner, client, or person, to any other person whose conduct or misconduct is described in **a.**, **b.(1)**, or **b.(2)**.

Any conduct or misconduct of a kind described in **b.(1)** through **b.(3)** constitutes "abuse" within the meaning of this definition regardless of whether or not it is alleged to be negligent, reckless, knowing, intentional, fraudulent, oppressive, malicious, or otherwise.

(2) "Auto" means a land motor vehicle, mobile equipment, trailer, or semi trailer, including any attached or towed machinery or equipment.

3. "**Coverage territory**" means:

- a. the United States of America (including its territories and possessions), Puerto Rico, and Canada;
- b. all other parts of the world if the "damages" arise out of the activities of a person whose home is in the territory described in **a.**, above, but who is away for a short time on your business;

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

4. "**Damages**" means money damages awarded to compensate for harm, except those as to which applicable law prohibits liability insurance. "Damages" does not include the cost of complying with injunctive relief, declaratory relief, or other equitable actions; fines, penalties, punitive damages, exemplary damages, or any multiplied or enhanced damages; fees, deposits, or commissions; charges for goods or services, or the return, disgorgement, or reimbursement of such charges; or awards of attorneys' fees, attorneys' expenses, or other costs of making a claim or bringing a "suit."

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, by-laws, or any other similar governing document.

7. "**Fungi**" means any type or form of fungus, including mold or mildew and any mycotoxin, spore, scent, or by-product produced or released by any fungus or by the death or decay of any fungus.

8. "**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."

9. "**Pollutant**" 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.

10. a. "**Professional Services**" includes any service:

1. that involves specialized education, knowledge, labor, judgment, and skill, and is predominantly mental or intellectual (as opposed to physical or manual) in nature; and

2. is provided as part of the Named Insured's operations as a social service, human service, religious, educational, or cultural organization, and

3. is not provided by any one or more of the persons listed in **d.**, below.

b. "Professional Services" includes the following:

1. advice, guidance, or assistance;

2. counseling;

3. social work;

4. therapy;

5. daycare;

6. nursing or health care;
  7. educational instruction or teaching;
  8. job training, job placement, job referral, and vocational services; and
  9. other services of the kind described in a., above, provided as part of the Named Insured's operations as a social service, human service, religious, educational, or cultural organization.
- c. "Professional Services" includes the furnishing, dispensing, or administration of any prescription or non-prescription drug at the direction of a physician as part of the Named Insured's operation as a social service, human service, religious, educational, or cultural organization.
- d. Subject to c., above, no service performed by a member of any profession listed in d.1. through d.11., below, constitutes a "Professional Service" within the meaning of this Coverage Part; however, this does not apply to any purely administrative or supervisory service that does not involve or require the skill or learning of such a profession, but is performed by a person who is a member of such a profession:
1. physician, physician assistant, or psychiatrist;
  2. accountant;
  3. lawyer;
  4. architect or engineer;
  5. real estate or investment manager;
  6. dentist or dental hygienist;
  7. acupuncturist;
  8. nurse anesthetist, nurse practitioner, or nurse midwife;
  9. x-ray therapist or radiologist;
  10. podiatrist, chiropractor, or optometrist; or
  11. veterinarian.
11. **"Suit"** means a civil proceeding in which "damages" 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.
- "Suit" does not include any administrative hearing, investigation, licensure proceeding, enforcement proceeding, or any similar proceeding by any federal, state, or local governmental, administrative, or regulatory agency.
12. **"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.
13. **"Volunteer worker"** means a person who is not your "employee," and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary, or other compensation by you or anyone else for their work performed for you.

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

**SIGNATURE GENERAL LIABILITY BROADENING ENDORSEMENT**

This Endorsement modifies and is subject to the insurance provided under the following form:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following extension only applies in the event that no other specific coverage for the indicated loss exposure is provided under this Policy. If other specific coverage applies, the terms, conditions and limits of that Coverage are the exclusive coverage applicable under this Policy, unless otherwise noted in this Endorsement. This is a summary of the various additional coverages and coverage modifications provided by this Endorsement. For complete details on specific coverages, consult the actual policy wording.

| <b>Coverage Description</b>   | <b>Limit of Insurance</b> | <b>Page</b> |
|---|---------------------------|-------------|
| Non-Owned Aircraft  | Included                  | 2           |
| Non-Owned Watercraft  | Included                  | 2           |
| Bodily Injury - Mental Injury, Mental Anguish, Humiliation or Shock | Included                  | 3           |
| Medical Payments  | \$ 20,000                 | 3           |
| Damage to Premises Rented to You                                    | \$ 1,000,000              | 3           |
| Supplementary Payments - Bail Bonds                                 | \$ 3,000                  | 4           |
| Supplementary Payments - Loss of Earnings                           | \$ 1,000 per day          | 4           |
| Newly Formed or Acquired Organizations                              | Included                  | 4           |
| Unintentional Failure to Disclose Hazards                           | Included                  | 5           |
| Knowledge of Occurrence, Claim or Suit                              | Included                  | 5           |
| Property Damage Liability - Elevators                               | Included                  | 5           |
| Property Damage Liability - Borrowed Equipment                      | Included                  | 5           |
| Liberalization Clause   | Included                  | 6           |
| Amendment of Pollution Exclusion (Premises)                         | Included                  | 6           |
| Limited Property Damage to Property of Others                       | \$ 5,000                  | 6           |
| Additional Insured - Manager or Lessor of Premises                  | Included                  | 7           |

| Coverage Description  | Limit of Insurance | Page |
|---|--------------------|------|
| Additional Insured - Funding Sources  | Included           | 7    |
| Additional Insured - By Contract  | Included           | 8    |
| Primary and Non-Contributory Additional Insured Extension                           | Included           | 10   |
| Additional Insureds - Protection of Your Limits                                     | Included           | 10   |
| Blanket Waiver of Transfer of Rights of Recovery Against Others to Us (Subrogation) | Included           | 11   |
| Property Damage Extension With Voluntary Payments                                   | \$ 1,000/\$ 5,000  | 11   |
| Who Is An Insured - Fellow Employee Extension - Management Employees                | Included           | 12   |
| Broadened Personal and Advertising Injury   | Included           | 12   |

#### A. Non-Owned Aircraft

Under paragraph 2. **Exclusions** of **SECTION I - COVERAGE A - Bodily Injury and Property Damage Liability**, exclusion **g. Aircraft, Auto or Watercraft** does not apply to an aircraft provided:

1. it is not owned by any insured;
2. it is hired, chartered or loaned with a trained paid crew;
3. the pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating him or her a commercial or airline pilot; and
4. it is not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the Insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this Policy), contingent or on any other basis, that would also apply to the loss covered under this provision.

#### B. Non-Owned Watercraft

Under paragraph 2. **Exclusions** of **SECTION I - COVERAGE A - Bodily Injury and Property Damage Liability**, subparagraph (2) of exclusion **g. Aircraft, Auto or Watercraft** is replaced by the following:

This exclusion does not apply to:

- (2) A watercraft you do not own that is:
  - (a) less than 60 feet long; and

(b) not being used to carry persons or property for a charge.

**C. Bodily Injury - Mental Injury, Mental Anguish, Humiliation or Shock**

Under **SECTION V - DEFINITIONS**, Definition 3. is replaced by the following:

3. **"Bodily Injury"** means physical injury, sickness, or disease, including death of a person. "Bodily Injury" also means mental injury, mental anguish, humiliation, or shock if directly resulting from physical injury, sickness, or disease to that person.

**D. Medical Payments**

If **Coverage C Medical Payments** is not otherwise excluded, the Medical Payments provided by this Policy are amended as follows:

The Medical Expense Limit in paragraph 7. of **SECTION III - LIMITS OF INSURANCE** is replaced by the following Medical expense Limit:

The Medical Expense Limit provided by this Policy shall be the greater of:

- a. \$ 20,000; or
- b. the amount shown in the Declarations for Medical Expense Limit

This provision 7. is subject to all the terms of **SECTION III - LIMITS OF INSURANCE**.

**E. Damage to Premises Rented to You**

If Damage to Premises Rented to You is not otherwise excluded from this Coverage Part:

1. Under paragraph 2. **Exclusions** of **SECTION I - COVERAGE A - Bodily Injury and Property Damage Liability**:

3. The last paragraph of paragraph 2. **Exclusions** is deleted in its entirety and replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke, leakage from an automatic fire protection system or water 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**.

However, this insurance does not apply to damage to premises while rented to you, or temporarily occupied by you with the permission of the owner, caused by:

- i. rupture, bursting, or operation of pressure relief devices;
- ii. rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water;
- iii. explosion of steam boilers, steam pipes, steam engines, or steam turbines; or
- iv. flood

2. Paragraph 6. Under **SECTION III - LIMITS OF INSURANCE** is deleted in its entirety and replaced with the following:

6. Subject to paragraph 5. above, 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 caused by fire, lightning, explosion, smoke, leakage from automatic fire protection system or water while rented to you or temporarily occupied by you with the permission of the owner, for all such damage caused by fire, lightning, explosion, smoke, leakage from automatic fire protection systems or water proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke, leakage from automatic fire protection systems or water or any combination of the six, is the higher of \$ **1,000,000** or the amount shown in the Declarations for the Damage to Premises Rented to You Limit.
3. Under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, subsection 4. Other Insurance, paragraph b. Excess Insurance where the words "Fire insurance" appear they are changed to "insurance for fire, lightning, explosion, smoke, leakage from an automatic fire protection system or water."
4. As regards coverage provided by this provision **I. Damage to Premises Rented to You** - paragraph 9.a. of **Definitions** is replaced with the following:
  9. 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, lightning, explosion, smoke, leakage from automatic fire protection systems or water to premises while rented to you or temporarily occupied by you with the permission of the owner is not an "insured contract";

#### F. Supplementary Payments

1. In the **Supplementary Payments - Coverages A and B** provision, paragraph 1.b. is replaced with:
  - b. Up to \$ **3,000** for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
2. Paragraph 1.d. is replaced by the following:
  - 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 \$ **1,000** a day because of time off work.

#### G. Newly Formed or Acquired Organizations

Paragraph 3. of **SECTION II - WHO IS AN INSURED** is replaced by the following:

3. Any organization you newly acquire or form 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 expiration of the policy period in which the entity was acquired or formed by you;
  - 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.

- d. records and descriptions of operations must be maintained by the first named insured.

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 or qualifies as an insured under this provision.

#### H. Unintentional Failure to Disclose Hazards

Under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, the following is added to Condition **6. Representations**:

Failure of the Insured to disclose all hazards existing as of the inception date of this Policy shall not prejudice the insurance with respect to the coverage afforded by this Policy, provided such failure or omission is not intentional on the part of the Insured.

#### I. Knowledge of Occurrence, Claim or Suit

Under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, the following is added to Condition **2. Duties in the Event of Occurrence, Offense, Claim or Suit**:

Knowledge of any occurrence, claim, or suit by any agent, servant or employee of the Named Insured does not in itself constitute knowledge by the Insured unless notice of such injury, claim or suit shall have been received by:

- a. you, if you are an individual;
- b. a partner, if you are a partnership
- c. an executive officer or insurance manager, if you are a corporation.

#### J. Property Damage Liability - Elevators

1. Under paragraph **2. Exclusions** of **SECTION I - COVERAGE A - Bodily Injury and Property Damage Liability**, subparagraphs **(3), (4) and (6)** of exclusion **j. Damage to Property** do not apply if such property damage results from the use of elevators.
2. The following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, Condition **4. Other Insurance**, paragraph **b. Excess Insurance**:

The insurance afforded by this provision of this Endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

#### K. Property Damage Liability - Borrowed Equipment

1. Under paragraph **2. Exclusions** of **SECTION I - COVERAGE A - Bodily Injury and Property Damage Liability**, subparagraph **(4)** of exclusion **j. Damage to Property** does not apply to "property damage" to borrowed equipment while not being used to perform operations at a job site.
2. The following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY Conditions**, Condition **4. Other Insurance**, paragraph **b. Excess Insurance**:

The insurance afforded by this provision of this Endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

**L. Liberalization Clause**

If we revise this Signature General Liability Broadening Endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the date the revision is effective in your state.

**M. Amendment of Pollution Exclusion (Premises)**

1. The following is added to paragraph **(1)(a)** of Exclusion f. of **SECTION I - COVERAGE A - Bodily Injury and Property Damage Liability**:

- (iv) "Bodily injury" or "property damage" arising out of the actual discharge, dispersal, seepage, migration, release or escape of "pollutants."

As used in this Endorsement, the actual discharge, dispersal, seepage, migration, release or escape of pollutants must:

- (aa) commence on a clearly identifiable day during the policy period; and
    - (bb) end, in its entirety, within seventy-two (72) hours of the commencement of the discharge, dispersal, seepage, migration, release or escape of "pollutants"; and
    - (cc) be discovered and reported to us within fifteen (15) days of the clearly identifiable day that the discharge, dispersal, seepage, migration, release or escape of "pollutants" commences; and
    - (dd) be neither expected nor intended from the standpoint of any insured; and
    - (ee) be unrelated to any previous discharge, dispersal, seepage, migration, release or escape; and
    - (ff) not originate at or from a storage tank or other container, duct or piping which:
      - a. is below the surface of the ground or water; or
      - b. at any time has been buried under the surface of the ground or water and then is subsequently exposed.

2. For the purposes of this coverage, the following is added to the definition of "property damage" of **SECTION V - DEFINITIONS** and applies only as respects this coverage:

Land or water, whether below ground level or not, is not tangible property.

3. Coverage provided hereunder does not apply to any discharge, dispersal, seepage, migration, release or escape that is merely threatened or alleged rather than shown to have actually occurred.

**N. Limited Property Damage to Property of Others**

The following is added under **SECTION I - SUPPLEMENTARY PAYMENTS - COVERAGES A and B**:

3. We will pay up to \$ 5,000 for loss to personal property of others while in the temporary care, custody or control of an insured caused by any person participating in your organized activities. For the purpose of this supplementary payment, loss shall mean damage or destruction but does not include mysterious disappearance or loss of use. In the event of a theft, a police report must be filed. This supplementary payment does not apply if:

- a. coverage is otherwise provided by the Property Coverage part (if any) of this Policy; or



- b. the loss is covered by any other insurance you have or by any insurance of such person who causes such loss.

These payments will not reduce the Limits of Insurance.

**O. Additional Insured - Manager or Lessor of Premises**

1. **SECTION II - WHO IS AN INSURED** is amended to include as an additional insured any person or organization from whom you lease or rent property and which requires you to add such person or organization as an additional insured on this Policy under:

- (a) a written contract; or

- (b) an oral agreement or contract where a Certificate of Insurance showing that person or organization as an additional insured has been issued;

but the written or oral contract or agreement must be an "insured contract," and,

- (i) currently in effect or become effective during the term of this Policy; and

- (ii) executed prior to the "bodily injury," "property damage," "personal and advertising injury."

2. With respect to the insurance afforded to the Additional Insured identified in paragraph 1. above, the following additional provisions apply:

- (a) This insurance applies only with respect to the liability arising out of the ownership, maintenance or use of that part of the premises leased to you.

- (b) The Limits of Insurance applicable to the Additional Insured are the lesser of those specified in the written contract or agreement or in the Declarations for this Policy and subject to all the terms, conditions and exclusions for this Policy. The Limits of Insurance applicable to the Additional Insured are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.

- (c) In no event shall the coverages or Limits of Insurance in this Coverage Form be increased by such contract.

- (d) Coverage provided herein is excess over any other valid and collectible insurance available to the Additional Insured whether the other insurance is primary, excess, contingent or on any other basis unless a written contractual arrangement specifically requires this insurance to be primary.

- (e) This insurance applies only to the extent permitted by law.

3. This insurance does not apply to:

- (a) Any "occurrence" or offense which takes place after you cease to be a tenant in that premises.

- (b) Structural alterations, new construction or demolition operations performed by or on behalf of the Additional Insured.

**P. Additional Insured - Funding Sources**

1. **SECTION II - WHO IS AN INSURED** is amended to include as an additional insured any Funding Source which requires you in a written contract to name the Funding Source as an additional insured but only with respect to liability arising out of:

- a. your premises; or
- b. "your work" for such additional insured; or
- c. acts or omissions of such additional insured in connection with the general supervision of "your work"

and only to the extent set forth as follows:

- a. The Limits of Insurance applicable to the Additional Insured are the lesser of those specified in the written contract or agreement or in the Declarations for this Policy and subject to all the terms, conditions and exclusions for this Policy. The Limits of Insurance applicable to the Additional Insured are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.
- b. The insurance afforded to the Additional Insured only applies to the extent permitted by law
- c. 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.
- d. In no event shall the coverages or Limits of Insurance in this Coverage Form be increased by such contract.

**Q. Additional Insureds - By Contract**

1. **SECTION II - WHO IS AN INSURED** is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract, written agreement or permit. Such person or organization is an additional insured but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" arising out of:

- a. your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your ongoing operations for the Additional Insured that are subject of the written contract or written agreement provided that the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" is committed, subsequent to the signing of such written contract or written agreement; or
- b. the maintenance, operation or use by you of equipment rented or leased to you by such person or organization; or
- c. the Additional Insureds financial control of you; or
- d. operations performed by you or on your behalf for which the state or political subdivision has issued a permit

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 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 such additional insured.

With respect to paragraph 1.a. above, a person's or organization's status as an additional insured under this Endorsement ends when:

- (1) all work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed for or on behalf of the Additional Insured(s) at the location of the covered operations has been completed; or
- (2) that portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

With respect to paragraph 1.b. above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

The insurance provided by this Endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage."

We have no duty to defend an additional insured under this Endorsement until we receive written notice of a "suit" by the Additional Insured as required in paragraph b. of Condition 2. **Duties in the Event of Occurrence, Offense, Claim or Suit under SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITION.**

2. With respect to the insurance provided by this Endorsement, the following are added to paragraph 2. **Exclusions** under **SECTION I - COVERAGE A - Bodily Injury and Property Damage Liability**:

This insurance does not apply to:

- a. "Bodily injury" or "property damage" that occurs prior to your commencing operations at the location where such "bodily injury" or "property damage" occurs.
- b. "Bodily injury," "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
  - (1) the preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (2) supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Insured, if the "occurrence" which caused the "bodily injury" or "property damage," or the offense which caused the "personal and advertising injury," involved the rendering of, or failure to render, any professional architectural, engineering or surveying services.

- c. "Bodily injury" or "property damage" occurring after:
  - (1) all work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed for or on behalf of the Additional Insured(s) at the location of the covered operations has been completed; or
  - (2) that portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

d. Any person or organization specifically designated as an additional insured for ongoing operations by a separate additional insured endorsement issued by us and made part of this Policy.

3. 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:

- a. required by the contract or agreement; or
- b. 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.

#### **R. Primary and Non-Contributory Additional Insured Extension**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this Policy.

Condition 4. Other Insurance of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

- a. The following is added to paragraph a. **Primary Insurance:**

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

- (1) the Additional Insured is a named insured under such other insurance; and
- (2) you have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the Additional Insured.

- b. The following is added to paragraph b. **Excess Insurance:**

When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over any other insurance for which the Additional Insured is designated as a named insured.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the Additional Insured has been added as an additional insured on other policies.

#### **S. Additional Insureds - Protection of Your Limits**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this Policy.

1. The following is added to Condition 2. **Duties in the Event of Occurrence, Offense, Claim or Suit:**

An additional insured under this Endorsement will as soon as practicable:

- a. give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us;
  - b. tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the Additional Insured; and
  - c. agree to make available any other insurance which the Additional Insured has for a loss we cover under this Coverage Part.
  - d. we have no duty to defend or indemnify an additional insured under this Endorsement until we receive written notice of a "suit" by the Additional Insured.
2. The Limits of Insurance applicable to the Additional Insured are those specified in a written contract or written agreement or the Limits of Insurance stated in the Declarations of this Policy and defined in **SECTION III - LIMITS OF INSURANCE** of this Policy, whichever are less. These limits are inclusive of and not in addition to the Limits of Insurance available under this Policy.

**T. Blanket Waiver of Transfer of Rights of Recovery Against Others to Us (Subrogation)**

Under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, the following is added to Condition 8. **Transfer of Rights of Recovery Against Others to Us**:

If required by a written contract or written agreement, we waive any right of recovery we may have against a person or organization because of payment we make for injury or damage arising out of your ongoing operations or "your work" done under a contract for that person or organization and included in the "products-completed operations hazard" provided that the injury or damage occurs subsequent to the execution of the written contract or written agreement.

**U. Property Damage Extension with Voluntary Payments**

1. The following is added to paragraph 1. **Insuring Agreement** of **SECTION I - COVERAGE A - Bodily Injury and Property Damage Liability**:

At your request we will pay for "loss" to property of others caused by your business operations for which this Policy provides liability insurance. Such payment will be made without regard to your legal obligation to do so. The "loss" must occur during the policy period and must take place in the "coverage territory."

2. With respect to the coverage afforded under paragraph 1. above, paragraph 2. **Exclusions** of **SECTION I - COVERAGES A - Bodily Injury and Property Damage Liability** is amended as follows:

Exclusions j.(3), j.(4), j.(5) and j.(6) are deleted.

3. As respects coverage afforded by this coverage, **SECTION III - LIMITS OF INSURANCE** is replaced by the following:

Regardless of the number of insureds, claims made or "suits" brought or persons or organizations making claims or bring "suits":

1. Subject to 2. Below, the most we will pay for one or more "loss" arising out of any one "occurrence" is **\$ 1,000**.
2. The aggregate amount we will pay for the sum of all "loss" in an annual period is **\$ 5,000**. This aggregate amount is part of and not in addition to the General Aggregate Limit described in paragraph 2. of **SECTION III - LIMITS OF INSURANCE**.

**V. Who Is an Insured - Fellow Employee Extension - Management Employees**

1. The following is added to paragraph **2.a.(1)** of **SECTION II - WHO IS AN INSURED**:

Paragraph **(a)** and **(b)** above do not apply to "bodily injury" or "personal and advertising injury" caused by an "employee" who is acting in a supervisory capacity for you. Supervisory capacity as used herein means the "employee's" job responsibilities assigned by you, including the direct supervision of other "employee" of yours. However, none of these "employees" are insureds for "bodily injury" or "personal and advertising injury" arising out of their willful conduct, which is defined as the purposeful or willful intent to cause "bodily injury" or "personal and advertising injury," caused in whole or in part by their intoxication by liquor or controlled substances.

This coverage is excess over any other valid and collectable insurance available to your "employee."

**W. Broadened Personal and Advertising Injury**

1. Unless "Personal and Advertising Injury" is excluded from this Policy, the following is added to **SECTION V - DEFINITIONS** Item **14.**:
  - h. mental injury, mental anguish, humiliation, or shock, if directly resulting from Items **14.a.** through **14.e.**

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

**EXCLUSION - ABUSE, MOLESTATION, HARASSMENT OR SEXUAL CONDUCT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following is added to the Exclusions section of the policy:

This insurance does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of:

- (a) the actual, threatened or alleged "abuse", molestation, harassment or sexual conduct by anyone of any person; or
- (b) the negligent:
  - (i) employment;
  - (ii) investigation;
  - (iii) supervision;
  - (iv) reporting to the proper authorities,
  - (v) or failure to so report;
  - (vi) retention; or
  - (vii) referral

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by a. above.

For the purpose of this endorsement:

**"Abuse"** means:

- a. any actual, threatened, or alleged act, error, omission, conduct, or misconduct, that a claim or "suit" alleges to be, or to constitute, any form of abuse (including, but not limited to, elder abuse, child abuse, patient abuse, or abuse of a dependent person) under any applicable state or federal statute or regulation; and
- b. any actual, threatened, or alleged act, error, omission, conduct, or misconduct, of one or more of the following kinds:
  - (1) sexual behavior, sexual conduct or misconduct, sexual assault, sexual battery, sexual abuse, or sexual molestation, of or directed at a person;

- (2) non-sexual assault, non-sexual battery, or non-sexual abuse, of or directed at a person; and
- (3) any:
  - (i) employment;
  - (ii) investigation;
  - (iii) supervision;
  - (iv) reporting to proper authorities, or failure to so report; or
  - (v) retention in employment;of any person committing conduct or misconduct described in **b.(1)** or **b.(2)**; or
- (vi) referral of a patient, student, parishioner, client, or person, to any other person whose conduct or misconduct is described in **a.**, **b.(1)**, or **b.(2)**.

Conduct or misconduct described in **b.(1)** through **b.(3)** constitutes "abuse" within the meaning of this definition regardless of whether or not it is alleged to be negligent, reckless, knowing, intentional, fraudulent, oppressive, malicious, or otherwise.

This endorsement does not change any other provision of the policy.



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

**MEDICAL PAYMENTS AT YOUR REQUEST ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following is added to **SECTION I – COVERAGES - COVERAGE C - MEDICAL PAYMENTS**:

If medical payments are covered and not otherwise excluded under the policy, medical payments will be paid only if you request that we pay such expenses.

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

**FORMS AND ENDORSEMENTS SCHEDULE**

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

|    | <b>Form and Edition</b> |       | <b>Date Added *<br/>or<br/>Date Deleted</b> | <b>Form Description</b>             |
|----|-------------------------|-------|---|-------------------------------------|
| 1. | CM0001                  | 09/04 |   | COMMON INLAND MARINE CONDITIONS     |
| 2. | CM0140                  | 04/08 |   | OH CHANGES                          |
| 3. | CM7657                  | 12/98 |   | BUSINESS ELECTRONIC SYS/TELECOM DEC |
| 4. | CM7658                  | 12/98 |   | BUSINESS ELECT SYS/TELECOM COVERAGE |
| 5. | CM7730                  | 10/89 |   | SPECIAL FLOATER DEC                 |
| 6. | CM7731                  | 01/05 |   | SPECIAL FLOATER COVERAGE PART       |

\* If not at inception

**COMMERCIAL INLAND MARINE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in **Commercial Inland Marine Coverage Forms**:

**Loss Conditions****A. Abandonment**

There can be no abandonment of any property to us.

**B. Appraisal**

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

1. pay its chosen appraiser; and
2. bear the other expenses of the appraisal and umpire equally.

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

**C. Duties in the Event of Loss**

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.

3. As soon as possible, give us a description of how, when and where the loss or damage occurred.

4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

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

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

#### **D. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

#### **E. Loss Payment**

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
  - a. we have reached agreement with you on the amount of the loss; or
  - b. an appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

#### **F. Other Insurance**

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable

Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.

2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

#### **G. Pair, Sets or Parts**

##### **1. Pair or Set**

In case of loss or damage to any part of a pair or set we may:

- a. repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. pay the difference between the value of the pair or set before and after the loss or damage.

##### **2. Parts**

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

#### **H. Recovered Property**

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

#### **I. Reinstatement of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

**J. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
  - a. someone insured by this insurance; or
  - b. a business firm:
    - (1) owned or controlled by you; or
    - (2) that owns or controls you.

This will not restrict your insurance.

**General Conditions****A. Concealment, Misrepresentation or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. this Coverage Part;
2. the Covered Property;
3. your interest in the Covered Property; or
4. a claim under this Coverage Part.

**B. Control of Property**

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

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

**C. Legal Action Against Us**

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

1. there has been full compliance with all the terms of this Coverage Part; and
2. the action is brought within 2 years after you first have knowledge of the direct loss or damage.

**D. No Benefit to Bailee**

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

**E. Policy Period, Coverage Territory**

We cover loss or damage commencing:

1. during the policy period shown in the Declarations; and
2. within the coverage territory.

**F. Valuation**

The value of property will be the least of the following amounts:

1. the actual cash value of that property;
2. the cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. the cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

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

## **OHIO CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL INLAND MARINE COVERAGE PART**

Loss Condition **E. Loss Payment** in the Commercial Inland Marine Conditions is replaced by the following:

#### **E. Loss Payment**

1. We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:
  - a. accept your claim;
  - b. deny your claim; or
  - c. need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
5. Provided you have complied with all the terms of this Policy, we will pay for covered loss or damage within:
  - a. 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
  - b. five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss; and
    - (1) an appraisal award has been made; or
    - (2) we have reached an agreement with you on the amount of loss that was in dispute.
6. We will not be liable for any part of a loss that has been paid or made good by others.

Policy No. PAC 3652300 00

**BUSINESS ELECTRONIC SYSTEMS AND TELECOMMUNICATIONS DECLARATIONS**

|  |   |
|--|---|
| <b>NAMED INSURED:</b> EDUCATIONAL THEATRE<br>ASSOCIATION INTERNATIONAL | <b>POLICY PERIOD:</b><br>10/01/2020 to 10/01/2021 |
| <b>PREMIUM FOR THIS COVERAGE FORM:</b> \$ 679.00                       |   |

|           |      |                            |  |            |             |
|-----------|------|----------------------------|--|------------|-------------|
| LOCATIONS |      |                            |  |            |             |
| LOC       | BLDG | STREET                     |  | CITY       | ST ZIP-CODE |
| 0001      | 0001 | 4805 MONTGOMERY RD STE 400 |  | CINCINNATI | OH 45212-   |

**LIMITS:** Coverage is provided only if a Limit of Insurance is shown. The most we will pay for "loss" is:

| LOCATION | BLDG | EQUIPMENT | DATA, PROGRAMS,<br>MEDIA, COMBINED | EXTRA EXPENSE<br>PER MONTH TOTAL LIMIT |
|----------|------|-----------|------------------------------------|--|
| 0001     | 0001 | \$100,000 | \$25,000                           | \$25,000 \$25,000                      |

In Transit/Any Other Location: \$ 25,000

**DEDUCTIBLE AMOUNT:** \$ 1,000 applies to Breakdown (See Paragraph D.1.)  
\$ 1,000 applies to all other "loss" (See Paragraph D.2) (or see CM 88 02)

See Optional Coverage Endorsements for separate deductibles.

**FORMS AND ENDORSEMENTS** applicable to all Coverage Forms and made part of this policy at time of issue are listed on the attached Forms and Endorsements Schedule CM 88 01 (11/85).

Policy No. PAC 3652300 00

**SPECIAL FLOATER  
DECLARATIONS PAGE**

|  |   |
|--|---|
| <b>NAMED INSURED:</b> EDUCATIONAL THEATRE<br>ASSOCIATION INTERNATIONAL | <b>POLICY PERIOD:</b><br>10/01/2020 to 10/01/2021 |
| <b>PREMIUM FOR THIS COVERAGE FORM:</b>                                 | \$ 1,050.00                                       |

**LIMITS OF INSURANCE**

The most we will pay is:  
\$ 70,000 in any one "loss," but not more than the limit of Insurance shown opposite each item described below or in the Schedule attached.

**SCHEDULE OF COVERED PROPERTY**

| <b>ITEM<br/>NO</b> | <b>DESCRIPTION</b>                                    | <b>LIMIT OF INSURANCE</b> |
|--------------------|---|---------------------------|
| 0001               | MISCELLANEOUS ART - PER SCHEDULE ON FILE WITH COMPANY | \$70,000                  |

**DEDUCTIBLE AMOUNT** \$ 1,000

**FORMS AND ENDORSEMENTS** applying to this Coverage Part and made part of this policy at time of issue:  
**SEE CM 88 01 11/85**



**SPECIAL FLOATER COVERAGE FORM**

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

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

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

**A. Coverage**

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

**1. Covered Property**, as used in this Coverage Form, means scheduled articles described in the Declarations.

**2. Property Not Covered**

Covered Property does not mean:

- a. accounts, bills, evidences of debt, currency, notes, securities, valuable papers, or other documents;
- b. aircraft or watercraft;
- c. land motor vehicles designed for, and while operating upon, public roadways;
- d. bullion, gold, silver, platinum, or other precious alloys or metals, jewelry, watches, precious or semi-precious stones, furs, or fine arts;
- e. living organisms, such as animals, birds, fish, insects and plants;
- f. contraband, or property in the course of illegal transportation or trade.
- g. water, land, grading or fill;
- h. any permanent realty (such as buildings, dams, docks, wharves, piers and bridges);
- i. property while:

(1) airborne, unless in a regularly scheduled commercial passenger airline flight or within a commercial freight aircraft;

(2) waterborne, except while on a regularly scheduled ferry or railroad car float;

(3) under water;

(4) under ground.

**3. Covered Causes of Loss**

Covered Causes of Loss means risks of direct physical "loss" to Covered Property except those causes of "loss" listed in the Exclusions.

**4. Additional Coverages**

The coinsurance provision in this policy does not apply to these Additional Coverages.

The Limits of Insurance for the following Additional Coverages are separate from the Limits of Insurance shown for the scheduled articles.

**a. Debris Removal**

We will pay your actual and necessary expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss.

The most we will pay for "loss" under this Additional Coverage is 25% of the amount we pay for direct physical "loss" to Covered Property up to a maximum of \$25,000.

This additional coverage does not apply to the cost to:

- (1) extract "pollutants" from land or water; or
- (2) remove, restore or replace polluted land or water.

#### **b. Pollutant Clean Up and Removal**

We will pay your necessary expense to extract "pollutants" from land or water, if the release, discharge or dispersal of the "pollutants" results from a Covered Cause of Loss to Covered Property that occurs during the policy period. Your expenses will be paid only if they are reported to us within 180 days of the earlier of:

- (1) the date of the "loss"; or
- (2) the end of the policy period.

The most we will pay under this Additional Coverage is 10% of the applicable direct physical "loss" limits, up to a maximum of \$5,000, for the sum of all such expenses for each separate 12 month policy period.

#### **c. Additionally Acquired Property**

We will insure additional items similar to those scheduled, which you buy or lease "long term," but not beyond the earlier of:

- (1) 30 days; or
- (2) the end of the policy period;
- (3) cancellation of this Coverage Form.

The most we will pay for "loss" under this Additional Coverage is the lesser of:

- (1) 10% of the Special Floater any one "loss" Limit of Insurance; or
- (2) \$25,000.

You must report these items to us within thirty (30) days after you obtain them. Premium will be charged from the date of acquisition. If you fail to report new items within the thirty (30) day period coverage will end automatically at the earlier of:

- (1) the date you acquire the property; or
- (2) the end of the policy period; or
- (3) cancellation of this Coverage Form.

#### **B. Exclusions**

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

##### **a. Governmental Action**

Seizure or destruction of property by order of governmental authority.

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

##### **b. Nuclear Hazard**

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But if nuclear reaction or radiation or radioactive contamination results in a fire, we will pay for the loss or damage caused by that fire.

##### **c. War and Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any govern-

ment, sovereign or authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

#### **d. Earth Movement**

- (1) Any earth movement such as earthquake, landslide, mine subsidence or earth sinking, rising, shifting, expanding or contracting. But if loss or damage by fire, theft, or explosion results, we will pay for that resulting "loss."

- (2) Volcanic eruption, explosion or effusion. But if "loss" by fire or volcanic action results, we will pay for that resulting "loss."

Volcanic action means direct "loss" resulting from the eruption of a volcano when the "loss" 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" to the described property.

#### **e. Water**

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows from a sewer, drain or sump; or

- (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.

But if water, as described above, results in a fire, explosion, theft or sprinkler leakage, we will pay for that "loss" caused by fire, explosion, theft or sprinkler leakage.

#### **f. "Fungus," Rot and Bacteria**

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

We will not pay for the cost to test, monitor, contain, remove, extract, dispose of, treat, remediate, neutralize or decontaminate land, water or any property which has been (or is suspected to have been) contaminated by the presence of "fungus," wet rot, dry rot or bacteria.

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

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

- b. Dishonest acts by:

- (1) you, your employees (including leased employees), partners, members, trustees, officers or authorized representatives;
- (2) anyone else with an interest in the property, or their employees or authorized representatives;
- (3) anyone else (other than a carrier for hire) to whom you entrust the property.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

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

- c. Unexplained loss, mysterious disappearance or shortage found upon taking inventory.

This exclusion does not apply to property in the custody of a carrier for hire.

- d. Artificially generated electric current creating an electric disturbance (including arcing) within Covered Property.

But we will pay for "loss" caused by a resulting fire or explosion.

- e. Processing or any work upon property covered. But, we will pay for "loss" caused by a resulting fire or explosion.
- f. Contamination, leakage, breakage, denting, bending, marring, or scratching, unless directly caused by fire, lightning, windstorm, hail, theft or attempted theft, riot, vandalism or collision, upset or overturn of a conveyance.
- g. Rain, sleet, snow, hail, ice or dust to property in the open (not in a fully enclosed building).

This exclusion does not apply to property in the custody of a carrier for hire.

- 3. We will not pay for a "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."

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

- b. Gradual deterioration, hidden or latent defects, any quality in the property that causes it to damage or destroy itself, wear and tear, depreciation, corrosion, rust, dampness, cold or heat, insects, vermin or rodents.

- c. Mechanical breakdown or failure of Covered Property.

- d. Faulty, inadequate or defective design, specifications, workmanship, repair, materials or maintenance of Covered Property.

### C. Limits of Insurance

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

### D. Deductible

We will pay the amount of the adjusted "loss" in any one occurrence in excess of the Deductible amount shown in the Declarations, up to the applicable Limit of Insurance.

### E. Additional Conditions

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

#### 1. Coverage Territory

We cover property within:

- a. the states of the United States (excluding while in transit to or from Alaska or to and from Hawaii);
- b. the District of Columbia;
- c. Canada.

#### 2. Coinsurance

All Covered Property must be insured for at least 80% of its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the applicable Limit of Insurance shown in the Schedule of Covered Property on the Declarations page bears to 80% of the actual cash value of the covered article(s) involved in the "loss."

## F. Definitions

**"Fungus"** means any type or form of fungus, including mold, mildew, yeast or mushroom and any toxin, mycotoxin, spore, scent, waste product, or by-product produced or released by any fungus or metabolism, growth, death or decay of any fungus.

**"Long Term"** means a lease of 12 or more consecutive months.

**"Loss"** means accidental loss or damage.

**"Pollutant"** 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.

**BUSINESS ELECTRONIC SYSTEMS  
AND TELECOMMUNICATIONS FORMS**

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

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

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

**A. COVERAGE**

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

**1. Covered Property**, as used in this Coverage Form, means:

**a. Electronic Equipment** - meaning your Electronic Data Processing, Information Technology Hardware, and Telecommunications Equipment, including their component parts;

**b. Data, Programs and Media**

(1) Data is information which has been converted to a form usable in Data Processing Equipment. Data includes Computer Programs and Instructions;

(2) Media is the material on which Data is recorded; for example, magnetic disks and tapes.

**c. Property of Others** - similar property of others in your care, custody or control, and for which you are legally responsible.

**2. Property Not Covered**

Covered Property does not include:

**a.** Property you loan, rent or lease to others while it is away from your premises;

**b.** Data or Media which cannot be replaced with other of the same kind or quality, unless it is specifically described and scheduled with a separate Limit of Insurance in the Declarations.

**c.** Satellites, microwave towers and dishes, earth stations, telephone switching stations or similar property.

**d.** Accounts, bills, currency, securities, evidence of debt, valuable papers, abstracts, records, deeds, manuscripts or other documents, unless converted to Data, and then only in that form.

**e.** Your stock in trade.

**f.** Contraband, or property in the course of illegal transportation or trade.

**3. Covered Causes of Loss**

Covered Causes of Loss means Risks Of Direct Physical "Loss" to Covered Property except those causes of "loss" listed in the Exclusions.

#### 4. Additional Coverages

##### a. Extra Expense

(1) We will pay the actual and necessary Extra Expense you sustain from a Covered Cause of Loss, due to direct physical loss of or damage to:

(a) Covered Property at your premises or in transit, within the Coverage Territory;

(b) the building in which the Covered Property is located, provided the building is damaged to an extent which prevents access to the Covered Property;

(c) the air conditioning, voltage regulator, line conditioner or uninterruptable power supply systems that specifically service your data processing operation;

(d) the electrical or telecommunication system that specifically services your data processing operation, provided the damage to the system occurs inside, or within 100 feet of, the building housing your data processing operation.

(e) a building adjacent to a scheduled location, when access to the scheduled location is prohibited by civil authority. Coverage is limited to no more than two (2) weeks.

(2) **Extra Expense** means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property:

(a) To avoid or minimize the suspension of business and to continue "operations":

(i) at the described premises; or

(ii) at replacement premises or at temporary locations, including:

Relocation expenses; and

Costs to equip and operate the replacement or temporary locations.

(b) To minimize the suspension of business if you cannot continue "operations"; or

(c) (i) to repair or replace any property; or

(ii) to research, replace or restore the lost information on damaged valuable papers and records;

but only to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.

(3) The most we will pay for "loss" in any one occurrence under this Additional Coverage is the applicable Extra Expense Limit of Insurance shown in the Declarations.

##### (b) Newly Acquired Electronic Equipment

We will pay for "loss" to Newly Acquired Electronic Equipment at each location scheduled in the Declarations, provided the value of the equipment is reported to us within 60 days from the time you acquired it. If it is not reported within that time, or if the policy period ends within that time, coverage will cease. We will compute the additional premium due from the date you acquire the equipment.

The most we will pay for "loss" in any one occurrence under this Additional Coverage is 25% of the highest Limit of Insurance for any location shown in the Declarations, for coverage **A.1.a. Electronic Equipment**, up to a maximum of \$250,000.

**c. Newly Acquired Locations**

We will pay for "loss" to Covered Property at any new location which you acquire, provided the new location is reported to us within 60 days from the time you acquired it. If it is not reported within that time, or if the policy period ends within that time, coverage will cease. We will compute any change in your premium from the date you occupy the new location.

The most we will pay for "loss" in any one occurrence under this Additional Coverage is the In Transit/Any Other Location Limit shown in the Declarations.

**d. Temporary Locations**

We will pay for "loss" to Covered Property while at temporary locations but only for the first 60 days that the property is located there, and not beyond the end of the policy period.

The most we will pay in any one occurrence under this Additional Coverage is the In Transit/Any Other Location Limit shown in the Declarations.

**e. Debris Removal**

We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss.

The most we will pay for "loss" at each location under this Additional Coverage is 25% of the sum of the applicable location limits for Electronic Equipment and Data, Programs, Media Coverages up to a maximum of \$100,000.

This Additional Coverage doesn't apply to the cost to:

(1) extract "pollutants" from land or water; or

(2) remove, restore or replace polluted land or water.

**f. Pollutant Clean Up and Removal**

We will pay your necessary expense to extract "pollutants" from land or water at the premises described in the Declarations, if the release, discharge or dispersal of the "pollutants" results from a Covered Cause of Loss to Covered Property that occurs during the policy period. Your expenses will be paid only if they are reported to us within 180 days of the earlier of:

(1) the date of the direct physical loss or damage; or

(2) the end of the policy period.

The most we will pay for each location under this Additional Coverage is 10% of the sum of the applicable location limits for Electronic Equipment and Data, Programs, Media Coverages, up to a maximum of \$10,000, for the sum of all such expenses for each separate 12 month policy period.

No deductible applies to this Additional Coverage.

**g. Cost of Preparing a Statement of Loss**

We will pay the cost of preparing a statement of loss or any other exhibits required in connection with any claim under this Coverage Form.

The most we will pay for the cost of preparing a statement of loss or other exhibits under this Additional Coverage is \$1,000.

This Additional Coverage does not include public adjuster's fees.



#### **h. Duplicate Data**

We will pay for your "loss" of duplicate data stored at locations not scheduled on the Declarations. The most we will pay for "loss" under this Additional Coverage in any one occurrence is 25% of the highest Data, Programs, Media location limit up to a maximum of \$100,000.

#### **i. Protective Equipment**

We will pay your necessary expenses to:

- (1) Repair or replace (in excess of any amount covered by other insurance);
- (2) Recharge:

Your fire protection equipment that is used exclusively to protect the Covered Property.

We will pay if the damage or discharge is the result of a response to a fire, a false alarm, or another Covered Cause of Loss. But, we won't pay for discharge which occurs during installation, repair or recharge. Nor will we pay for gradual leakage from the system.

The most we will pay under this Additional Coverage in any one occurrence is \$25,000.

These Additional Coverages have separate Limits of Insurance.

### **B. EXCLUSIONS**

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

#### **a. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

#### **b. Nuclear Hazard**

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

#### **c. War and Military Action**

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

#### **d. Earth Movement**

- (1) Any earth movement such as earthquake, landslide, or earth sinking, rising or shifting. But if loss or damage by fire, theft, or explosion results, we will pay for that resulting "loss."
- (2) Volcanic eruption, explosion or effusion. But if "loss" by fire or volcanic action results, we will pay for that resulting "loss."

Volcanic action means direct "loss" resulting from the eruption of a volcano when the "loss" 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" to the described property.

#### **e. Water**

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up from a sewer or drain; or
- (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.

But if "loss" by fire, explosion, theft or sprinkler leakage results, we will pay for that resulting "loss."

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

- a. Dishonest acts by you, your partners, officers or trustees, or your or their agents, or others to whom Covered Property is entrusted;

This exclusion will not apply to acts of destruction by an employee of yours; nor will it apply to bailees for hire (for example, truckers or warehousemen). But we will not pay for theft by your employees.

- b. Delay, loss of market or loss of income;
- c. The enforcement of any law which regulates the construction, repair or demolition of buildings or other structures;
- d. Any change in, or interruption of:

(1) power supply; or

(2) telecommunications service

if the change originates more than 100 feet away from the premises containing the Covered Property (equipment). But, if a loss or damage by fire, explosion or theft results, we will pay for that resulting "loss."

- e. Programming errors or incorrect machine instructions. This does not include loss or damage by computer virus or other malicious software.

In addition to the above, we will not pay for any Extra Expense you incur due to:

- f. Interference by strikers or other persons with repairs to damaged property, or with resumption of normal business "operations";
- g. Mechanical or machinery breakdown of any property not named in the Extra Expense Additional Coverage;

h. The suspension, lapse or cancellation of any lease, license or contract beyond the "period of restoration";

i. Any other consequential "loss."

3. We will not pay for a "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."

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

b. Faulty, inadequate or defective workmanship, repair, material used in repair, upgrading or remodeling of Covered Property.

c. Wear and tear, gradual deterioration or obsolescence.

### C. LIMITS OF INSURANCE

Except for the Additional Coverages **b,e,f,g,h** and **i**, the most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The Limits of Insurance for Additional Coverages **b,e,f,g,h** and **i**, are stated in those Additional Coverages.

### D. DEDUCTIBLE

We will pay only the amount of the adjusted "loss" in excess of the applicable Deductible shown in the Declarations, up to the applicable Limit of Insurance.

1. The **Breakdown** Deductible applies to losses resulting from:

a. Mechanical breakdown, (for example, head crash) of the Covered Property;

b. Short circuit, blow-out or other electric or magnetic disturbance, other than lightning, within electrical equipment, apparatus or devices;

c. Any repairing, servicing or processing operation;

d. Damage to Data or Media when Electronic Equipment breaks down or malfunctions while Data or Media is being run through the system.

2. The All Other "Loss" Deductible applies to all other losses under this Coverage Form.

### E. ADDITIONAL CONDITIONS

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

#### 1. Coverage Territory

We cover Covered Property in transit to, or from, and at:

a. Locations shown in the Declarations;

b. Newly acquired locations and temporary locations as provided in the Additional Coverages for Newly Acquired Locations and Temporary Locations;

all while in:

c. The United States of America;

d. Canada;

but we do not cover property in transit by watercraft to or from Alaska or Hawaii.

#### 2. Valuation

The Valuation General Condition is replaced by the following:

##### a. Electronic Equipment

We will adjust a "loss" to Electronic Equipment on the basis of "replacement cost." The most we will pay is the lesser of:

(1) the amount necessary to repair the equipment; or

(2) the amount necessary to replace the equipment with:

(a) equipment of the same kind and quality; or

(b) if Equipment cannot be replaced by Equipment of the same kind and quality, new Equipment capable of performing the same functions.

(3) The applicable Limit of Insurance.

**b. Data**

Data (including Programs) will be valued at the actual cost of replacing the Data. If it is not replaced or reproduced, we will pay the cost of the blank Media.

**c. Media**

The value of the Media will be the cost to replace the Media with material of the same kind or quality.

**3. Our Options**

If we notify you in writing within thirty (30) days after we receive your signed, sworn statement of loss, we may take **all** or part of the damaged Covered Property at a value that we will agree upon with you. If we choose, we may also repair the damaged Covered Property, or replace it with similar property.

**F. DEFINITIONS**

1. **"Loss"** means accidental loss or damage.

2. **"Operations"** means your business activities occurring at the described premises.

3. **"Period of Restoration"** means the period of time that:

a. begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and

b. ends on the date when the property at the described premises 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 law that regulates the construction, use or repair, or requires the tearing down, of any property.

The expiration date of this policy will not cut short the "period of restoration."

4. **"Pollutants"** means any solid, liquid gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

5. **"Replacement Cost"** means the cost to repair or replace the covered property damaged or lost without deduction for depreciation. But, if you choose not to repair or replace the item, we will pay only the actual cash value of the item, or its repair, with proper deduction for depreciation.

Policy: PAC 3652300 00

**BUSINESS AUTO COVERAGE FORM  
DECLARATION PAGE**

|  |   |
|--|---|
| <b>ITEM ONE</b>  |   |
| <b>Named Insured:</b> EDUCATIONAL THEATRE<br>ASSOCIATION INTERNATIONAL | <b>Policy Period:</b><br>10/01/2020 to 10/01/2021 |
| <b>Form of Business:</b> CORPORATION                                   |   |

|  |  |
|--|--|
| <b>ITEM TWO</b>  | <b>SCHEDULE OF COVERAGES AND COVERED AUTOS</b>                               |
| This Policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos." <b>"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos Section of the Business Auto Coverage Form next to the name of the coverage.</b> |  |
| <b>Coverages</b>   | <b>Covered Autos                      Limit                      Premium</b> |

|                         |     |             |    |        |
|-------------------------|-----|-------------|----|--------|
| COVERED AUTOS LIABILITY | 8,9 | \$1,000,000 | \$ | 262.00 |
|-------------------------|-----|-------------|----|--------|

|   |
|---|
| SUPPLEMENTAL SPOUSAL<br>LIABILITY (New York only) |
|---|

|   |    |
|---|----|
| PERSONAL INJURY<br>PROTECTION<br>(Or Equivalent No-Fault<br>Coverage) | \$ |
|---|----|

|   |
|---|
| ADDED PERSONAL INJURY<br>PROTECTION<br>(Or Equivalent Added<br>No-Fault Coverage) |
|---|

|   |
|---|
| AGGREGATE NO-FAULT<br>BENEFITS AVAILABLE<br>(New York Only) |
|---|

|  |
|--|
| MAXIMUM MONTHLY WORK<br>LOSS (New York Only) |
|--|

|  |
|--|
| OTHER NECESSARY<br>EXPENCES (PER DAY)<br>(New York Only) |
|--|

|                                  |
|----------------------------------|
| DEATH BENEFIT<br>(New York Only) |
|----------------------------------|

| Coverages  | Covered Autos  | Limit | Premium |
|--|--|-------|---------|
| PROPERTY PROTECTION<br>INSURANCE<br>(Michigan only)                              |  |       | \$      |
| AUTO MEDICAL PAYMENTS  |  |       | \$      |
| MEDICAL EXPENSE AND<br>INCOME LOSS BENEFITS<br>(Virginia only)                   |  |       | \$      |
| UNINSURED MOTORISTS  |  |       | \$      |
| UNDERINSURED MOTORISTS<br>(When Not Included In<br>Uninsured Motorists Coverage) |  |       | \$      |
| PHYSICAL DAMAGE<br>COMPREHENSIVE COVERAGE  | Actual Cash Value Or Cost \$<br>Of Repair, Whichever Is<br>Less, MINUS The Deductible<br>Stated In ITEM THREE -<br>Schedule Of Covered Autos<br>But No Deductible Applies<br>To Loss Caused By Fire Or<br>Lightning. (In New York a,<br>Deductible Will Apply To<br>Loss Cost Caused By Fire<br>Or Lightning). See ITEM<br>FOUR For Hired Or<br>Borrowed "Autos" |       |         |
| PHYSICAL DAMAGE SPECIFIED<br>CAUSE OF LOSS COVERAGE                              | Actual Cash Value Or Cost \$<br>Of Repair, Whichever Is<br>Less, MINUS The<br>Deductible Stated In ITEM<br>THREE - Schedule of<br>Covered Auto For Loss<br>Caused By Mischief Or<br>Vandalism. See ITEM FOUR<br>For Hired Or Borrowed<br>"Autos".  |       |         |

| Coverages                                  | Covered Autos | Limit   | Premium   |
|--|---------------|---|-----------|
| PHYSICAL DAMAGE COLLISION<br>COVERAGE      |               | Actual Cash Value Or Cost \$<br>Of Repair, Whichever Is<br>Less, MINUS The Deductible<br>Stated In ITEM THREE -<br>Schedule Of Covered Autos<br>See ITEM FOUR For Hired Or<br>Borrowed "Autos". |           |
| PHYSICAL DAMAGE<br>TOWING AND LABOR        |               | See ITEM THREE - Schedule \$<br>Of Covered Autos For Limit<br>For Each Disablement Of<br>Private Passenger Autos.   |           |
| OTHER COVERAGES                            |               |   |           |
|  |               | Estimated Total Premium   | \$ 262.00 |
| *This Policy May Be Subject To Final Audit |               |   |           |

**FORMS AND ENDORSEMENTS** applicable to this Coverage Part and made part of the Policy at time of issue are listed on the attached Forms and Endorsements Schedule, CA 88 01 (Ed. 01/87).

| ITEM THREE  | SCHEDULE OF COVERED AUTOS YOU OWN (Parts A, B, C & D) |
|---|---|
| DESCRIPTION, TERRITORY, CLASSIFICATION, and COVERAGES ON AUTOS YOU OWN.<br>Including additions, changes and deletions                                 |   |
| For Limits of Liability or deductibles applicable to each coverage ("COVERAGES") not shown on this Schedule, see ITEM TWO or attached endorsement(s). |   |
| DATE OF THIS SCHEDULE: 10/01/2020   |   |

Except For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In the Auto At The Time Of The Loss.

| ITEM FOUR | SCHEDULE OF HIRED OR BORROWED COVERED<br>AUTO COVERAGE AND PREMIUMS |
|-----------|---|
|-----------|---|

COVERED AUTOS LIABILITY COVERAGE - COST OF HIRE RATING BASIS FOR  
IN YOUR MOTOR CARRIER OPERATIONS(Other Than Mobile or Farm Equipment)

| STATE              | Estimated Annual<br>Cost of Hire For Each States | PREMIUM |
|--------------------|--|---------|
| Primary Coverage   |  |         |
| Excess Coverage OH | If any   | \$ 152  |

LIABILITY COVERAGE - RATING BASIS, NUMBER OF DAYS -  
(FOR MOBILE OR FARM EQUIPMENT - RENTAL PERIOD BASIS)

| STATE                    | Estimated Number<br>of Days Equipment<br>will be Rented | Base Premium | Factor | PREMIUM |
|--------------------------|---|--------------|--------|---------|
|                          |   |              |        | \$      |
| Total Hired Auto Premium |   |              |        | \$ 152  |

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or employees or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

## PHYSICAL DAMAGE COVERAGE

| COVERAGES                | STATE | Limit of Insurance  | Estimated<br>Annual<br>Cost of<br>Hire | Premium |
|--------------------------|-------|---|--|---------|
| Comprehensive            |       | Actual cash value or cost of repairs MINUS \$ ded.for each Covered Auto, but no ded applies to loss caused by fire or lightning.(In NY,a Ded will apply To Loss Cost Caused By Fire Or Lightning) |  |         |
| Specified Causes of Loss |       | Actual cash value or cost of repairs MINUS \$ deductible for each Covered Auto for loss caused by mischief or vandalism.  |  |         |
| Collision                |       | Actual cash value or cost of repairs MINUS \$ deductible for each Covered Auto.   |  |         |
| Total Hired Auto Premium |       |   |  | \$      |



## ITEM FIVE SCHEDULE FOR NON-OWNERSHIP COVERED AUTOS LIABILITY

| Named Insured's Business  | Rating Basis   | Number | Premium |
|---|--|--------|---------|
| Other than Garage Service Operations and Other Than Social Service Agencies | Number of Employees  |        | \$      |
|   | Number of Partners (Active and Inactive)                                 |        | \$      |
| Garage Service Operations   | Number of Employees Whose Principal Duty Involves the Operation of Autos |        | \$      |
|   | Number of Partners (Active and Inactive)                                 |        | \$      |
| Social Service Agencies   | Number of Employees  | 25     | \$      |
|   | Number of Volunteers Who Regularly Use Autos To Transport Clients        |        | \$      |
|   | Number of Partners (Active and Inactive)                                 |        | \$      |

## ITEM SIX SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS

| Loc No.     | Estimated Yearly | Rates<br>( ) Per \$100 of Gross Receipt<br>( ) Per Mile      | Premiums |
|-------------|------------------|--|----------|
| ( )         | Gross Receipts   | Liability  | \$       |
| ( )         | Mileage          | Personal Injury Protection                                   | \$       |
|             |                  | Added Personal Injury Protection                             | \$       |
|             |                  | Property Protection Insurance(Michigan Only)                 | \$       |
|             |                  | Auto Medical Payments  | \$       |
|             |                  | Medical Expenses and Income Loss Benefits<br>(Virginia Only) | \$       |
|             |                  | Comprehensive  | \$       |
|             |                  | Specified Causes of Loss                                     | \$       |
|             |                  | Collision  | \$       |
|             |                  | Towing and Labor   | \$       |
|             | Total Premiums   |  |          |
|             | Minimum Premiums |  |          |
| Loc. Number |                  | Address  |          |

When used as a premium basis:

### For Public Autos

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

1. Amounts paid to air, sea or land carriers operating under their own permits.
2. Advertising revenue.
3. Taxes collected as a separate item and paid directly to the government.
4. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

#### **For Rental or Leasing Concerns**

Gross receipts means the total amount earned by the Named Insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total live and dead mileage of all "autos" you leased or rented to others without drivers.

**FORMS AND ENDORSEMENTS SCHEDULE**

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

|    | <b>Form and Edition</b> |       | <b>Date Added *<br/>or<br/>Date Deleted</b> | <b>Form Description</b>            |
|----|-------------------------|-------|---|------------------------------------|
| 1. | CA0001                  | 10/13 |   | BUSINESS AUTO COVERAGE FORM        |
| 2. | CA2054                  | 10/13 |   | EMPLOYEE HIRED AUTOS               |
| 3. | CA2385                  | 10/13 |   | EXCLUSION OF TERRORISM NUC, BIO OR |
| 4. | CA8003                  | 10/13 |   | AUTO COVERAGE FORM DECLARATIONS    |
| 5. | CA8429                  | 10/13 |   | SILICA OR DUST RELATED EXCL        |
| 6. | CA8613                  | 10/15 |   | EXCLUSION - ASBESTOS               |

\* If not at inception

**BUSINESS AUTO COVERAGE FORM**

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

**SECTION I - COVERED AUTOS**

**Item Two** of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos." The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos."

**A. Description of Covered Auto Designation Symbols**

| Symbol   | Description of Covered Auto Designation Symbols               |   |
|----------|---|---|
| <b>1</b> | Any "Auto"  |   |
| <b>2</b> | Owned "Autos" Only  | Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the Policy begins.   |
| <b>3</b> | Owned Private Passenger "Autos" Only                          | Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the Policy begins.   |
| <b>4</b> | Owned "Autos" other than Private Passenger "Autos" Only       | Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the Policy begins.  |
| <b>5</b> | Owned "Autos" Subject to No-Fault                             | Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the Policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.            |
| <b>6</b> | Owned "Autos" Subject to a Compulsory Uninsured Motorists Law | Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the Policy begins provided they are subject to the same state uninsured motorists requirement. |
| <b>7</b> | Specifically Described "Autos"                                | Only those "autos" described in <b>Item Three</b> of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in <b>Item Three</b> ).   |

| Symbol    | Description of Covered Auto Designation Symbols  |   |
|-----------|--|---|
| <b>8</b>  | Hired "Autos"<br>Only  | Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees," partners (if you are a partnership), members (if you are a limited liability company) or members of their households.  |
| <b>9</b>  | Non-owned<br>"Autos" Only  | Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees," partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs. |
| <b>19</b> | Mobile Equipment<br>Subject to<br>Compulsory or<br>Financial<br>Responsibility or<br>other Motor Vehicle<br>Insurance Law Only | Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this Policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.   |

#### B. Owned Autos You Acquire After the Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in **Item Two** of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in **Item Two** of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. we already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. you tell us within 30 days after you acquire it that you want us to cover it for that coverage.

#### C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto."
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. breakdown;
  - b. repair;
  - c. servicing;
  - d. "loss"; or
  - e. destruction.

#### SECTION II - COVERED AUTOS LIABILITY COVERAGE

##### A. Coverage

We will pay all sums an "Insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto."

We will also pay all sums an "Insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos." However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident."

We have the right and duty to defend any "Insured" against a "suit" asking for such damages or a "covered pollution cost or expense." However, we have no duty to defend any "Insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

## 1. Who Is an Insured

The following are "Insureds":

- a. You for any covered "auto."
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a covered "auto." This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
  - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
  - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.

- (4) Anyone other than your "employees," partners, (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees," while moving property to or from a covered "auto."
- (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an "Insured" described above but only to the extent of that liability.

## 2. Coverage Extensions

### a. Supplementary Payments

We will pay for the "Insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "Insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "Insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "Insured" in any "suit" against the "Insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "Insured."

- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "Insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

#### **b. Out of State Coverage Extensions**

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

### **B. Exclusions**

This insurance does not apply to any of the following:

#### **1. Expected or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the "Insured."

#### **2. Contractual**

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. assumed in a contract or agreement that is an "Insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. that the "Insured" would have in the absence of the contract or agreement.

### **3. Workers' Compensation**

Any obligation for which the "Insured" or the "Insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

### **4. Employee Indemnification and Employer's Liability**

"Bodily injury" to:

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

This exclusion applies:

- (1) whether the "Insured" may be liable as an employer or in any other capacity; and
- (2) to any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "Insured" under an "insured contract." For the purposes of the Coverage Form, a domestic "employee" is a person engaged in

household or domestic work performed principally in connection with a residence premises.

## 5. Fellow Employee

"Bodily injury" to:

- a. any fellow "employee" of the "Insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. the spouse, child, parent, brother or sister of that fellow "employee" as a consequence of paragraph a. above.

## 6. Care, Custody or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "Insured" or in the "Insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

## 7. Handling of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. before it is moved from the place where it is accepted by the "Insured" for movement into or onto the covered "auto"; or
- b. after it is moved from the covered "auto" to the place where it is finally delivered by the "Insured."

## 8. Movement of Property by Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto."

## 9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

## 10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. work or operations performed by you or on your behalf; and
- b. materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) when all of the work called for in your contract has been completed;
- (2) when all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- (3) when that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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



**11. Pollution**

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

**a.** That are, or that are contained in any property that is:

- (1)** being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
- (2)** otherwise in the course of transit by or on behalf of the "Insured"; or

**(3)** being stored, disposed of, treated or processed in or upon the covered "auto";

**b.** before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "Insured" for movement into or onto the covered "auto"; or

**c.** after the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "Insured."

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1)** the "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2)** the "bodily injury," "property damage" or "covered pollution cost or expense" does not arise out of the operation of any

equipment listed in paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment."

Paragraphs **b.** and **c.** above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "Insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a)** the "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b)** the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

**12. War**

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a.** war, including undeclared or civil war;
- b.** warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c.** insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

**13. Racing**

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

**C. Limit of Insurance**

Regardless of the number of covered "autos," "Insureds," premiums paid, claims made or vehicles involved in the "accident," the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury," "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident."

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

**SECTION III - PHYSICAL DAMAGE COVERAGE****A. Coverage**

1. We will pay for "loss" to a covered "auto" or its equipment under:

**a. Comprehensive Coverage**

From any cause except:

- (1) the covered "auto's" collision with another object; or
- (2) the covered "auto's" overturn.

**b. Specified Causes of Loss Coverage**

Caused by:

- (1) fire, lightning or explosion;
- (2) theft;
- (3) windstorm, hail or earthquake;
- (4) flood;
- (5) mischief or vandalism; or

- (6) the sinking, burning, collision or derailment of any conveyance transporting the covered "auto."

**c. Collision Coverage**

Caused by:

- (1) the covered "auto's" collision with another object; or
- (2) the covered "auto's" overturn.

**2. Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

**3. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto," we will pay for the following under Comprehensive Coverage:

- a. glass breakage;
- b. "loss" caused by hitting a bird or animal; and
- c. "loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

**4. Coverage Extensions****a. Transportation Expenses**

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses

incurred during the period beginning 48 hours after the theft and ending, regardless of the Policy's expiration, when the covered "auto" is returned to use or we pay for its "loss."

#### **b. Loss of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "Insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or
- (3) collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto."

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

#### **B. Exclusions**

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

##### **a. Nuclear Hazard**

- (1) the explosion of any weapon employing atomic fission or fusion; or
- (2) nuclear reaction or radiation, or radioactive contamination, however caused.

#### **b. War or Military Action**

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

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such contest or activity.
3. We will not pay for "loss" due and confined to:
  - a. Wear and tear, freezing, mechanical or electrical breakdown.
  - b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto."

4. We will not pay for "loss" to any of the following:
  - a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
  - b. Any device designed or used to detect speed measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed measuring equipment.

- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
  - d. Any accessories used with the electronic equipment described in paragraph c. above.
5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss," is:
- a. permanently installed in or upon the covered "auto";
  - b. removable from a housing unit which is permanently installed in or upon the covered "auto";
  - c. an integral part of the same unit housing any electronic equipment described in paragraphs a. and b. above; or
  - d. necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.
6. We will not pay for "loss" to a covered "auto" due to "diminution in value."

### C. Limit of Insurance

- 1. The most we will pay for:
  - a. "Loss" to any one covered "auto" is the lesser of:
    - (1) the actual cash value of the damaged or stolen property as of the time of the "loss"; or
    - (2) the cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
  - b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:
    - (1) permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
    - (2) removable from a permanently installed housing unit as described in paragraph b.(1) above; or
    - (3) an integral part of such equipment as described in paragraphs b.(1) and b.(2) above.

- 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss."
- 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

### D. Deductible

For each covered "auto," our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

## SECTION IV - BUSINESS AUTO CONDITIONS

The following Conditions apply in addition to the Common Policy Conditions:

### A. Loss Conditions

#### 1. Appraisal for Physical Damage Loss

If you and we disagree on the amount of "loss," either may demand an appraisal of the "loss." In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss." If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. pay its chosen appraiser; and

- b. bear the other expenses of the appraisal and umpire equally.

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

## **2. Duties in the Event of Accident, Claim, Suit or Loss**

We have no duty to provide coverage under this Policy unless there has been full compliance with the following duties:

- a. In the event of "accident," claim, "suit" or "loss," you must give us or our authorized representative prompt notice of the "accident" or "loss." Include:

- (1) how, when and where the "accident" or "loss" occurred;
- (2) the "Insured's" name and address; and
- (3) to the extent possible, the names and addresses of any injured persons and witnesses.

- b. Additionally, you and any other involved "Insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "Insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit."
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit."
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

- c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

## **3. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Form until:

- a. there has been full compliance with all the terms of this Coverage Form; and
- b. under Covered Autos Liability Coverage, we agree in writing that the "Insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this Policy to bring us into an action to determine the "Insured's" liability.

## **4. Loss Payment - Physical Damage Coverages**

At our option, we may:

- a. pay for, repair or replace damaged or stolen property;
- b. return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or

- c. take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss," our payment will include the applicable sales tax for the damaged or stolen property.

#### **5. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

### **B. General Conditions**

#### **1. Bankruptcy**

Bankruptcy or insolvency of the "Insured" or the "Insured's" estate will not relieve us of any obligations under this Coverage Form.

#### **2. Concealment, Misrepresentation or Fraud**

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

- a. this Coverage Form;
- b. the covered "auto";
- c. your interest in the covered "auto"; or
- d. a claim under this Coverage Form.

#### **3. Liberalization**

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

#### **4. No Benefit to Bailee - Physical Damage Coverages**

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

#### **5. Other Insurance**

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) excess while it is connected to a motor vehicle you do not own; or
- (2) primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto."
- c. Regardless of the provisions of paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract."
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and Policies covering the same basis.

## 6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this Policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this Policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the Policy.

## 7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. during the policy period shown in the Declarations; and
- b. within the coverage territory.

The coverage territory is:

- (1) the United States of America;
- (2) the territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) anywhere in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less, provided that the "Insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the

United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

## 8. Two or More Coverage Forms or Policies Issued by Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident," the aggregate maximum Limit of Insurance under all the Coverage Forms or Policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This Condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

## SECTION V - DEFINITIONS

A. **"Accident"** includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage."

B. **"Auto"** means:

1. a land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
2. any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

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

C. **"Bodily injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.

D. **"Covered pollution cost or expense"** means any cost or expense arising out of:

1. any request, demand, order or statutory or regulatory requirement that any "Insured" or others test for, monitor, clean up, re-

move, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

2. any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants."

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:

- (1) being transported or towed by, handled or handled for movement into, onto or from the covered "auto";

- (2) otherwise in the course of transit by or on behalf of the "Insured"; or

- (3) being stored, disposed of, treated or processed in or upon the covered "auto";

- b. before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "Insured" for movement into or onto the covered "auto"; or

- c. after the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "Insured."

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) the "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

- (2) the "bodily injury," "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in paragraph 6.b. or 6.c. of the definition of "mobile equipment."

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "Insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) the "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

- (b) the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

**E. "Diminution in value"** means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss."

**F. "Employee"** includes a "leased worker." "Employee" does not include a "temporary worker."

**G. "Insured"** means any person or organization qualifying as an insured in the **Who Is an Insured** Provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.



**H. "Insured contract"** means:

1. a lease of premises;
2. a sidetrack agreement;
3. any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. that part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
6. that part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees," of any "auto." However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees."

An "Insured contract" does not include that part of any contract or agreement:

- a. that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing;
- b. that pertains to the loan, lease or rental of an "auto" to you or any of your "employees," if the "auto" is loaned, leased or rented with a driver; or

c. that holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

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

**J. "Loss"** means direct and accidental loss or damage.

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

1. bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. vehicles maintained for use solely on or next to premises you own or rent;
3. vehicles that travel on crawler treads;
4. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a. power cranes, shovels, loaders, diggers or drills; or
  - b. road construction or resurfacing equipment such as graders, scrapers or rollers;
5. vehicles not described in paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - b. cherry pickers and similar devices used to raise or lower workers; or

6. vehicles not described in paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

a. equipment designed primarily for:

(1) snow removal;

(2) road maintenance, but not construction or resurfacing; or

(3) street cleaning;

b. cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

c. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

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

L. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

M. **"Property damage"** means damage to or loss of use of tangible property.

N. **"Suit"** means a civil proceeding in which:

1. damages because of "bodily injury" or "property damage"; or

2. a "covered pollution cost or expense";

to which this insurance applies, are alleged.

"Suit" includes:

a. an arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "Insured" must submit or does submit with our consent; or

b. any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the Insured submits with our consent.

O. **"Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

P. **"Trailer"** includes semitrailer.

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

## **EMPLOYEE HIRED AUTOS**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Changes in Covered Autos Liability Coverage**

The following is added to the **Who Is an Insured** provision:

An "employee" of yours is an "Insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

### **B. Changes in General Conditions**

Paragraph **5.b.** of the **Other Insurance** Condition in the **Business Auto** and **Auto Dealers Coverage Forms** and paragraph **5.f.** of the **Other Insurance - Primary and Excess In-**

**urance Provisions** Condition in the **Motor Carrier Coverage Form** are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. any covered "auto" you lease, hire, rent or borrow; and
2. any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto."

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

**COMMERCIAL AUTO EXCLUSION - ASBESTOS**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

This insurance does not apply to "bodily injury" or "property damage" arising out of or related in any way to asbestos, asbestos-containing materials, or asbestos-containing products.

We shall not have the duty to defend any such claim or "suit".

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

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

**EXCLUSION OF TERRORISM INVOLVING  
NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
SINGLE INTEREST AUTOMOBILE PHYSICAL DAMAGE INSURANCE POLICY

With respect to coverage provided by this Endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A.** The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury, damage, loss or expense, is enclosed in quotation marks:

**1. "Terrorism"** means activities against persons, organizations or property of any nature:

**a.** That involve the following or preparation for the following:

**(1)** use or threat of force or violence; or

**(2)** commission or threat of a dangerous act; or

**(3)** commission or threat of an act that interferes with or disrupts an electronic, communication, information or mechanical system; and

**b.** When one or both of the following apply:

**(1)** the effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

**(2)** it appears that the intent is to intimidate or coerce a government, or to further political, ideological,

religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

**2. "Any injury, damage, loss or expense"**

means any injury, damage, loss or expense covered under any coverage form or policy to which this endorsement is applicable, and includes but is not limited to "bodily injury," "property damage," "personal and advertising injury," "loss," loss of use, rental reimbursement after "loss" or "covered pollution cost or expense," as may be defined under this Coverage Form, Policy or any applicable endorsement.

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

**Exclusion of Terrorism**

We will not pay for "any injury, damage, loss or expense" caused directly or indirectly by "terrorism," including action in hindering or defending against an actual or expected incident of "terrorism." "Any injury, damage, loss or expense" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury, damage, loss or expense. **But this Exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

**1.** the "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear

weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

2. radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. the "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

4. pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

- C. In the event of any incident of "terrorism" that is not subject to this exclusion, coverage does not apply to "any injury, damage, loss or expense" that is otherwise excluded under this Coverage Form, Policy or any applicable endorsement.

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

**SILICA OR RELATED DUST EXCLUSION**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
AUTO DEALERS COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

- A.** The following exclusion is added to the **Exclusions** section of the **LIABILITY COVERAGE**:

**Exclusions**

This insurance does not apply to any of the following:

**Silica or Related Dust**

- a.** Any "bodily injury" or "accident" which would not have occurred, in whole or in part, but for the actual, alleged, threatened, or suspected inhalation or ingestion of, exposure to, or contact with, "silica" or dust that includes or contains "silica."
- b.** Any "property damage," "covered pollution cost or expense," or "accident" which would not have occurred, in whole or in part, but for the actual, alleged, threatened, or suspected contact with, exposure to, existence of, or presence of, "silica" or dust that includes or contains "silica."
- c.** 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, "silica" or dust that includes or contains "silica," by any insured or by any other person or entity.

This exclusion applies regardless of:

- (1)** the circumstances of or leading to such actual, alleged, threatened, or suspected inhalation, ingestion, exposure, contact, existence, or presence; and
- (2)** whether the "silica" or dust that includes or contains "silica," is mixed or combined with, or also includes or contains, any other substance.

However, this exclusion does not apply to "bodily injury," "property damage," or "covered pollution cost or expense" caused by an "accident," if that "accident" is caused by the presence of "silica" on the surface of a roadway.

- B.** The following exclusion is added to the **Exclusions** section of the **Physical Damage Coverage** (and, if this Policy includes Garagekeepers Coverage, it is also added to the **Exclusions** section of the **Garagekeepers Coverage**):

**Exclusions**

This insurance does not apply to any of the following:

**Silica or Related Dust**

- a.** Any "loss" to a covered "auto" or its equipment which would not have occurred, in whole or in part, but for the actual, alleged, threatened, or suspected

contact with, exposure to, existence of, or presence of, "silica" or dust that includes or contains "silica."

- 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, "silica" or dust that includes or contains "silica," by any insured or by any other person or entity.

This exclusion applies regardless of:

- (1) the circumstances of or leading to such actual, alleged, threatened, or suspected contact, exposure, existence, or presence; and
- (2) whether the "silica" or dust that includes or contains "silica," is mixed or combined with, or also includes or contains, any other substance.

However, this exclusion does not apply to "loss" to a covered "auto" or its equipment directly caused by its collision with another object or its overturn, if that collision or overturn is directly caused by the presence of "silica" on the surface of a roadway.

- C. If this Policy includes **Trailer Interchange Coverage**, the following exclusions is added to the **Exclusions** section of the **Trailer Interchange Coverage**:

#### **Exclusions**

This insurance does not apply to any of the following:

#### **Silica or Related Dust**

- a. Any "loss" to any "trailer" or its equipment which would not have occurred, in whole or in part, but for the actual, alleged, threatened, or suspected contact with, exposure to, existence of, or presence of, "silica" or dust that includes or contains "silica."
- 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, "silica" or dust that includes or contains "silica," by any insured or by any other person or entity.

This exclusion applies regardless of:

- (1) the circumstances of or leading to such actual, alleged, threatened, or suspected contact, exposure, existence, or presence; and
- (2) whether the "silica" or dust that includes or contains "silica," is mixed or combined with, or also includes or contains, any other substance.

However, this exclusion does not apply to "loss" to a covered "trailer" or its equipment directly caused by its collision with another object or its overturn, if that collision or overturn is directly caused by the presence of "silica" on the surface of a roadway.

- D. The following definition is added to the Policy:

**"Silica"** means silicon dioxide (SiO<sub>2</sub>) in any form, from any source.



**EQUIPMENT BREAKDOWN COVERAGE PART DECLARATIONS NO. 1**

|  |   |
|--|---|
| <b>NAMED INSURED:</b> EDUCATIONAL THEATRE<br>ASSOCIATION INTERNATIONAL | <b>POLICY PERIOD:</b><br>10/01/2020 to 10/01/2021 |
|--|---|

Identification Number:

Issue Date:

These coverages apply to any location listed on the Schedule of Locations for **Equipment Breakdown Coverage Part Declarations No. 1**.

| Coverages                    | Limits       |
|------------------------------|--------------|
| Equipment Breakdown Limit    | \$ 2,880,000 |
| Property Damage              | \$ INCLUDED  |
| Off Premises Property Damage | \$ INCLUDED  |
| Business Income              | \$ INCLUDED  |
| Extra Expense                | \$ INCLUDED  |
| Service Interruption         | \$ 250,000   |
| Contingent Business Income   | \$ 25,000    |
| Perishable Goods             | \$ 250,000   |
| Data Restoration             | \$ 250,000   |
| Demolition                   | \$ 500,000   |
| Ordinance or Law             | \$ 500,000   |
| Expediting Expense           | \$ 250,000   |
| Hazardous Substances         | \$ 250,000   |
| Newly Acquired Locations     | \$ INCLUDED  |
| Green                        | \$ EXCLUDED  |
| Mold                         | \$ 15,000    |
| Civil Authority              | \$ INCLUDED  |
| Public Relations             | \$ 5,000     |

**DEDUCTIBLES:**

Combined Coverage Policy Deductible \$5,000  
Separate Coverage Deductible

**OTHER CONDITIONS:**

Newly Acquired Locations 90 days  
Extended Period of Restoration 90 days  
Coinsurance Property Damage %  
Coinsurance Business Income %

Total Equipment Breakdown Premium: \$ 433.00

**FORMS AND ENDORSEMENTS** applicable to this Coverage Part and made a part of this Policy at the time of issue are listed on the attached Forms and Endorsements Schedule, BM 88 01.

## FORMS AND ENDORSEMENTS SCHEDULE

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

|    | Form and Edition | Date Added *<br>or<br>Date Deleted | Form Description                    |
|----|------------------|------------------------------------|-------------------------------------|
| 1. | BM7210 03/17     |                                    | EQUIPMENT BREAKDOWN COVERAGE PART D |
| 2. | BM7211 03/17     |                                    | EQUIPMENT BREAKDOWN COVERAGE        |
| 3. | BM7261 01/11     |                                    | OHIO CHANGES                        |
| 4. | BM7296 06/09     |                                    | SCHEDULE OF LOCATIONS               |

\* If not at inception

## EQUIPMENT BREAKDOWN COVERAGE FORM

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

Throughout this Policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the Company providing this Insurance. Other words and phrases that appear in quotation marks have special meaning. Refer to Section **G. - Definitions**. Examples are shown for illustrative purposes only and do not represent predicted or expected outcomes.

### A. Coverage

This Equipment Breakdown Coverage provides insurance for a Covered Cause of Loss as defined in **A.1.** below. In the event of a Covered Cause of Loss, we will pay for loss as described in **A.2.** below.

#### 1. Covered Cause of Loss - "Accident" and "Electronic Circuitry Impairment"

The Covered Cause of Loss for this Equipment Breakdown Coverage is an "accident" or "electronic circuitry impairment." Without an "accident" or "electronic circuitry impairment", there is no Equipment Breakdown Coverage.

#### 2. Coverages Provided

This section lists the coverages that may apply in the event of a Covered Cause of Loss. Each coverage is subject to a specific limit as shown in the Declarations. See paragraph **C.2.** for details.

These coverages apply only to the direct result of a Covered Cause of Loss. For each coverage, we will pay only for that portion of the loss, damage or expense that is solely attributable to the Covered Cause of Loss.

##### a. Property Damage

We will pay for physical damage to "covered property" that is at a location indicated in the Declarations at the time of the Covered Cause of Loss. We will consider "electronic circuitry impairment" to be physical damage to "covered equipment".

### b. Off Premises Equipment Breakdown

- (1) We will pay for physical damage to transportable "covered equipment" that, at the time of the Covered Cause of Loss, is not at a location indicated in the Declarations.
- (2) We will also pay for your loss and expense as defined under Business Income coverage and Extra Expense coverage that is the result of **b.(1)** above, if such coverage is otherwise applicable under this Policy. This coverage is included within and subject to your Off Premises Equipment Breakdown limit.
- (3) We will also pay for your loss and expense as defined under Data Restoration coverage that is the result of **b.(1)** above, if such coverage is otherwise applicable under this Policy. This coverage is included within and subject to your Off Premises Equipment Breakdown limit.

### c. Business Income

- (1) We will pay your actual loss of "business income" during the "period of restoration" that results directly from the necessary total or partial interruption of your business.
- (2) We will also pay any necessary expenses you incur during the "period of restoration" 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.

- (3) We will consider the actual experience of your business before the Covered Cause of Loss and the probable experience you would have had without the Covered Cause of Loss in determining the amount of our payment.

#### **d. Extra Expense**

We will pay the reasonable and necessary "extra expense" to operate your business during the "period of restoration."

#### **e. Service Interruption**

We will pay for your loss and expense as defined under Business Income coverage and Extra Expense coverage that is the result of an "interruption of service."

#### **f. Contingent Business Income**

We will pay for your loss and expense as defined under Business Income and Extra Expense coverages that results from an:

- (1) "Interruption of supply"; or
- (2) "Accident" at an "anchor location" that has been open for business for at least six months prior to the "accident" and is located within one mile of your scheduled location.

#### **g. Perishable Goods**

- (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 "spoilage" that is the result of an "interruption of service."

- (3) We will also pay for physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia.

- (4) We will also pay any necessary expenses you incur during the "period of restoration" 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 Perishable Goods coverage.

#### **h. Data Restoration**

- (1) We will pay for your reasonable and necessary cost to research, replace or restore lost "data."
- (2) We will pay for your reasonable and necessary cost to research, replace or restore "data" that is lost as the result of an "interruption of service."
- (3) Coverage under **h.(2)** above applies to "data" stored in "covered equipment."
- (4) Coverage under **h.(2)** above also applies to "data" stored in the equipment of a "cloud computing services" provider with whom you have a contract.
- (5) We will also pay for your loss and expense as defined under Business Income coverage and Extra Expense coverage that is the result of **h.(1)** and **h.(2)** above, if such coverage is otherwise applicable under this Policy. This coverage is included within and subject to your Data Restoration limit.

**i. Demolition**

- (1)** This coverage applies if a Covered Cause of Loss damages a building that is "covered property" and the loss is increased by an ordinance or law that:
  - (a)** requires the demolition of a building that is otherwise reparable;
  - (b)** is in force at the time of the Covered Cause of Loss; and
  - (c)** is not addressed under Hazardous Substances coverage or Mold coverage.
- (2)** We will pay for the following additional costs to comply with such ordinance or law:
  - (a)** your actual and necessary cost to demolish and clear the site of the undamaged parts of the building; and
  - (b)** your actual and necessary cost to reconstruct the undamaged parts of the building.
- (3)** As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no such ordinance or law been in force at the time of the Covered Cause of Loss.
- (4)** We will also pay for your loss and expense as defined under Business Income coverage and Extra Expense coverage that is the result of **i.(1)** above, if such coverage is otherwise applicable under this Policy. This coverage is included within and subject to your Demolition limit.

**j. Ordinance or Law**

- (1)** This coverage applies if a Covered Cause of Loss damages a building that is "covered property" and the loss is increased by an ordinance or law that:
  - (a)** regulates the construction or repair of buildings, including "building utilities";
  - (b)** is in force at the time of the Covered Cause of Loss; and
  - (c)** is not addressed under Demolition coverage, Hazardous Substances coverage or Mold coverage.
- (2)** We will pay for the following additional costs to comply with such ordinance or law:
  - (a)** your actual and necessary cost to repair the damaged portions of the building;
  - (b)** your actual and necessary cost to reconstruct the damaged portions of the building; and
  - (c)** your actual and necessary cost to bring undamaged portions of the building into compliance with the ordinance or law.
- (3)** As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no such ordinance or law been in force at the time of the Covered Cause of Loss.
- (4)** We will also pay for your loss and expense as defined under Business Income coverage and Extra Expense coverage that is the result of **j.(1)** above, if such coverage is otherwise applicable under this Policy. This coverage is included within and subject to your Ordinance or Law limit.

**k. Expediting Expenses**

With respect to your damaged "covered property," we will pay the reasonable extra cost to:

- (1) make temporary repairs; and
- (2) expedite permanent repairs or permanent replacement.

**l. Hazardous Substances**

- (1) We will pay for the additional cost to repair or replace "covered property" because of contamination by a "hazardous substance." This includes the additional expenses to clean up or dispose of such property. This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in **Perishable Goods, A.2.g.(3)**.
- (2) As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.
- (3) We will also pay for your loss and expense as defined under Business Income coverage and Extra Expense coverage that is the result of **l.(1)** above, if such coverage is otherwise applicable under this Policy. This coverage is included within and subject to your Hazardous Substances limit.

**m. Newly Acquired Locations**

- (1) You will notify us promptly of any newly acquired location that you have purchased or leased during the Policy period.
- (2) All coverages applicable to any scheduled location under this Equipment Breakdown Coverage are extended to a newly acquired location that you have purchased or leased during the Policy period.

- (3) This coverage begins at the time you acquire the property. As respects newly constructed properties, we will only consider them to be acquired by you when you have fully accepted the completed project.
- (4) This coverage ends when any of the following first occurs:

- (a) this Policy expires;
- (b) the number of days specified in the Declarations for this coverage expires after you acquire the location;
- (c) the location is incorporated into the regular coverage of this Policy; or
- (d) the location is incorporated into the regular coverage of another Equipment Breakdown policy you have.

- (5) If limits or deductibles vary by location, the highest limits and deductibles will apply to newly acquired locations. However, the most we will pay for loss, damage or expense arising from any "one equipment breakdown" is the amount shown as the Newly Acquired Locations limit in the Declarations.
- (6) We will charge you additional premium for newly acquired locations from the date you acquire the property.

**n. Course of Construction**

This coverage is automatically included and does not need to be indicated in the Declarations.

- (1) You will notify us promptly of any expansion or rehabilitation of any location described in the Declarations.

- (2) All coverages applicable to any location described in the Declarations are extended to an expansion or rehabilitation of that location.
- (3) This coverage begins at the time you begin the expansion or rehabilitation project.
- (4) We will charge you additional premium for newly acquired equipment from the date the equipment is installed.

#### **o. Civil Authority**

We will pay for your loss and expense as defined under Business Income and Extra Expense coverages that results from a civil authority prohibiting access to a location described in the Declarations due solely to a Covered Cause of Loss that causes damage to property within one mile of such location, provided that such action is taken in response to dangerous physical conditions resulting from the Covered Cause of Loss, or to enable a civil authority to have unimpeded access to the damaged property.

#### **p. Green**

- (1) With respect to "covered property," we will pay for additional costs you incur:
  - (a) to repair damaged property using equipment, materials and service firms required or recommended by a "recognized environmental standards program," if repair is the least expensive option as described in Section **E. Loss Conditions, 10. Valuation**, paragraph **a.**;
  - (b) to replace damaged property using equipment, materials and service firms required or recommended by a "recognized environmental standards program," if replacement is the least expensive

option as described in Section **E. Loss Conditions, 10. Valuation**, paragraph **a.**;

- (c) to dispose of damaged property or equipment, if practicable, through a recycling process; and
- (d) to flush out reconstructed space with up to 100% outside air using new filtration media.

As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage in the absence of this Green coverage.

- (2) With respect to any building that is "covered property" which, at the time of the Covered Cause of Loss, was certified by a "recognized environmental standards program," we will pay for costs you incur:
  - (a) to prevent a lapse of such certification;
  - (b) to reinstate the certification or replace it with an equivalent certification;
  - (c) for an engineer authorized by a "recognized environmental standards program" to oversee the repair or replacement of the damaged "covered property"; and
  - (d) for a Professional Engineer to commission or re-commission your damaged mechanical, electrical, or electronic building systems.
- (3) We will also pay for your loss and expense as defined under Business Income coverage and Extra Expense coverage that is the result of **p.(1)** and **p.(2)** above, if such coverage is otherwise ap-

plicable under this Policy. This coverage is included within and subject to your Green limit.

**(4)** This Green coverage is subject to the following provisions:

- (a)** This coverage applies in addition to any coverage that may apply under Section **E. Loss Conditions, 10. Valuation**, paragraph **d. Environmental, Safety and Efficiency Improvements**, or any other applicable coverage.
- (b)** This coverage only applies to "covered property" that must be repaired or replaced as a direct result of a Covered Cause of Loss.
- (c)** This coverage does not apply to any property or equipment that is valued on an Actual Cash Value basis under this Policy.

**q. Mold**

- (1)** We will pay for the additional cost to repair or replace "covered property" because of contamination by mold, fungus, mildew or yeast, including any spores or toxins created or produced by or emanating from such mold, fungus, mildew or yeast, resulting from a Covered Cause of Loss. This includes the additional costs to clean up or dispose of such property. This does not include "spoilage" of personal property that is "perishable goods" to the extent that such "spoilage" is covered under Perishable Goods coverage.
- (2)** As used in this Mold coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no mold, fungus, mildew, yeast, spores or toxins been involved.

- (3)** We will also pay for your loss and expense as defined under Business Income coverage and Extra Expense coverage that is the result of **g.(1)** above, if such coverage is otherwise applicable under this Policy. This coverage is included within and subject to your Mold limit.
- (4)** We will also pay the cost of testing performed after repair or replacement of the damaged "covered property" is completed only to the extent that there is reason to believe there is the presence of mold, fungus, mildew, yeast, spores or toxins.

**r. Public Relations**

- (1)** This coverage only applies if you have sustained an actual loss of "business income" covered under this policy.
- (2)** We will pay for your reasonable costs for professional services to create and disseminate communications, when the need for such communications arises directly from the interruption of your business. This communication must be directed to one or more of the following:
  - (a)** The media;
  - (b)** The public; or
  - (c)** Your customers, clients or members.
- (3)** Such costs must be incurred during the "period of restoration" or up to 30 days after the "period of restoration" has ended.

**B. Exclusions**

We will not pay for any excluded loss, damage or expense, even though any other cause or event contributes concurrently or in any sequence to the loss, damage or expense.



1. We will not pay for loss, damage or expense caused directly or indirectly by any of the following, whether or not caused by or resulting from a Covered Cause of Loss.

**a. Fire and Explosion**

- (1) Fire, including smoke from a fire.
- (2) Combustion explosion. This includes, but is not limited to, a combustion explosion of any steam boiler or other fired vessel.
- (3) Any other explosion, except as specifically provided in the definition of "accident."

**b. Ordinance or Law**

The enforcement of, or change in, any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation, except as specifically provided in **A.2.** Demolition, Ordinance or Law, Hazardous Substances and Mold coverages.

**c. Earth Movement**

Earth movement, whether natural or human-made, including but not limited to earthquake, shock, tremor, subsidence, landslide, rock fall, earth sinking, sinkhole collapse or tsunami.

**d. Nuclear Hazard**

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

**e. 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, political violence or action taken by governmental authority in hindering or defending against any of these.

**f. Water**

- (1) flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) mudslide or mudflow; or
- (3) water that backs up or overflows from a sewer, drain or sump.

However, if electrical "covered equipment" requires drying out because of the above, we will pay for the amount you actually expend to dry out such equipment, subject to the applicable Property Damage limit and Direct Coverage deductible. We will not pay more than the Actual Cash Value of the affected electrical "covered equipment."

We will not pay to replace such equipment or for any other loss, damage or expense.

**g. Failure to Protect Property**

Your failure to use all reasonable means to protect "covered property" from damage following a Covered Cause of Loss.

**h. Fines**

Fine, penalty or punitive damage.

**i. Mold**

Mold, fungus, mildew or yeast, including any spores or toxins created or produced by or emanating from such mold, fungus, mildew or yeast. This includes, but is not limited to, costs arising from clean-up, remediation, containment, removal or abatement of such mold, fungus, mildew, yeast, spores or toxins, except as specifically covered under Mold coverage. However, this exclusion does not ap-

ply to "spoilage" of personal property that is "perishable goods" to the extent that such "spoilage" is covered under Perishable Goods Coverage.

**j. Vandalism**

Vandalism, meaning a willful and malicious act that causes damage or destruction.

2. We will not pay for a Covered Cause of Loss caused by or resulting from any of the following causes of loss:

**a. Lightning.**

- b. Windstorm or Hail.** However, this exclusion does not apply when:

(1) "covered equipment" located within a building or structure suffers a Covered Cause of Loss that results from windblown rain, snow, sand or dust; and

(2) the building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.

- c. Collision or any physical contact caused by a "vehicle."** This includes damage by objects falling from aircraft. However, this exclusion does not apply to any unlicensed "vehicles" which you own or which are operated in the course of your business.

**d. Riot or Civil Commotion.**

- e. Leakage or discharge of any substance from an automatic sprinkler system, including collapse of a tank that is part of the system.**

**f. Volcanic Action.**

**g. An electrical insulation breakdown test.**

- h. A hydrostatic, pneumatic or gas pressure test.**

- i. Water or other means intended to extinguish a fire, even when such an attempt is unsuccessful.**

**j. Elevator collision.**

3. We will not pay for a Covered Cause of Loss caused by or resulting from any of the following perils, if such peril is a covered cause of loss under another coverage part or policy of insurance you have, whether collectible or not, and without regard to whether or not the other coverage part or policy of insurance provides the same coverage or scope of coverage as this Policy.

**a. Falling Objects.**

**b. Weight of Snow, Ice or Sleet.**

- c. Water Damage, meaning discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance containing water or steam.**

**d. Collapse.**

**e. Breakage of Glass.**

**f. Freezing caused by cold weather.**

- g. Discharge of molten material from equipment, including the heat from such discharged material.**

4. Exclusions 2. and 3. do not apply if all of the following are true:

- a. the excluded peril occurs away from any location described in the Declarations and causes an electrical surge or other electrical disturbance;**

- b. such surge or disturbance is transmitted through utility service transmission lines to a described location;**

- c. at the described location, the surge or disturbance results in a Covered Cause of Loss to "covered equipment" that is owned or operated under the control of you or your landlord; and**

- d. the loss, damage or expense caused by such surge or disturbance is not a covered cause of loss under another coverage part or policy of insurance you have, whether collectible or not, and without regard to whether or not**

the other coverage part or policy of insurance provides the same coverage or scope of coverage as this Policy.

**5. With respect to Business Income, Extra Expense and Service Interruption Coverages, we will also not pay for:**

- a.** loss associated with business that would not or could not have been carried on if the Covered Cause of Loss had not occurred;
- b.** loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business;
- c.** that part of any loss that extends beyond or occurs after the "period of restoration." This includes, but is not limited to:
  - (1)** "business income" that would have been earned after the "period of restoration," even if such loss is the direct result of the suspension, lapse or cancellation of a contract during the "period of restoration"; and
  - (2)** "extra expense" to operate your business after the "period of restoration," even if such loss is contracted for and paid during the "period of restoration."
- d.** any increase in loss resulting from an agreement between you and your customer or supplier. This includes, but is not limited to, contingent bonuses or penalties, late fees, demand charges, demurrage charges and liquidated damages.

**6. With respect to Off Premises Equipment Breakdown, Service Interruption, Civil Authority, Contingent Business Income, paragraph (2) of Data Restoration and paragraph (2) of Perishable Goods, we will also not pay for a Covered Cause of Loss caused by or resulting from any of the perils listed in Exclusion 3. above, whether or not such peril is a covered cause of loss under another coverage part or policy of insurance you have.**

**7. With respect to Data Restoration coverage, we will also not pay to reproduce:**

- a.** software programs or operating systems that are not commercially available; or
- b.** "data" that is obsolete, unnecessary or useless to you.

**8. With respect to Demolition and Ordinance or Law Coverages, we will also not pay for:**

- a.** increased demolition or reconstruction costs until they are actually incurred; or
- b.** loss due to any ordinance or law that:
  - (1)** you were required to comply with before the loss, even if the building was undamaged; and
  - (2)** you failed to comply with;
 whether or not you were aware of such non-compliance.

**C. Limits of Insurance**

Any payment made under this Equipment Breakdown Coverage will not be increased if more than one insured is shown in the Declarations or if you are comprised of more than one legal entity.

**1. Equipment Breakdown Limit**

The most we will pay for loss, damage or expense arising from any "one equipment breakdown" is the amount shown as the Equipment Breakdown Limit in the Declarations.

**2. Coverage Limits**

- a.** The limit of your insurance under each of the coverages listed in **A.2.** from loss, damage or expense arising from any "one equipment breakdown" is the amount indicated for that coverage in the Declarations. These limits are a part of, and not in addition to, the Equipment Breakdown Limit. If an amount of time is shown, coverage will continue for no more than that amount of time

immediately following the Covered Cause of Loss. If a coverage is shown as "Included," that coverage is provided up to the remaining amount of the Equipment Breakdown Limit. If no limit is shown in the Declarations for a coverage, or if a coverage is shown as Excluded in the Declarations, that coverage will be considered to have a limit of \$0.

- b. Loss arising from any "one equipment breakdown" may continue to be present or recur in a later policy period. This includes, but is not limited to, loss arising from mold, fungus, mildew or yeast as covered under Mold coverage. In such a case, the most we will pay for all loss, damage or expense arising out of any "one equipment breakdown" is the coverage limit applicable at the time of the Covered Cause of Loss.
- c. If two or more coverage limits apply to the same loss or portion of a loss, we will pay only the smallest of the applicable limits for that loss or portion of the loss. This means that if:

- (1) you have a loss under one of the coverages listed in **A.2.**; and

- (2) all or part of the loss is not covered because the applicable coverage is Excluded or has a limit that is less than the amount of your loss,

we will not pay the remaining amount of such loss under any other coverage.

#### **Example 1**

Property Damage Limit: \$7,000,000

Business Income Limit: \$1,000,000

Newly Acquired Locations Limit: \$500,000

There is a Covered Cause of Loss at a newly acquired location that results in a Property Damage loss of \$200,000 and a Business Income loss of \$800,000.

We will pay \$500,000, because the entire loss is subject to the Newly Acquired Locations Limit of \$500,000.

#### **Example 2**

Property Damage Limit: \$7,000,000

Business Income Limit: \$500,000

Hazardous Substances Limit: \$25,000

There is a Covered Cause of Loss that results in a loss of \$100,000. If no "hazardous substance" had been involved, the property damage loss would have been \$10,000 and the business income loss would have been \$20,000. The presence of the "hazardous substance" increased the loss by \$70,000 (increasing the clean up and repair costs by \$30,000 and increasing the business income loss by \$40,000).

We will pay \$55,000 (\$10,000 property damage plus \$20,000 business income plus \$25,000 hazardous substances).

### **D. Deductibles**

#### **1. Deductibles for Each Coverage**

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

- d. The following applies when a deductible is expressed as a function of the horsepower rating of a refrigerating or air conditioning system. If more than one compressor is used with a single system, the horsepower rating of the largest motor or compressor will determine the horsepower rating of the system.

## 2. Direct and Indirect Coverages

- a. Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Declarations.
- b. Unless more specifically indicated in the Declarations:
  - (1) Indirect Coverages Deductibles apply to Business Income and Extra Expense loss, regardless of where such coverage is provided in this Equipment Breakdown Coverage; and
  - (2) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this Equipment Breakdown Coverage.

### Example

A Covered Cause of Loss results in covered losses as follows:

\$100,000 Total Loss (all applicable coverages)

\$35,000 Business Income Loss (including \$2,000 of business income loss payable under Data Restoration Coverage)

\$5,000 Extra Expense Loss

In this case, the Indirect coverages loss totals \$40,000 before application of the Indirect Coverage Deductible. The Direct coverages loss totals the remaining \$60,000 before application of the Direct Coverage Deductible.

## 3. Application of Deductibles

### a. Dollar Deductibles

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

### b. Time Deductibles

If a time deductible is shown in the Declarations, we will not be liable for any loss occurring during the specified number of hours or days immediately following the Covered Cause of Loss. If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

### c. Multiple of Average Daily Value (ADV) Deductibles

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the "business income" that would have been earned during the period of interruption had no Covered Cause of Loss occurred, divided by the number of working days in that period. 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 will be multiplied by the ADV as determined above. The result will be used as the applicable deductible.

**Example**

Business is interrupted, partially or completely, for 10 working days. If there had been no Covered Cause of Loss the total "business income" at the affected location for those 10 working days would have been \$5,000. The Indirect Coverages Deductible is 3 times ADV.

$$\$5,000/10 = \$500 \text{ ADV}$$

$$3 \times \$500 = \$1,500 \text{ Indirect Coverages Deductible}$$

**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. Loss Conditions**

The following conditions apply:

**1. Abandonment**

There can be no abandonment of any property to us.

**2. Brands and Labels**

- a. If branded or labeled merchandise that is "covered property" is damaged by a Covered Cause of Loss but retains a salvage value, you may:

- (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.

- b. We will pay for any reduction in value of the salvage merchandise resulting from either of the two actions listed in **2.a.** above, subject to all applicable limits.

- c. We will also pay the reasonable and necessary expenses you incur to perform either of the two actions described in **2.a.** above. We will pay for such expenses to the extent that they do not exceed the amount recoverable from salvage.

- d. If a Brands and Labels Limit is shown on the Declarations, we will not pay more than the indicated amount for coverage under this Condition.

**3. Coinsurance - Business Income Coverage**

- a. If a coinsurance percentage is shown in the Declarations, Business Income coverage is subject to coinsurance. This means that we will not pay the full amount of any "business income" loss if the "business income actual annual value" is greater than the "business income estimated annual value" at the affected location at the time of the Covered Cause of Loss. Instead, we will determine the most we will pay using the following steps:

- (1) divide the "business income estimated annual value" by the "business income actual annual value" at the time of the Covered Cause of Loss;
- (2) multiply the total amount of the covered loss of "business income" by the amount determined in paragraph (1) above;
- (3) subtract the applicable deductible from the amount determined in paragraph (2) above;

The resulting amount, or the Business Income Limit, whichever is less, is the most we will pay. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

b. Coinsurance applies separately to each insured location.

c. If you report a single "business income estimated annual value" for more than one location, without providing information on how that amount should be distributed among the locations, we will distribute the amount evenly among all applicable locations.

#### **Example 1 (Underinsurance)**

When:

The "business income actual annual value" at the location of loss at the time of the Covered Cause of Loss is \$200,000.

The "business income estimated annual value" shown in the Declarations for the location of loss is \$100,000.

The actual loss of "business income" resulting from the Covered Cause of Loss is \$40,000.

The Business Income limit is \$100,000.

The Business Income deductible is \$5,000.

Step 1:  $\$100,000 / \$200,000 = .5$

Step 2:  $\$40,000 \times .5 = \$20,000$

Step 3:  $\$20,000 - \$5,000 = \$15,000$

The total "business income" loss recovery, after deductible, would be \$15,000. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

We will also charge you an additional premium in recognition of the "business income actual annual value."

#### **Example 2 (Adequate Insurance)**

When:

The "business income actual annual value" at the location of loss at the time of the Covered Cause of Loss is \$200,000.

The "business income estimated annual value" shown in the Declarations for the location of loss is \$200,000.

The actual loss of "business income" resulting from the Covered Cause of Loss is \$40,000.

The Business Income limit is \$100,000.

The Business Income deductible is \$5,000.

Step 1:  $\$200,000 / \$200,000 = 1$

Step 2:  $\$40,000 \times 1 = \$40,000$

Step 3:  $\$40,000 - \$5,000 = \$35,000$

The total "business income" loss recovery, after deductible, would be \$35,000.

#### **4. Coinsurance - Coverages Other than Business Income**

Coverages other than Business Income may be subject to coinsurance if so indicated in the Declarations. If a Coinsurance percentage is shown in the Declarations, the following condition applies.

- a. We will not pay the full amount of any loss if the value of the property subject to the coverage at the time of the Covered Cause of Loss times the Coinsurance percentage shown for it in the Declarations is greater than the applicable limit.

Instead, we will determine the most we will pay using the following steps:

- (1) multiply the value of the property subject to the coverage at the time of the Covered Cause of Loss by the Coinsurance Percentage;
- (2) divide the applicable limit by the amount determined in step (1);
- (3) multiply the total amount of loss, before the application of any deductible, by the amount determined in step (2); and
- (4) subtract the deductible from the amount determined in step (3).

We will pay the amount determined in step (4) or the applicable limit, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

- b.** Coinsurance applies separately to each insured location.

### Example 1 (Underinsurance)

When:

The actual value of "perishable goods" at the location of loss at the time of the Covered Cause of Loss is \$200,000.

The Perishable Goods limit is \$100,000 @ 80% coinsurance.

The loss under Perishable Goods coverage resulting from the Covered Cause of Loss is \$60,000.

The Perishable Goods deductible is \$5,000.

Step 1:  $\$200,000 \times 80\% = \$160,000$

Step 2:  $\$100,000 / \$160,000 = .625$

Step 3:  $\$60,000 \times .625 = \$37,500$

Step 4:  $\$37,500 - \$5,000 = \$32,500$

The total Perishable Goods loss recovery, after deductible, would be \$32,500. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

### Example 2 (Adequate Insurance)

When:

The actual value of "perishable goods" at the location of loss at the time of the Covered Cause of Loss is \$100,000.

The Perishable Goods limit is \$100,000 @ 80% coinsurance.

The loss under Perishable Goods Coverage resulting from the Covered Cause of Loss is \$60,000.

The Perishable Goods Deductible is \$5,000.

Step 1:  $\$100,000 \times 80\% = \$80,000$

Step 2:  $\$100,000 / \$80,000 = 1.25$

Coinsurance does not apply.

Step 3:  $\$60,000 - \$5,000 = \$55,000$

The total Perishable Goods loss recovery, after deductible, would be \$55,000.

## 5. Defense

We have the right, but are not obligated, to defend you against suits arising from claims of owners of property in your care, custody or control. When we do this, it will be at our expense.

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

You must see that the following are done in the event of loss or damage:

- a.** Give us a prompt notice of the loss or damage, including a description of the property involved.
- b.** You must reduce your loss, damage or expense, if possible, by:
  - (1)** protecting property from further damage. We will not pay for your failure to protect property, as stated in exclusion **B.1.g.**;
  - (2)** resuming business, partially or completely at the location of loss or at another location;
  - (3)** making up lost business within a reasonable amount of time. This includes working extra time or overtime at the location of loss or at another location. The reasonable amount of time does not necessarily end when the operations are resumed;
  - (4)** using merchandise or other property available to you;
  - (5)** using the property or services of others; and
  - (6)** salvaging the damaged property.



- c. Allow us a reasonable time and opportunity to examine the property and premises before repair or replacement is undertaken or physical evidence of the Covered Cause of Loss is removed. But you must take whatever measures are necessary for protection from further damage.
- d. Make no statement that will assume any obligation or admit any liability, for any loss, damage or expense for which we may be liable, without our consent.
- e. Promptly send us any legal papers or notices received concerning the loss, damage or expense.
- f. As often as may be reasonably required, permit us to inspect your property, premises 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.
- g. If requested, permit us to examine you and any of your agents, employees and representatives under oath. We may examine any insured under oath while not in the presence of any other insured. Such examination:
  - (1) may be at any time reasonably required;
  - (2) may be about any matter relating to this insurance, your loss, damage or expense, or your claim, including, but not limited to, your books and records; and
  - (3) may be recorded by us by any methods we choose.
- h. Send us a signed, sworn proof of loss containing the information we request. You must do this within 60 days after our request.
- i. Cooperate with us in the investigation and settlement of the claim.

## 7. Errors and Omissions

- a. We will pay your loss covered by this Equipment Breakdown Coverage if such loss is otherwise not payable solely because of any of the following:
  - (1) any error or unintentional omission in the description or location of property as insured under this Policy;
  - (2) any failure through error to include any premises owned or occupied by you at the inception of this Policy; or
  - (3) any error or unintentional omission by you that results in cancellation of any premises insured under this Policy.
- b. No coverage is provided as a result of any error or unintentional omission by you in the reporting of values or the coverage you requested.
- c. It is a condition of this coverage that such errors or unintentional omissions shall be reported and corrected when discovered. The Policy premium will be adjusted accordingly to reflect the date the premises should have been added had no error or omission occurred.
- d. If an Errors and Omissions Limit is shown on the Declarations, we will not pay more than the indicated amount for coverage under this Condition.

## 8. Proving Your Loss

It is your responsibility, at your own expense, to provide documentation to us:

- a. demonstrating that the loss, damage or expense is the result of a Covered Cause of Loss covered under this Equipment Breakdown Coverage; and
- b. calculating the dollar amount of the loss, damage and expense that you claim is covered.

Your responsibility in **8.a.** above is without regard to whether or not the possible Covered Cause of Loss occurred at your premises or involved your equipment.

## 9. Salvage and Recoveries

When, in connection with any loss under this Equipment Breakdown Coverage, any salvage or recovery is received after the payment for such loss, the amount of the loss shall be refigured on the basis on which it would have been settled had the amount of salvage or recovery been known at the time the loss was originally determined. Any amounts thus found to be due either party from the other shall be paid promptly.

## 10. Valuation

We will determine the value of "covered property" as follows:

**a.** Except as specified otherwise, our payment for damaged "covered property" will be the smallest of:

- (1) the cost to repair the damaged property;
- (2) the cost to replace the damaged property on the same site; or
- (3) the amount you actually spend that is necessary to repair or replace the damaged property.

**b.** The amount of our payment will be based on the most cost-effective means to replace the function, capacity and remaining useful life of the damaged property. This may include the use of generic, used or reconditioned parts, equipment or property.

**c.** Except as described in **d.** below, you must pay the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.

## d. Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to a Covered Cause of Loss we will pay your additional cost to replace with equipment that we agree is better for the environment, safer for people or more energy or water efficient than the equipment being replaced, subject to the following conditions:

- (1) we will not pay more than 150% of what the cost would have been to replace with like kind and quality;
- (2) we will not pay to increase the size or capacity of the equipment;
- (3) this provision only applies to Property Damage Coverage;
- (4) this provision does not increase any of the applicable limits;
- (5) this provision does not apply to any property valued on an Actual Cash Value basis; and
- (6) this provision does not apply to the replacement of component parts.

**e.** The following property will be valued on an Actual Cash Value basis:

- (1) any property that does not currently serve a useful or necessary function for you;
- (2) any "covered property" that you do not repair or replace within 24 months after the date of the Covered Cause of Loss; and
- (3) any "covered property" for which Actual Cash Value coverage is specified in the Declarations.

Actual Cash Value includes deductions for depreciation.

**f.** If any one of the following conditions is met, property held for sale by you will be valued at the sales price as if

no loss or damage had occurred, less any discounts and expenses that otherwise would have applied:

- (1) the property was manufactured by you;
- (2) the sales price of the property is less than the replacement cost of the property; or
- (3) you are unable to replace the property before its anticipated sale.

g. Except as specifically provided for under Data Restoration coverage, "data" and "media" will be valued on the following basis:

- (1) For mass-produced and commercially available software, at the replacement cost.
- (2) For all other "data" and "media," at the cost of blank "media" for reproducing the records. We will not pay for "data" representing financial records based on the face value of such records.

h. Air conditioning or refrigeration equipment that utilizes a refrigerant containing CFC (chlorofluorocarbon) substances will be valued at the cost to do the least expensive of the following:

- (1) repair or replace the damaged property and replace any lost CFC refrigerant;
- (2) repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
- (3) replace the system with one using a non-CFC refrigerant.

In determining the least expensive option, we will include any associated Business Income or Extra Expense loss. If option (2) or (3) is more expensive than (1), but you wish to retro-

fit or replace anyway, we will consider this better for the environment and therefore eligible for valuation under paragraph d., **Environmental, Safety and Efficiency Improvements**. In such case, 10.d.(1) above is amended to read: "We will not pay more than 150% of what the cost would have been to repair or replace with like kind and quality."

## F. Additional Conditions

The following conditions apply in addition to the Loss Conditions:

### 1. Additional Insured

If a person or organization is designated in this Equipment Breakdown Coverage as an additional insured, we will consider them to be an insured under this Equipment Breakdown Coverage only to the extent of their interest in the "covered property."

### 2. Bankruptcy

The bankruptcy or insolvency of you or your estate will not relieve you or us of any obligation under this Equipment Breakdown Coverage.

### 3. Cancellation

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

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

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

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

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

e. If this Policy is canceled, 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.

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

#### 4. 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.

#### 5. Concealment, Misrepresentation or Fraud

We will not pay for any loss and coverage will be void if you or any additional insured at any time:

a. intentionally cause or allow loss, damage or expense in order to collect on insurance; or

b. intentionally conceal or misrepresent a material fact concerning:

(1) this Equipment Breakdown Coverage;

(2) the "covered property";

(3) your interest in the "covered property"; or

(4) a claim under this Equipment Breakdown Coverage.

#### 6. 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.

#### 7. Inspections and Surveys

a. We have the right to:

(1) make inspections and surveys at any time;

(2) give you reports on the conditions we find; and

(3) recommend changes.

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

(1) are safe or healthful; or

(2) comply with laws, regulations, codes or standards.

c. Paragraphs a. and b. 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.

#### 8. Jurisdictional Inspections

It is your responsibility to comply with any state or municipal boiler and pressure vessel regulations. If any "covered equipment" that is "covered property" requires inspection to comply with such regulations, at your option we agree to perform such inspection.

#### 9. Legal Action Against Us

No one may bring a legal action against us under this Equipment Breakdown Coverage unless:

- a. there has been full compliance with all the terms of this Equipment Breakdown Coverage; and
- b. the action is brought within two years after the date of the Covered Cause of Loss; or
- c. we agree in writing that you have an obligation to pay for damage to "covered property" of others or until the amount of that obligation has been determined by final judgment or arbitration award. No one has the right under this Policy to bring us into an action to determine your liability.

## 10. Liberalization

If we adopt any standard form revision for general use that would broaden the coverage under this Equipment Breakdown Coverage without additional premium, the broadened coverage will apply to this Equipment Breakdown Coverage commencing on the date that such revision becomes effective in the jurisdiction where the Covered Cause of Loss occurs.

## 11. Loss Payable

- a. We will pay you and the loss payee shown in the Declarations for loss covered by this Equipment Breakdown Coverage, as interests may appear. The insurance covers the interest of the loss payee unless the loss results from conversion, secretion or embezzlement on your part or on the part of the loss payee.
- b. We may cancel the Policy as allowed by the **Cancellation** Condition. Cancellation ends this agreement as to the loss payee's interest. If we cancel, we will mail you and the loss payee the same advance notice.
- c. If we make any payment to the loss payee, we will obtain their rights against any other party.

## 12. Maintaining Your Property and Equipment

It is your responsibility to appropriately maintain your property and equipment. We will not pay your costs to maintain, operate, protect or enhance your property or equipment, even if such costs are to comply with our recommendations or prevent loss, damage or expense that would be covered under this Policy.

## 13. Mortgage Holders and Lender's Loss Payable

- a. The term mortgage holder includes trustee.
- b. We will pay for direct damage to "covered property" due to a Covered Cause of Loss to "covered equipment" to you and each mortgage holder and lender loss payee shown in the Declarations in their order of precedence, as interests in the "covered property" may appear.
- c. The mortgage holder and lender loss payee have the right to receive loss payment even if they have started foreclosure or similar action on the "covered property."
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Equipment Breakdown Coverage, the mortgage holder and lender loss payee will still have the right to receive loss payment, provided the mortgage holder and lender loss payee do all of the following:
  - (1) pay any premium due under this Equipment Breakdown Coverage at our request if you have failed to do so;
  - (2) submit a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so;

- (3) have notified us of any change in ownership or material change in risk known to the mortgage holder; and
- (4) have complied with all other terms and conditions of this Policy.

All of the terms of this Equipment Breakdown Coverage will then apply directly to the mortgage holder and lender loss payee.

- e. If we pay the mortgage holder and lender loss payee for any loss and deny payment to you because of your acts or because you have failed to comply with the terms of this Equipment Breakdown Coverage:

- (1) the rights of the mortgage holder and lender loss payee will be transferred to us to the extent of the amount we pay; and
- (2) the rights of the mortgage holder and lender loss payee to recover the full amount of their claim will not be impaired.

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

- f. If we cancel this Policy, we will give written notice to the mortgage holder and lender loss payee 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 mortgage holder and lender loss payee at least 10 days before the expiration date of this Policy.

- h. If we suspend coverage, it will also be suspended as respects the mortgage holder and lender loss payee. We will give written notice of the suspension to the mortgage holder and lender loss payee.

#### 14. Other Insurance

If there is other insurance that applies to the same loss, damage or expense, this Equipment Breakdown Coverage shall apply only as excess insurance after all other applicable insurance has been exhausted.

#### 15. Policy Period, Coverage Territory

Under this Equipment Breakdown Coverage:

- a. The Covered Cause of Loss must occur during the policy period, but expiration of the Policy does not limit our liability.
- b. The Covered Cause of Loss must occur within the following Coverage Territory:
  - (1) the United States of America (including its territories and possessions);
  - (2) Puerto Rico; and
  - (3) Canada.
- c. With respect to Off Premises Equipment Breakdown coverage only, the Covered Cause of Loss may occur in any country except one in which the United States has imposed sanctions, embargoes or similar restrictions on the provision of insurance.

#### 16. Premiums

The first Named Insured shown in the Declarations:

- a. is responsible for the payment of all premiums; and
- b. will be the payee for any return premiums we pay.

**17. Privilege to Adjust with Owner**

In the event of loss, damage or expense involving property of others in your care, custody or control, we have the right to settle the loss, damage or expense with respect to such property with the owner of the property. Settlement with owners of that property will satisfy any claim of yours.

**18. 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 a Covered Cause of Loss to that "covered equipment." This can be done by delivering or mailing 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.

**19. 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.

**20. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this Equipment Breakdown Coverage 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 Covered Cause of Loss.
- b. After Covered Cause of Loss only if, at time of the Covered Cause of Loss, that party is one of the following:
  - (1) someone insured by this Policy; or
  - (2) a business firm:
    - (a) owned or controlled by you; or
    - (b) that owns or controls you.

**G. Definitions****1. "Accident"**

- a. **"Accident"** means a fortuitous event that causes direct physical damage to "covered equipment." The event must be one of the following:
  - (1) mechanical breakdown, including rupture or bursting caused by centrifugal force;
  - (2) artificially generated electrical current, including electrical arcing, that damages electrical devices, appliances or wires;
  - (3) explosion, other than combustion explosion, of steam boilers, steam piping, steam engines or steam turbines;
  - (4) an event inside steam boilers, steam pipes, steam engines or steam turbines that damages such equipment;

(5) an event inside hot water boilers or other water heating equipment that damages such equipment; or

(6) bursting, cracking or splitting.

b. None of the following is an "accident," however caused and without regard to whether such condition or event is normal and expected or unusual and unexpected. However, if an event as defined under 1.a. above results from any of the following, it will be considered an "accident."

(1) depletion, deterioration, rust, corrosion, erosion, settling or wear and tear;

(2) any gradually developing condition;

(3) any defect, programming error, programming limitation, computer virus, malicious code, loss of "data," loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind;

(4) contamination by a "hazardous substance"; or

(5) misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

2. **"Anchor Location"** means a location, operated by others, upon which you depend to attract customers to your scheduled location.

3. **"Boilers and Vessels"** means:

a. boilers;

b. steam piping;

c. piping that is part of a closed loop used to conduct heat from a boiler;

d. condensate tanks; and

e. unfired vessels which, during normal usage, operate under vacuum or pressure, other than the weight of contents.

This term does not appear elsewhere in this Coverage Form, but may appear in the Declarations.

4. **"Building Utilities"** means "covered equipment" permanently mounted on or in a building and used to provide any of the following services within the building: heating, ventilating, air conditioning, electrical power, hot water, elevator or escalator services, central vacuum, natural gas service or communications. "Building utilities" does not include personal property or equipment used in manufacturing or processing.

5. **"Buried Vessels or Piping"** means any piping or vessel buried or encased in the earth, concrete or other material, whether above or below grade, or in an enclosure which does not allow access for inspection and repair.

6. **"Business Income"** means the sum of:

a. the Net Income (net profit or loss before income taxes) that would have been earned or incurred; and

b. continuing normal and necessary operating expenses incurred, including employee payroll.

7. **"Business Income Actual Annual Value"** means the "business income" for the current fiscal year that would have been earned had no Covered Cause of Loss occurred.

In calculating the "Business Income Actual Annual Value," we will take into account the actual experience of your business before the Covered Cause of Loss and the probable experience you would have had without the Covered Cause of Loss.

8. **"Business Income Estimated Annual Value"** means the anticipated "business income" reported to us and shown in the Declarations. If no value is shown in the Declarations, the "Business Income Esti-



mated Annual Value" will be the most recent report of anticipated "business income" values on file with us.

**9. "Cloud Computing Services"** means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service) and NaaS (network as a service). This includes business models known as public clouds, community clouds and hybrid clouds. "Cloud computing services" include private clouds if such services are owned and operated by a third party.

#### **10. "Covered Equipment"**

**a. "Covered Equipment,"** means the following:

**(1)** Unless specified otherwise in the Declarations:

**(a)** equipment that generates, transmits or utilizes energy, including electronic communications and data processing equipment; or

**(b)** equipment which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

"Covered equipment" may utilize conventional design and technology or new or newly commercialized design and technology.

**(2)** Except as specifically provided for under Off Premises Equipment Breakdown, Service Interruption, Contingent Business Income, paragraph **(2)** of Data Restoration, paragraph **(2)** of Perishable Goods and Civil Authority, such equipment must be at a location described in the Declarations and must be owned or leased by you or operated under your control.

**b.** None of the following is "covered equipment":

**(1)** structure, including but not limited to the structural portions of buildings and towers, and scaffolding;

**(2)** foundation;

**(3)** cabinet, compartment, conduit or ductwork;

**(4)** insulating or refractory material;

**(5)** "buried vessels or piping";

**(6)** waste, drainage or sewer piping;

**(7)** piping, valves or fittings forming a part of a sprinkler or fire suppression system;

**(8)** water piping that is not part of a closed loop used to conduct heat or cooling from a boiler or a refrigeration or air conditioning system;

**(9)** "vehicle" or any equipment mounted on a "vehicle";

**(10)** satellite, spacecraft or any equipment mounted on a satellite or spacecraft;

**(11)** dragline, excavation or construction equipment;

**(12)** equipment manufactured by you for sale; or

**(13)** "data."

#### **11. "Covered Property"**

**a.** "Covered Property" means property that you own or property that is in your care, custody or control and for which you are legally liable. Such property must be at a location described in the Declarations except as provided under Off Premises Equipment Breakdown coverage.

b. None of the following is "covered property":

- (1) accounts, bills, currency, deeds or other evidences of debt, money, notes or securities;
- (2) fine arts, jewelry, furs or precious stones;
- (3) precious metal, unless forming a part of "covered equipment";
- (4) animals;
- (5) contraband, or property in the course of illegal transportation or trade;
- (6) land (including land on which the property is located), water, trees, growing crops or lawns; or
- (7) shrubs or plants, unless held indoors for retail sale.

12. "Data" means information or instructions stored in digital code capable of being processed by machinery.

**13. "Electrical Generating Equipment"**

a. "Electrical Generating Equipment" means equipment which converts any other form of energy into electricity. This includes, but is not limited to, the following:

- (1) boilers used primarily to provide steam for one or more turbine-generator units;
- (2) turbine-generators (including steam, gas, water or wind turbines);
- (3) engine-generators;
- (4) fuel cells or other alternative electrical generating equipment;
- (5) electrical transformers, switchgear and power lines used to convey the generated electricity; and

(6) associated equipment necessary for the operation of any of the equipment listed in (1) through (5) above.

b. "Electrical Generating Equipment" does not mean:

- (1) elevator or hoist motors that generate electricity when releasing cable; or
- (2) equipment intended to generate electricity solely on an emergency, back-up basis.

This term does not appear elsewhere in this Coverage Form, but may appear in the Declarations.

14. "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.

**15. "Electronic Circuitry Impairment"**

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

b. We shall determine that the reasonable and appropriate remedy to restore such "covered equipment's" ability to function is the replacement of one or more "electronic circuitry" components of the "covered equipment."

c. The "covered equipment" must be owned or leased by you, or operated under your control.

d. None of the following is an "electronic circuitry impairment":

- (1) Any condition that can be reasonably remedied by:

- (a) Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;
    - (b) Rebooting, reloading or updating software or firmware; or
    - (c) Providing necessary power or supply.
  - (2) Any condition caused by or related to:
    - (a) Incompatibility of the "covered equipment" with any software or equipment installed, introduced or networked within the prior 30 days; or
    - (b) Insufficient size, capability or capacity of the "covered equipment."
  - (3) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.
16. **"Extra Expense"** means the additional cost you incur to operate your business over and above the cost that you normally would have incurred to operate your business during the same period had no Covered Cause of Loss occurred.
17. **"Hazardous Substance"** means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.
18. **"Interruption of Service"**
- a. "Interruption of Service" means a failure or disruption of the normal supply of any of the Covered Services listed in **b.** below, when such failure or disruption is caused by an "accident" to "covered equipment," subject to the conditions listed in **c.** through **f.** below. The failure or disruption must arise from an "accident."
- b. Covered Services are electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks, "cloud computing services" and data transmission.
- c. The "covered equipment" must either be:
- (1) owned by a company with whom you have a contract to supply you with one of the Covered Services; or
  - (2) used to supply you with one of the Covered Services and located within one mile of a location described in the Declarations.
- d. If a Service Interruption Distance Limitation is indicated in the Declarations, the "covered equipment" suffering the "accident" must be located within the indicated distance of any location described in the Declarations.
- e. Unless otherwise shown in the Declarations, no failure or disruption of service will be considered to qualify as an "interruption of service" until the failure or disruption exceeds 24 hours immediately following the "accident."
- f. "Interruption of Service" does not include any failure or disruption, whether or not arising from or involving an "accident," in which a supplier could have continued to provide service to the location but chose for any reason to reduce or discontinue service.
19. **"Interruption of Supply"**
- a. "Interruption of Supply" means a failure or disruption of the normal supply of any of the Covered Contingencies listed below, when such failure or disruption is caused by an "accident" to "covered equipment" that is located at

a Contingent Business Income supplier or receiver location indicated in the Declarations. If no Contingent Business Income supplier or receiver location is indicated in the Declarations, the "covered equipment" must be owned by a supplier from whom you have received the Covered Contingency for at least six months prior to the "accident" or a receiver to whom you have supplied the Covered Contingency for at least six months prior to the "accident."

b. Covered Contingencies are raw materials, intermediate products, finished products, packaging materials and product processing services.

20. **"Media"** means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.

21. **"One Equipment Breakdown"** means all "accidents" or "electronic circuitry impairments" occurring at the same time from the same event. If an "accident" or "electronic circuitry impairment" causes other "accidents" or "electronic circuitry impairments," all will be considered "one equipment breakdown."

22. **"Ordinary Payroll"** means the Payroll Expenses associated with all employees other than executives, department managers and employees under contract.

As used above, Payroll Expenses means all payroll, employee benefits directly related to payroll, FICA payments you pay, union dues you pay and workers compensation premiums.

"Ordinary payroll" does not include pensions or directors fees.

This term does not appear elsewhere in this Coverage Form, but may appear in the Declarations.

23. **"Period of Restoration"**

a. Except as indicated in b. below, "period of restoration" means the period of time that begins at the time of the Covered Cause of Loss and continues until the earlier of:

(1) the date the "covered equipment" is repaired or replaced; or

(2) the date on which such equipment could have been repaired or replaced with the exercise of due diligence and dispatch,

plus the number of days, if any, shown in the Declarations for Extended Period of Restoration.

b. Only as respects Civil Authority coverage, "period of restoration" means the period of time that begins as of the time access is prohibited by action of civil authority and continues until the earlier of:

(1) Twenty-one (21) thereafter; or

(2) the date access is restored.

24. **"Perishable Goods"** means any "covered property" subject to deterioration or impairment as a result of a change of conditions, including but not limited to temperature, humidity or pressure.

25. **"Production Machinery"** means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus.

However, "production machinery" does not mean any boiler, or fired or unfired pressure vessel.

This term does not appear elsewhere in this Coverage Form, but may appear in the Declarations.

26. **"Recognized Environmental Standards Program"** means one of the following:

a. the United States Environmental Protection Agency ENERGY STAR® program;

b. the U.S. Green Building Council LEED® program;

c. the Green Building Initiative GREEN GLOBES® program; or

- d. any nationally or internationally recognized environmental standards program that is designed to achieve energy savings and related objectives of the type included in the programs listed above.
27. **"Spoilage"** means any detrimental change in state. This includes but is not limited to thawing of frozen goods, warming of refrigerated goods, freezing of fresh goods, solidification of liquid or molten material and chemical reactions to material in process.
28. **"Vehicle"** means 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."

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

**OHIO CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

**EQUIPMENT BREAKDOWN COVERAGE FORM**

- A.** With respect to a policy which has been in effect for more than 90 days, or is a renewal of a policy we issued, the **Cancellation** Condition under **F. Additional Conditions** is replaced by the following:
- a.** The first Named Insured shown in the Declarations may cancel this Policy by mailing or delivering to us advance written notice of cancellation.
  - b.** We may cancel this Policy only for one or more of the following reasons, except as provided in paragraph **f.** below:
    - (1)** nonpayment of premium;
    - (2)** discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;
    - (3)** discovery of a moral hazard or willful or reckless acts or omissions on your part which increases any hazard insured against;
    - (4)** the occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed except to the extent the insurer could reasonably have foreseen the change or contemplated the risk in writing the contract;
    - (5)** loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Superintendent has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;
    - (6)** failure of an insured to correct material violations of safety codes or to comply with reasonable written loss control recommendations; or
    - (7)** a determination by the Superintendent of Insurance that the continuation of the Policy would create a condition that would be hazardous to the policyholders or the public.
  - c.** We will mail written notice of cancellation to the first Named Insured, and agent if any, at the last mailing addresses known to us. Proof of mailing will be sufficient proof of notice.
  - d.** We will mail the notice of cancellation at least:
    - (1)** 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
    - (2)** 30 days before the effective date of cancellation, if we cancel for a reason stated in **b.(2)** through **b.(7)** above.

e. The notice of cancellation will:

- (1) State the effective date of cancellation. The policy period will end on that date.
- (2) Contain the date of the notice and the Policy number, and will state the reason for cancellation.

f. Policies written for a term of more than one year or on a continuous basis may be cancelled by us for any reason at an anniversary date, upon 30 days' written notice of cancellation.

g. 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.

B. Under **F. Additional Conditions**, the following is added and supersedes any provisions to the contrary:

**Nonrenewal**

a. If we elect not to renew this Policy, we will mail written notice of nonrenewal to the first Named Insured, and agent if any, at the last mailing addresses known to us. The notice will contain the date of the notice and the Policy number, and will state the expiration date of the Policy.

b. We will mail the notice of nonrenewal at least 30 days before the expiration date of the Policy.

c. Proof of mailing will be sufficient proof of notice.

## EQUIPMENT BREAKDOWN - SCHEDULE OF LOCATIONS

|   |   |  |            |
|---|---|--|------------|
| 1 | 1 | 4805 MONTGOMERY RD STE 400<br>CINCINNATI | OH 45212 - |
|---|---|--|------------|