FLORIDA FACE PAGE

Insured's Name: The Lakes of Windermere Community Association Inc Policy #: 09-7590155980-S-04
Policy Dates From: Sep 01, 2024 To: Sep 01, 2025
Surplus Lines Agent's Name: Jeff Aumick

Surplus Lines Agent's Address: 150 S US Highway 1 Suite 3 Jupiter FL 33477

Surplus Lines Agent's License #: A009843

Producing Agent's Name: Steven Buckner
Producing Agent's Physical Address: 5850 TG Lee Blvd Ste 340 Orlando, FL 32822

"THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER."

"SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY."

Policy Premium: $14,414.00

Policy Fee: $1,140.00

Inspection Fee: N/A

Stamp Fee: $9.33

Tax: $768.37

ACCA: N/A

Surcharge: $4.00

FHCF Assessment: N/A

Surplus Lines Countersignature: _____

☐ **"THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE OR WIND LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU."**

☐ **"THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU."**

icat
a VICTOR company

What to Expect Once ICAT Protects

Thank you for placing your business—and trust—with ICAT. Here's what you can expect as an ICAT policyholder, including important claims and inspections information.

Security
ICAT policies are backed by a wide range of financial partners who ensure that in the event of a catastrophe we can pay out claims quickly and fairly. All of our policies are backed by AM Best "A" rated carriers. These strong, stable partnerships will allow us to help you get back on your feet.

We are here for one simple reason; to help you recover after a catastrophe.

Service
We are here for one simple reason: to help you recover after a catastrophe. Superior service is our promise to you. By inspecting every property, we are able to ensure that we are providing the best coverage. You can expect to have an inspector at your property within the first 30 days after your policy is bound. Please be sure the contact information on the policy is accurate—the contact information given determines who the inspector will reach out to. Our inspections process ensures there are no surprises during the life of your policy. For more information about inspections visit **info.icat.com/for-customers/commercial-inspections**.

Recovery
We pride ourselves on the service provided by our in-house claims' subsidiary. Boulder Claims works to ensure fast quick turnaround time for questions about your claims and fair and timely payment for claims. You can rest assured that in the event of a catastrophe, your property is in good hands with ICAT.

Easily submit a claim 24 hours a day, 7 days a week for policy number **09-7590155980-S-04** online or by phone, fax or email. Submit your claim whenever, wherever.

Online: **https://www.icat.com/claims/report-a-claim**
Phone: 1-866-789-4228
Fax: 1-866-325-2142
Email: **newclaims@icat.com**

During and after a catastrophe visit the ICAT Cat Info Center on our website (or follow us on **Facebook**, **Instagram**, **Twitter** or **LinkedIn**) to stay ahead of predicted storm paths, ICAT's response plan and the subsequent impact.

Stay insured with ICAT! When your policy is up for renewal, let your insurance agent know you want to keep choosing coverage with ICAT.

Thank you for partnering with ICAT.

FLORIDA NOTICES

Separate Hurricane Deductible

THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE OR WIND LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.

Surplus Lines Insurance Policy Rates and Forms; Guaranty Fund

SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.

THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.

The information and notices contained on this page constitute part of any policy to which this page is attached, but do not effect any terms or conditions of the policy.

Policy:**09-7590155980-S-04**

DECLARATIONS PAGE AND SCHEDULE A

All Other Perils including Wind

Named Insured:
The Lakes of Windermere Community Association, Inc.
6972 Lake Gloria Blvd
Orlando, FL 32809

Policy Period From:
09/01/2024 at 12:01 AM local time*

Policy Period To:
09/01/2025 at 12:01 AM local time*

Policy Period Term:
12 Months

Issued On:
08/30/2024

Producer Name:
RT Specialty
610 Crescent Executive Court
Suite 312
Lake Mary, FL 32746

*At the Named Insured Mailing Address shown above.

Grand Total:
$15,154.00

Premium:
$14,414.00

Insurer Policy Fee:
$740.00

Insurer Inspection Fee:
$0.00

TRIA:
Not Purchased

This insurance policy is issued by International Catastrophe Insurance Managers, LLC ("ICAT"), on behalf of the insurers identified within the policy and in accordance with the limited authorization granted to ICAT as Correspondent / Program Administrator for such insurers. The identified insurers bind themselves severally and not jointly, each for its own part and not one for another, their Executors and Administrators. ICAT is not an insurer under this policy and is not liable to indemnify the insured under the terms of this policy.

Any inquiries regarding this policy should be addressed to ICAT at the following address:

International Catastrophe Insurance Managers, LLC
385 Interlocken Crescent, Suite 1100
Broomfield, CO 80021

COMMON POLICY CONDITIONS
In return for the payment of the premium and fees, and subject to all the terms of this Policy, We agree with You to provide the insurance as stated in this Policy.

Easily submit a claim 24 hours a day, 7 days a week for policy number 09-7590155980-S-04 using the information below:

Online: **www.icat.com/claims/report-a-claim**
Phone: 1-866-789-4228
Fax: 1-866-325-2142
Email: **newclaims@icat.com**

Policy Forms and Endorsements

This policy is comprised of the following Forms and Endorsements:

FLNotices (10 09)	Florida Notice
ICAT SCOL 50(d) (01 20)	Declarations Page
ICAT 50SCH (01 23)	Insurer Participation Schedule
LMA5096 (03 08)	Several Liability Clause
ICAT 51 SUBNOT (02 22)	Subscription Policy Notice
CP 00 10 06 07	Building and Personal Property Coverage
CP 00 90 07 88	Commercial Property Conditions
CP 04 05 04 02	Ordinance or Law Coverage
CP 10 30 06 07	Causes of Loss Special Form
CP 10 32 08 08	Water Exclusion Endorsement
CP 14 10 06 95	Additional Covered Property
ICAT SCOL 125 (11 11)	Coverage Extensions Prerequisite Waived
ICAT SCOL 127 (03 17)	Wind-Driven Rain Coverage
ICAT SCOL 130 (12 11)	Sewer, Drain, and Sump Back-Up, or Overflow Cause of Loss Extension
ICAT SCOL 135 (05 11)	Customers' Property Coverage
ICAT SCOL 136 (05 11)	Lock Replacement Additional Coverage
ICAT SCOL 137 (12 11)	Theft, Disappearance, or Destruction of Money & Securities Coverage
ICAT SCOL 138 (12 11)	Robbery of a Custodian or Safe Burglary Money and Securities Coverage
ICAT SCOL 140 (12 11)	Accounts Receivable Coverage
ICAT SCOL 141 (12 11)	Valuable Papers Coverage
ICAT SCOL 142 (12 11)	Commercial Fine Arts Coverage
ICAT SCOL 143 (05 11)	Fire Extinguisher Systems Recharge Expense Additional Coverage
ICAT SCOL 144 (12 11)	Tenant Glass Additional Coverage
ICAT SCOL 145 (12 11)	Perimeter Extension Endorsement
ICAT SCOL 146 (12 11)	Spoilage Coverage Extension
ICAT SCOL 147 (10 15)	Utility Services - Direct Damage
SCOL 150 (02 22)	Equipment Breakdown Enhancement Endorsement
ICAT SCOL 200 (09 15)	Occurrence Limit of Liability Endorsement
ICAT SCOL 210(c) (12 13)	Sinkhole Loss Coverage
ICAT SCOL 220 (07 09)	Additions Under Construction Changes
ICAT SCOL 221 (07 18)	Additional Property Not Covered
ICAT SCOL 230 (09 20)	Aluminum Wiring Exclusion
ICAT SCOL 232 (07 09)	Asbestos and Sick Building Exclusion
ICAT SCOL 233 (07 09)	Prior Loss Exclusion
ICAT SCOL 234 (07 09)	Seepage and Pollution Exclusion
ICAT SCOL 238 (10 15)	Nuclear, Biological, Chemical and Radiological Hazards Exclusion
ICAT SCOL 241 (10 19)	Cyber Event Exclusion
ICAT SCOL 242FL (04 20)	Mutual Appraisal Endorsement
ICAT SCOL 425 (09 15)	Deductible Endorsement
SCOL 600FL (03 23)	Common Policy Conditions
ICAT SCOL 602(a) (04 08)	Earned Premium Endorsement
ICAT SCOL 603 (04 08)	Electronic Date Recognition Exclusion Endorsement
ICAT NMA 2920 (01 20)	Terrorism Exclusion
ICAT TRIA-3 (01 15)	TRIA Declination
IL 00 03 08 02	Calculation of Premium
IL 09 35 07 02	Exclusion of Certain Computer - Related Losses
IL 09 53 01 15	Exclusion of Certified Acts of Terrorism
NMA0464 (01 38)	War and Civil War Exclusion Clause
ICAT SS (01 23)	Authorized Signatures, Service of Process, and Consumer Service
PG-IC-SER (03 20)	National Fire & Marine Service of Process and Signature Page
IL P 001 01 04	Office of Foreign Assets Control Advisory to Policyholders

Schedule A: Coverages, Limits and Deductibles

Your Deductibles
2% Named Windstorm Deductible by building*, minimum of $1,000
2% ($31,602.48) All Other Windstorm and Hail Deductible by policy, minimum of $1,000
$1,000 Equipment Breakdown Deductible by policy
$2,500 All Other Causes of Loss Deductible by policy
*Additional Property Coverage Deductible is by location, by line of coverage

Location 1 – Building 1 6866 Northwich Dr Windermere, FL 34786	**Total Insured Value**	**Limit of Insurance**	**Named Windstorm Deductible**
Building	$595,619	$595,619	2% ($12,182.38)
Business Personal Property (BPP)	$13,500	$13,500 (Combined Limit of Insurance)	
Tenant's Improvements and Betterments (TIB)			

Schedule A: Coverages, Limits and Deductibles

Continued

Location 1 Covered Property	**Total Insured Value**	**Limit of Insurance**	**Named Windstorm Deductible**
Additional Property Coverage (APC)			2% ($19,420.10)
Other Structures - Open or Not Fully Enclosed - ***Dog Stations - Putting Green***	$21,200	$21,200	
Boardwalks, Catwalks, Decks, Trestles and Bridges - ***DOCK, GAZEB F***	$125,000	$125,000	
Driveways, Courts, Pads and Paved Surfaces - ***Basketball Courts - TENNIS CO***	$168,360	$168,360	
Fences, Property Line Walls, Lattice Work and Trellis - ***POOL FENCING - N POOL FENCE -***	$143,945	$143,945	
Fountains, Statuary, Monuments or Tombstones - ***Fountains - ENTRY MONUMEN - T***	$105,000	$105,000	
Pools and Waterfalls - ***POOL***	$155,000	$155,000	
Playground Equipment - ***POOL PLAYGROU - PARK PLAYGROU***	$57,500	$57,500	
Light Poles and Unattached Signs - ***OUTDOOR SIGNS - PARK SIGNS 3***	$100,000	$100,000	
Awnings and Canopies - ***PARK SHELTER - PAVILLION***	$80,000	$80,000	
Machinery and Equipment in the Open - ***POND AERATOR - POOL SEC SYST***	$15,000	$15,000	
Total of All Additional Covered Property Limits of Insurance	**$971,005**	**$971,005**	

Location 1	**Total Insured Value**	**Limit of Insurance**	**Named Windstorm Deductible**
Business Income and Extra Expense including Rental Value (BI)			No coverage
Monthly Limit of Indemnity: N/A	None	None	
Total Limit of Insurance		**$1,580,124**	

Schedule A: Coverages, Limits and Deductibles *continued*

Coinsurance	Waived
Replacement Cost (Building and Personal Property)	Yes, Including "Stock" (If Personal Property is covered)
Limited Coverage for "Fungus", Wet Rot, Dry Rot and Bacteria	$15,000 Annual Aggregate Limited to "specified causes of loss"
Property in Transit	$10,000
Additional Coverages	**Additional Limits and Sublimits**
Debris Removal	25% of loss within limit, up to an additional $10,000 per location in addition to limit
Preservation of Property	30 Days
Fire Department Service Charge	$10,000 sublimit
Pollutant Clean-up And Removal	$10,000 sublimit
Increased Cost of Construction	Lesser of 5% of Building Limit or $10,000
Electronic Data	$5,000
Customers' Property in Your Covered Building	$2,500 subject to a $250 deductible
Lock Replacement	$1,000, subject to a $250 deductible
Fire Extinguisher Recharge	$10,000
Unscheduled Additional Property	$10,000, subject to a $2,500 deductible
Coverage Extensions	
Newly Acquired or Constructed Property	Lesser of Building Limit of Insurance or $250,000
Newly Acquired Business Personal Property	Lesser of BPP Limit of Insurance or $100,000
Personal Effects and Property of Others	$5,000 (in Addition to limit)
Property Off Premises	$15,000 (in Addition to limit)
Outdoor Property	$10,000, Limited to $1,500 per tree, plant, or shrub
Non-Owned Detached Trailers	Lesser of BPP Limit of Insurance or $5,000

Schedule A: Coverages, Limits and Deductibles

continued

Coverage Under Endorsement	
Coverage	**Sublimit**
Ordinance or Law	Location 1 : Full Coverage A, 10% Coverage B & C. Coverage only available after the Building deductible has been met and a claim payment is due under Building Coverage.
Wind-Driven Rain	$10,000
Sewer, Drain and Sump Back-Up, or Overflow	$10,000
Perimeter Extension	Increased to 1000 feet
Utility Services - Direct Damage	$10,000, Limited to "specified causes of loss"
Sinkhole Coverage	Included
The following coverages are limited to the lesser of the sublimit shown below or the BPP/TIB Total Limit of Insurance.	
Theft, Disappearance, or Destruction of Money and Securities	$2,500
Robbery of a Custodian or Safe Burglary	$2,500
Accounts Receivable	$25,000
Valuable Papers and Records	$25,000
Commercial Fine Arts	$10,000
Tenant Glass	$10,000
Spoilage	$10,000
Equipment Breakdown Additional Coverages and Sublimits	
These coverages are limited to the lesser of the sublimit listed below or the Policy Limit	
Data and Media	$250,000
Demolition and Increased Cost of Construction	$250,000
Drying Out	$10,000
Electronic Vandalism	Included
Expediting Expenses	$250,000
New Generation	Up to 150% of the Replacement Cost for certain efficiency or safety enhancements
Pollution Clean Up and Removal	$250,000
Spoilage	$250,000
Utility Interruption	Included if coverage for BI/EE is shown above
Water Damage	$25,000

General Provisions

1. Correspondent / Program Administrator Not Insurer. ICAT is the Correspondent / Program Administrator issuing this insurance policy. ICAT is not an insurer of the insurance described herein and neither is nor shall be liable for any loss or claim whatsoever. The insurers of this policy are identified on the Insurer Participation Schedule (ICAT 50 SCH) attached to and part of this policy. Where such insurers are identified or referred to as "Underwriters at Lloyd's, London," the term includes incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.

2. Insurer(s) Policy and Inspection Fees. All Policy and Inspection Fees charged under this policy and identified on this Commercial Property Insurance Policy Jacket or in the Declarations Page are fully earned as of the policy inception date and are not refundable.

3. Cancellation. If this insurance policy or any part of the insurance provided under this policy is cancelled after the inception date of the policy, earned premium must be paid for the time the insurance has been in force. Cancellation and premium earnings shall be as provided in the policy and as may be modified by endorsement issued by ICAT, including endorsements which specify minimum earned premium. You should read this policy carefully to determine how premium is earned before you decide to cancel this policy.

4. Assignment. The insurance described herein shall not be assigned either in whole or in part without the written consent of ICAT.

5. Attached Conditions Incorporated. The insurance described in this Commercial Property Policy is subject to all provisions, conditions, and warranties set forth herein, attached, or endorsed, all of which are to be considered incorporated herein as further descriptive of the insurance.

Insurer Participation Schedule

Pro rata shares applicable to this policy. Coverage under this Policy is provided by the subscribing insurers listed below:

Perils	Insurers	Contract Number	Percent Participation
EB	Lloyd's 5000	B0509BOWFN2450007	100 %
AP	National Fire & Marine Insurance Company	42-IPA-173021-05	100 %

Perils	Premium by Peril
AP	$14,225.00
EB	$189.00

Definitions
AP: All perils covered under the policy not otherwise specifically defined in this Insurer Participation Schedule.
EB: Equipment Breakdown as per SCOL 150.

The liability of an insurer under this policy is several and not joint with other insurers party to this policy, pursuant to the terms and conditions of the Several Liability Clause attached to this policy.

SEVERAL LIABILITY CLAUSE

PLEASE NOTE – This notice contains important information. PLEASE READ CAREFULLY

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

LMA5096 (Combined Certificate)

7 March 2008

Subscription Policy Notice

The Insurer Participation Schedule (ICAT 50 SCH) attached to and part of this policy identifies the Insurer(s) providing coverage under this policy. No Insurer(s) other than those listed on the Insurer Participation Schedule are providing coverage under this policy.

Where the Insurer Participation Schedule attached to and part of this policy indicates an Insurer under this policy as "Lloyd's" followed by a number, this designation means that the Insurer is a certain Syndicate at Lloyd's, London.

Each Syndicate should be identified as "Underwriters at Lloyd's, London, [Syndicate Name/Number]". The Syndicate Names and their respective Syndicate numbers (together with their NAIC Number) are as follows*:

		NAIC Number
Lloyd's 510	means Kiln Syndicate 510	AA-1126510
Lloyd's 1458	means RenaissanceRe Syndicate 1458	AA-1120102
Lloyd's 1618	means Ki Syndicate 1618	AA-1122004
Lloyd's 1856	means Arcus Syndicate 1856	AA-1120171
Lloyd's 1880	means Tokyo Marine Kiln Syndicate 1880	AA-1120096
Lloyd's 2121	means Argenta Syndicate 2121	AA-1128121
Lloyd's 2987	means Brit Syndicate 2987	AA-1128987
Lloyd's 5000	means Travelers Syndicate 5000	AA-1126003

The address for any Syndicate at Lloyd's, London, is stated in the Several Liability Clause immediately preceding this Subscription Policy Notice.

Where an Insurer participating on this policy is not a Syndicate at Lloyd's, London, each such Insurer shall be identified by its full name on the Insurer Participation Schedule. Additional information regarding these other Insurers, if any, may be provided on separate endorsements to this policy.

*This list of Syndicates at Lloyd's, London, is provided for informational purposes only. The listing of a particular Syndicate on this Notice does not mean such Syndicate is providing coverage under this policy.

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 located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property – Separation of Coverage form:

(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.

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c. Personal Property Of Others that is:

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

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

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;

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;

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;

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

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

(a) Extract "pollutants" from land or water; or

(b) Remove, restore or replace polluted land or water.

(3) Subject to the exceptions in Paragraph **(4)**, 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.

(4) We will pay up to an additional $10,000 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)** 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 $10,000.

(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	$ 30,000
Debris Removal Expense Payable	
Basic Amount	$ 10,500
Additional Amount	$ 10,000

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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 ($30,000) exceeds 25% of the loss payable plus the deductible ($30,000 is 37.5% of $80,000), and because the sum of the loss payable and debris removal expense ($79,500 + $30,000 = $109,500) would exceed the Limit of Insurance ($90,000). The additional amount of covered debris removal expense is $10,000, the maximum payable under Paragraph **(4)**. Thus the total payable for debris removal expense in this example is $20,500; $9,500 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, unless a higher limit is shown in the Declarations, 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.

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 enforcement 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.

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(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 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 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 repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(b) If the building is repaired or replaced at the same 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 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.

(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.

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(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 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

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

a. Newly Acquired Or Constructed Property

(1) Buildings

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

(a) Your new buildings while being built on the described premises; and

(b) Buildings you acquire at locations, other than the described premises, intended for:

(i) Similar use as the building described in the Declarations; or

(ii) Use as a warehouse.

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

(2) Your Business Personal Property

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

(i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

(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; or

(iii) Business personal property that you newly acquire, located at the described premises.

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

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(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 on or at each 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.

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(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 "stock" of trees, shrubs or plants), 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.

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.

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.

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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 No. 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.

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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 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.

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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 sublessee to conduct its customary operations; and/or

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

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

b. Vacancy Provisions

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

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

(a) Vandalism;

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

(c) Building glass breakage;

(d) Water damage;

(e) Theft; or

(f) Attempted theft.

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

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

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

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

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

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

(1) Awnings or floor coverings;

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

(3) Outdoor equipment or furniture.

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

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

e. Tenants' Improvements and Betterments at:

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

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

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

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

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

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

F. Additional Conditions

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

1. Coinsurance

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

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

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

(1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;

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

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

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

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

EXAMPLE #1 (UNDERINSURANCE)

When:	The value of the property is:	$250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	$100,000
	The Deductible is:	$ 250
	The amount of loss is:	$ 40,000
Step **(1)**:	$250,000 x 80% = $200,000 (the minimum amount of insurance to meet your Coinsurance requirements)	
Step **(2)**:	$100,000 ÷ $200,000 = .50	
Step **(3)**:	$40,000 x .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.

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EXAMPLE #2 (ADEQUATE INSURANCE)

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

The minimum amount of insurance to meet your Coinsurance requirement is $200,000 ($250,000 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 property is:	
	Building at Location #1:	$ 75,000
	Building at Location #2:	$100,000
	Personal Property at Location #2:	$ 75,000
		$250,000
	The Coinsurance percentage for it is:	90%
	The Limit of Insurance for Buildings and Personal Property at Location #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.	$ 20,000
		$ 50,000
Step **(1)**:	$250,000 x 90% = $225,000 (the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)	
Step **(2)**:	$180,000 ÷ $225,000 = .80	
Step **(3)**:	$50,000 x .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.

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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 applied 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 x .08 x 146 ÷ 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 repairs or replacement are made as soon as reasonably possible after the loss or damage.

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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 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 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.

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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 mate- rial 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 cover- age 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.

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I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

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

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

a. Someone insured by this insurance;

b. A business firm:

(1) Owned or controlled by you; or

(2) That owns or controls you; or

c. Your tenant.

This will not restrict your insurance.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORDINANCE OR LAW COVERAGE

This endorsement modifies insurance provided under the following:

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

SCHEDULE*

Bldg. No./ Prem. No.	Cov. A	Cov. B Limit Of Insurance	Cov. C Limit Of Insurance	Cov. B And C Combined Limit Of Insurance
1/1	X	NA	NA	Sublimited to 10.00% of Coverage A Limit of Insurance.

*Information required to complete the Schedule, if not shown on this endorsement, will be shown in the Declarations or Statement Of Values (SOV).

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

B. Application Of Coverage(s)

The Coverage(s) provided by this endorsement apply only if both **B.1.** and **B.2.** are satisfied and are then subject to the qualifications set forth in **B.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 premises; and

b. Is in force at the time of loss.

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

2. a. The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of 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 the building damage in its entirety results in enforcement of 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 endorsement even if the building has also sustained covered direct physical damage.

3. In the situation described in **B.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 endorsement. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

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(Section **H.** of this endorsement provides an example of this procedure.)

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

C. We will not pay under Coverage **A, B** or **C** of this endorsement for:

1. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or

2. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

D. Coverage

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

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

Coverage **A** is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage **A** does not increase the Limit of Insurance.

2. Coverage B – Demolition Cost Coverage

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

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

3. Coverage C – Increased Cost Of Construction Coverage

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

(1) Repair or reconstruct damaged portions of that building; and/or

(2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

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

However:

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

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

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

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

(1) The cost of excavations, grading, backfilling and filling;

(2) Foundation of the building;

(3) Pilings; and

(4) Underground pipes, flues and drains.

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

E. Loss Payment

1. All following loss payment Provisions, **E.2.** through **E.5.**, are subject to the apportionment procedures set forth in Section **B.3.** of this endorsement.

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2. When there is a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

a. If the Replacement Cost Coverage Option applies and the property is being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:

(1) The amount you would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or

(2) The Limit of Insurance shown in the Declarations as applicable to the covered building.

b. 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:

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

(2) The Limit of Insurance shown in the Declarations as applicable to the covered building.

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

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

a. The amount you actually spend to demolish and clear the site of the described premises; or

b. The applicable Limit of Insurance shown for Coverage **B** in the Schedule above.

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

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

(1) Until the property is actually repaired or replaced, at the same or another premises; and

(2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

b. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under Coverage **C** is the lesser of:

(1) The increased cost of construction at the same premises; or

(2) The applicable Limit of Insurance shown for Coverage **C** in the Schedule above.

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

(1) The increased cost of construction at the new premises; or

(2) The applicable Limit of Insurance shown for Coverage **C** in the Schedule above.

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

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

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

b. With respect to the Increased Cost of Construction:

(1) We will not pay for the increased cost of construction:

(a) Until the property is actually repaired or replaced, at the same or another premises; and

(b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.

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

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

G. Under this endorsement we will not pay 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.

H. Example of Proportionate Loss Payment for Ordinance Or Law Coverage Losses (procedure as set forth in Section **B.3.** of this endorsement.)

Assume:

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

Step **1**:

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

$30,000 ÷ $100,000 = .30

Step **2**:

Apply that proportion to the Ordinance or Law loss.

$60,000 x .30 = $18,000

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

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

I. The following definition is added:

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

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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 Risks Of Direct Physical Loss unless the loss is:

1. Excluded in Section **B.,** Exclusions; or

2. Limited in Section **C.,** Limitations;

that follow.

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 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 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.

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.

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.

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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, 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 in **g.(1)** through **g.(4)** above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

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 results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results 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.

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

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

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

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

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

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

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

(5) Any other consequential loss.

b. Leasehold Interest Coverage Form

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

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

(a) Your cancelling the lease;

(b) The suspension, lapse or cancellation of any license; or

(c) Any other consequential loss.

c. Legal Liability Coverage Form

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

(a) Paragraph **B.1.a.,** Ordinance Or Law;

(b) Paragraph **B.1.c.,** Governmental Action;

(c) Paragraph **B.1.d.,** Nuclear Hazard;

(d) Paragraph **B.1.e.,** Utility Services; and

(e) Paragraph **B.1.f.,** War And Military Action.

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

(a) Contractual Liability

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

(i) Your assumption of liability was executed prior to the accident; and

(ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

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

5. Additional Exclusion

The following provisions apply only to the specified property.

LOSS OR DAMAGE TO PRODUCTS

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. Limitations

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

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.

a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

(1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or

(2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

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

However, this limitation does not apply to:

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

(2) Business Income Coverage or Extra Expense Coverage.

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

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

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:

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

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

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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 is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

   a. A "specified cause of loss" other than fire or lightning; or

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

2. We will pay for loss or damage by "fungus", wet 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 continues to be present or active, or recurs, 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 causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph **F.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.

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a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

b. Loss or damage must be caused by or result from one of the following causes of loss:

(1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.

(2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.

(3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

c. The most we will pay for loss or damage under this Extension is $5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.

b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension, **F.3.,** does not increase the Limit of Insurance.

G. Definitions

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

2. "Specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

(1) The cost of filling sinkholes; or

(2) Sinking or collapse of land into man-made underground cavities.

b. Falling objects does not include loss or damage to:

(1) Personal property in the open; or

(2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning 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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The exclusion in Paragraph **B.** replaces the **Water** Exclusion in this Coverage Part or Policy.

B. 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).

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL COVERED PROPERTY

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

The following is withdrawn from PROPERTY NOT COVERED and added to COVERED PROPERTY:

SCHEDULE*

Prem. No.	Bldg. No.	Paragraph Reference	Description of Property	Type of Property Coverage (Enter BUILDING or PERSONAL PROPERTY)
1	All		Other Structures - Open or Not Fully Enclosed	Business Personal Property
1	All		Boardwalks, Catwalks, Decks, Trestles and Bridges	Business Personal Property
1	All		Driveways, Courts, Pads and Paved Surfaces	Business Personal Property
1	All		Fences, Property Line Walls, Lattice Work and Trellis	Business Personal Property
1	All		Fountains, Statuary, Monuments or Tombstones	Business Personal Property
1	All		Pools and Waterfalls	Business Personal Property
1	All		Playground Equipment	Business Personal Property
1	All		Light Poles and Unattached Signs	Business Personal Property
1	All		Awnings and Canopies	Business Personal Property
1	All		Machinery and Equipment in the Open	Business Personal Property

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

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COVERAGE EXTENSIONS PREREQUISITE WAIVED

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ THIS ENDORSEMENT CAREFULLY

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10
CONDOMINIUM ASSOCIATION COVERAGE FORM CP 00 17

A. Coverage Extensions Prerequisite Waived.

We hereby waive the requirement that a Coinsurance percentage of 80% or more be shown in the Declarations in order for you to extend the insurance provided by this Coverage Part to include the **Coverage Extensions** identified in the above-listed Coverage Forms.

Subject to all other terms and conditions of this policy and Coverage Part, these **Coverage Extensions** shall be available under this Coverage Part even if a Coinsurance percentage less than 80% is shown in the Declarations or in the event we waive the Additional Condition, Coinsurance.

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WIND-DRIVEN RAIN COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ THIS ENDORSEMENT CAREFULLY

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. Addition of Named Covered Cause of Loss

The following is added to the policy as a named Covered Cause of Loss:

Wind-Driven Rain, meaning direct physical loss or damage to the interior of any building covered under this policy caused by the sudden and temporary entry of rain, snow, sleet, or ice into the building when propelled by wind through or around building components, but which does not require building damage to occur prior to such rain, snow, sleet, or ice entering the building.

B. Exclusions and Limitations

1. We will not pay under this Wind-Driven Rain Coverage Endorsement for loss or damage caused directly or indirectly by any of the following:

a. Wind-driven sand or dust;

b. Thawing of snow, sleet, or ice on the building; or

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 covered location.

2. The coverage provided under this Endorsement does not apply:

a. to continuous or repeated seepage or leakage of water into a building; or

b. in the event that the entry of rain, snow, sleet, or ice into the building was caused by failure to properly secure the building or by failure to protect the building against normal wear and tear, rust, corrosion, or decay.

C. Deductible

Your deductible for loss or damage caused by Wind-Driven Rain shall be:

1. Shown in the Deductibles section of the Declarations Page as the Wind-Driven Rain deductible; or

2. If a separate deductible is not shown for Wind-Driven Rain, equal to the greater of whichever of the following deductibles is included as part of this policy:

a. Your deductible for loss or damage caused by windstorm or hail;

b. Your Named Windstorm deductible; or

c. Your Named Hurricane deductible.

Notwithstanding any other terms or conditions of this policy to the contrary, the deductible applied to loss or damage caused by Wind-Driven Rain shall be applied in full to each occurrence of loss or damage caused by Wind-Driven Rain and shall not be subject to erosion by the application of any provisions that otherwise would apply the deductible in the aggregate across two or more losses. For example, in the event that a Calendar Year Aggregate Named Windstorm Deductible is the highest Deductible indicated in this policy, then the full amount of such Deductible shall be applied to each occurrence of loss or damage caused by Wind-Driven Rain even though the amount of such deductible might be applied in the aggregate to multiple occurrences of loss or damage caused by Named Windstorm.

D. Sublimit

The sublimit for Wind-Driven Rain coverage as defined, limited, and provided under this Endorsement is as stated in the Declarations. The sublimit for Wind-Driven Rain is included within the Limit of Insurance that applies to **Building** Coverage under this policy. This sublimit does not increase our limit of insurance. Notwithstanding any provisions to the contrary contained elsewhere in this policy, we will pay the least of the following for loss or damage caused by Wind-Driven Rain in any one occurrence of loss or damage:

1. The actual adjusted amount of loss, less the applicable deductible.

2. The total stated value for the building

involved, as shown on the latest Statement of Values on file with us, less any applicable deductible.

3. The sublimit for Wind-Driven Rain shown in the Declarations.

All other terms, conditions, and exclusions in this policy remain in full force and effect.

SEWER, DRAIN AND SUMP BACK-UP, OR OVERFLOWCAUSE OF LOSS EXTENSION

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

This endorsement modifies the Commercial Property Coverage Part.

I. If either the Flood Coverage Endorsement (ICAT SCOL 128) or the Excess NFIP Flood Coverage Endorsement (ICAT SCOL 129) is attached to this policy, then such Endorsement is modified as follows:

   a. Paragraph **B** (**Additional Covered Cause of Loss**) has the following subparagraph **4.** added to provide coverage for sewer, drain, and sump back-up or overflow:

      4. Flood shall include loss or damage from water that backs up or overflows from a sewer, drain, or sump.

   b. Paragraph **C.** (**Exclusions, Limitations And Related Provisions**), subparagraph **5.**, subparagraph **f.** is deleted.

II. If neither the Flood Coverage Endorsement (ICAT SOL 128) nor the Excess NFIP Flood Coverage Endorsement is attached to this policy, then the Water Exclusion Endorsement (CP 10 32) is modified to provide coverage for sewer, drain, and sump back-up or overflow:

   a. Paragraph **B**. (**Water**) subparagraph **3.** is deleted.

III. Limits of Insurance. The most we will pay for loss or damage under this Cause of Loss Extension in any one occurrence is the applicable Limit of Insurance shown in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or elsewhere in the policy.

IV. Deductible. We will not pay for loss or damage under this Cause of Loss Extension in any one occurrence until the amount of the adjusted loss or damage exceeds the amount of the Deductible applicable to the coverage for fire (shown as “All Other Peril” or “All Other Causes of Loss”) stated in the Declarations or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

CUSTOMERS' PROPERTY IN YOUR BUILDING COVERAGE FORM

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ THIS ENDORSEMENT CAREFULLY

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.

A. Coverage

1. Covered Property, as used in this Coverage Form, means personal property of your customers and guests while in a Covered Building.

2. **Property Not Covered**

   The following listing of Property Not Covered is in addition to any other listing of Property Not Covered as stated in any other Coverage Form attached to this policy: Property Not Covered includes money, currency, jewelry, furs, vehicles and their equipment or personal property in vehicles.

3. **Covered Causes Of Loss**

   Covered Causes of Loss with regard to the coverage provided under this Customers' Property in Your Building Coverage Form means Direct Physical Loss Or Damage caused by or resulting from one of the Covered Causes of Loss as specified in the Causes of Loss Form shown in the Declarations and attached to this policy as limited by the exclusions contained in this policy.

4. **Valuation**

   The value of Covered Property under this Customers' Property in Your Building Coverage Form shall be the least of the following amounts:

   a. The amount for which you are liable;

   b. The actual cash value of the lost or damaged property;

   c. The cost of reasonably restoring the property to its condition immediately before the loss; or

   d. The cost of replacing the lost or damaged property with substantially identical property.

   The value shall include the value of labor, materials or services furnished or arranged by you.

   In the event of loss or damage, the value of Covered Property shall be determined as of the time of loss or damage.

B. 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, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy. The Limit of Insurance for this Customers' Property in Your Building Coverage is a sublimit of the Limit of Insurance applicable to your Business Personal Property and the addition of this Customers' Property in Your Building Coverage does not increase or decrease our total Limit of Insurance. As we may indicate in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or elsewhere in this policy, the Limit of Insurance applicable to this Customers' Property in Your Building Coverage may be limited per occurrence and/or per customer or guest.

C. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limit of Insurance exceeds the amount of the Deductible applicable to this Customers' Property in Your Building Coverage shown in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

D. Other Insurance

Other insurance covering loss or damage to property covered under this Customers' Property in Your Building Coverage Form will be considered excess to this Coverage.

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LOCK REPLACEMENT ADDITIONAL COVERAGE

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ THIS ENDORSEMENT CAREFULLY

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10
CONDOMINIUM ASSOCIATION COVERAGE FORM CP 00 17

A. Coverage

1. Section **A.4. Additional Coverages** has the following Additional Coverage added:

   a. We will pay the cost to repair or replace locks at a Covered Building due to "theft" or loss to keys.

   b. 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, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy. The Limit of Insurance for this Lock Replacement Additional Coverage is a sublimit of the Limit of Insurance applicable to your Business Personal Property and the addition of this Lock Replacement Additional Coverage does not increase or decrease our total Limit of Insurance.

   c. Deductible

   We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limit of Insurance exceeds the amount of the Deductible applicable to this Lock Replacement Additional Coverage shown in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

   d. Definitions

   The following is added to Section **H.**, **Definitions**:

   > "Theft" means the unlawful taking of property to the deprivation of the insured.

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THEFT, DISAPPEARANCE, OR DESTRUCTION OF MONEY AND SECURITIESCOVERAGE 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

1. We will pay for loss or damage that is directly caused by a Covered Cause of Loss to “money” or “securities” you use in your business as shown by your records resulting directly from a Covered Cause of Loss as defined and explained in this Coverage Form.

2. Property Not Covered

The following listing of Property Not Covered is in addition to any other listing of Property Not Covered as stated in any other Coverage Form attached to this policy: Lottery tickets held for sale are not Covered Property.

3. Covered Causes Of Loss

Covered Causes of Loss with regard to the coverage provided under this Theft, Disappearance, or Destruction of Money and Securities Coverage means direct physical loss or damage caused by or resulting from “theft,” disappearance or destruction. However, Covered Causes of Loss are limited by other exclusions contained in this policy and the exclusions identified in **B. Exclusions** below.

B. Exclusions

1 The following exclusions apply in addition to all other exclusions in this policy, including all exclusions in the **Causes of Loss Special Form** (CP 10 30). 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. accounting or arithmetical errors or omissions;

b. dishonest or criminal act(s) committed by any of your “employees”, directors, trustees, “members”, or authorized representatives:

(1) acting alone or in collusion with other persons; or

(2) while performing services for you or otherwise.

c. the giving or surrendering of property in any exchange or purchase;

d. fire, however caused;

e. loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

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, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy. The Limit of Insurance for this Theft, Disappearance, or Destruction of Money and Securities Coverage is a sublimit of the Limit of Insurance applicable to your Business Personal Property and the addition of this Theft, Disappearance, or Destruction of Money and Securities Coverage does not increase or decrease our total Limit of Insurance.

D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the amount of the Deductible applicable to the coverage for fire (shown as “All Other Peril” or "All Other Causes of Loss") stated in the Declarations or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

E. Definitions

1. “Employee” means:

a. Any natural person:

(1) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";

(2) Who you compensate directly by salary, wages or commissions; and

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(3) Who you have the right to direct and control while performing services for you;

b. Any natural person who is furnished temporarily to you:

(1) To substitute for a permanent "employee" as defined in Paragraph **1.a.**, who is on leave; or

(2) To meet seasonal or short-term work load conditions;

While that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside a Covered Building;

c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform du-ties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **1.b.**;

d. Any natural person who is:

(1) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any employee benefit plan; and

(2) A director or trustee of yours while that person is engaged in handling funds or other property of any employee benefit plan;

e. Any natural person who is a former "employee", partner, "member", manager, director or trustee retained as a consultant while performing services for you;

f. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside a Covered Building;

g. Any "employee" of an entity merged or consolidated with you prior to the effective date of this policy; or

h. Any of your managers, directors or trustees while:

(1) Performing acts within the scope of the usual duties of an "employee"; or

(2) Acting as a member of any commit-tee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

"Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph **1.a.**

2. "Member" means an owner of a limited liability company represented by its membership interest who also may serve as a manager.

3. "Money" means:

a. Currency, coins and bank notes in current use and having a face value; and

b. Travelers Checks, register checks and money orders held for sale to the public.

4. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

"Securities" does not include "money."

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ROBBERY OF A CUSTODIAN OR SAFE BURGLARY (MONEY AND SECURITIES) 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 loss or damage that is directly caused by a Covered Cause of Loss, as defined in this Coverage Form, to Covered Property, as defined in this Coverage Form, you use in your business as shown by your records.

1. Inside a Covered Building

a. Coverage for Robbery Of A Custodian

(1) Covered Property: "Money" and "securities" in the care and custody of a “custodian” inside a Covered Building that is listed in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy.

(2) Covered Causes of Loss: Actual or attempted "robbery".

(3) Coverage Extension

Damage to a Covered Building: We will pay for loss or damage to a Covered Building listed in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy directly caused by the Covered Cause of Loss if you are the owner of the Covered Building or are liable for damage to it.

b. Coverage for Safe Burglary

(1) Covered Property: "Money" and "securities" in a safe or vault within a Covered Building listed in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy or in a "banking premises".

(2) Covered Causes of Loss: Actual or attempted "safe burglary".

(3) Coverage Extension

Covered Building, Safe and Vault Damage:

We will pay for loss or damage to:

(a) A Covered Building listed in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy; or

(b) A locked safe or vault located inside such a Covered Building;

that is directly caused by the Covered Cause of Loss only if you are the owner of the property or are liable for damage to it.

2. Outside a Covered Building

(a) Covered Property: "Money" and "securities" in the care and custody of a "messenger" while outside a Covered Building that is listed in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy.

(b) Covered Causes of Loss: Actual or attempted "robbery".

(c) Coverage Extension

Conveyance of Property By Armored Motor Vehicle Company: We will pay for loss of or damage to Covered Property resulting directly from a Covered Cause of Loss while outside a Covered Building in the care and custody of an armored motor vehicle company.

But we will pay only the amount of loss that you cannot recover:

(1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

B. Exclusions

1. The following exclusions apply in addition to all other exclusions in this policy, including all exclusions in the **Causes of Loss Special Form** (CP 10 30). 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.

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a. Acts of “employees”, Directors, Trustees, “Members”, or Authorized Representatives: Loss resulting from any dishonest or criminal act committed by any of your "employees", directors, trustees, “members”, or authorized representatives:

(1) Acting alone or in collusion with other persons; or

(2) While performing services for you or otherwise.

b. Fire: Loss resulting from fire, however caused, except loss:

(1) Of "money" or "securities"; or

(2) From damage to a safe or vault from fire that is incidental to a Covered Cause of Loss.

c. Transfer or Surrender of Property

(1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside a Covered Building or "banking premises":

(a) On the basis of unauthorized instructions; or

(b) As a result of a threat to do:

i. Bodily harm to any person; or

ii. Damage to any property.

(2) But this exclusion does not apply under Section **A.2.**, **Outside a Covered Building** to loss of Covered Property while outside a Covered Building or "banking premises" in the care and custody of a "messenger" if you:

i. had no knowledge of any threat at the time the conveyance began; or

ii. Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

d. Vandalism: Loss from damage to any property by vandalism or malicious mischief.

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, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy. The Limit of Insurance for this Robbery of a Custodian or Safe Burglary (Money and Securities Only) Coverage is a sublimit of the Limit of Insurance applicable to your Business Personal Property and the addition of this Robbery of a Custodian or Safe Burglary (Money and Securities Only) Coverage does not increase or decrease our total Limit of Insurance.

D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the amount of the Deductible applicable to the coverage for fire (shown as “All Other Peril” or "All Other Causes of Loss") stated in the Declarations or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

E. Additional Conditions

Duties in the Event of Loss or Damage: If you have reason to believe that any loss or damage to Covered Property involves a violation of law, you must notify the police.

F. Definitions

1. “Banking Premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.

2. "Custodian" means you, any of your partners or any "employee" while having care and custody of the property inside the "premises" excluding any person while acting as a "watchperson" or janitor.

3. “Employee” means:

a. Any natural person:

(1) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to any dishonest act committed by the "employee";

(2) Who you compensate directly by salary, wages or commissions; and

(3) Who you have the right to direct and control while performing services for you;

b. Any natural person who is furnished temporarily to you:

(1) To substitute for a permanent “employee” as defined in Paragraph **3.a.**, who is on leave; or

(2) To meet seasonal or short-term work load conditions;

While that person is subject to your direction and control and performing services for you, excluding, however, any such person while

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having care and custody of property outside a Covered Building;

c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform du-ties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **3.b.**

d. Any natural person who is:

(1) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any employee benefit plan; and

(2) A director or trustee of yours while that person is engaged in handling funds or other property of any employee benefit plan;

e. Any natural person who is a former "employee", partner, "member", manager, director or trustee retained as a consultant while performing services for you;

f. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside a Covered Building;

g. Any "employee" of an entity merged or consolidated with you prior to the effective date of this policy; or

h. Any of your managers, directors or trustees while:

(1) Performing acts within the scope of the usual duties of an "employee"; or

(2) Acting as a member of any commit-tee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

"Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph **3.a.**

4. “Member” means an owner of a limited liability company represented by its membership interest who also may serve as a manager.

5. "Messenger" means you, any of your partners or any "employee" while having care and custody of the property outside a Covered Building.

6. “Money” means:

a. Currency, coins and bank notes in current use and having a face value; and

b. Travelers Checks, register checks and money orders held for sale to the public.

7. "Occurrence" means an:

a. Act or series of related acts involving one or more persons; or

b. Act or event, or a series of related acts or events not involving any person.

8. "Robbery" means the taking of property from the care and custody of a person by one who has:

a. Caused or threatened to cause that person bodily harm; or

b. Committed an obviously unlawful act witnessed by that person.

9. "Safe burglary" means the taking of:

a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or

b. A safe or vault from inside a Covered Building.

10. "Securities” means negotiable and nonnegotiable instruments or contracts representing either “money” or property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

“Securities” does not include “money”.

11. "Watchperson" means any person you retain specifically to have care and custody of property inside a Covered Building or along the interior or exterior of the perimeter of a Covered Building and who has no other duties.

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ACCOUNTS RECEIVABLE COVERAGE FORM

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

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

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

A Coverage

1. We will pay:

a. All amounts due from your customers that you are unable to collect;

b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;

c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and

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

that result from Covered Causes of Loss to your records of accounts receivable.

2. Property Not Covered

The following listing of Property Not Covered is in addition to any other listing of Property Not Covered as stated in any other Coverage Form attached to this policy. Coverage does not apply to:

a. Records of accounts receivable in storage away from the "premises" shown in the Declarations; or

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

3. Covered Causes Of Loss

Covered Causes of Loss with regard to the coverage provided under this Accounts Receivable Coverage Form means Direct Physical Loss Or Damage caused by or resulting from one of the Covered Causes of Loss as specified in the Causes of Loss Form shown in the Declarations and attached to this policy as limited by the exclusions contained in this policy.

4. Coverage Extension Removal

If you give us written notice within 10 days of removal of your records of accounts receivable because of imminent danger of loss or damage, we will pay for loss or damage while they are:

a. At a safe place away from your "premises"; or

b. Being taken to and returned from that place.

This Coverage Extension is included within the Limit of Insurance applicable to the "premises" from which the records of accounts receivable are removed.

B. Exclusions

1. The following exclusions apply in addition to any other exclusions in this policy. 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. Dishonest or criminal act committed by:

(1) A manager or a member if you are a limited liability company;

(2) Anyone else with an interest in the property, or their employees or authorized representatives; or

(3) Anyone else to whom the property is entrusted for any purpose.

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 Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees. But theft by employees is not covered.

b. Alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of money, securities or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

c. Bookkeeping, accounting or billing errors or omissions.

d. Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:

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(1) Programming errors or faulty machine instructions;

(2) Faulty installation or maintenance of data processing equipment or component parts;

(3) An occurrence that took place more than 100 feet from your "premises"; or

(4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from your "premises".

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

2. We will not pay for loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

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, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy.

D. Deductible

We will not pay for loss or damage under this Coverage Form in any one occurrence until the amount of the adjusted loss or damage exceeds the amount of the Deductible applicable to the coverage for fire (shown as “All Other Peril” or “All Other Causes of Loss”) stated in the Declarations or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

E. Additional Conditions

The following conditions apply to the coverage provided under this Accounts Receivable Coverage Form in addition to the Common Policy Conditions:

1. Determination Of Receivables

a. If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, the following method will be used:

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

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

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

(1) The amount of the accounts for which there is no loss or damage;

(2) The amount of the accounts that you are able to reestablish or collect;

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

(4) All unearned interest and service charges.

2. Recoveries

You will pay us the amount of all recoveries you receive for loss or damage paid by us. But any recoveries in excess of the amount we have paid belong to you.

3. Coinsurance

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

We will not pay the full amount of any loss if the value of all accounts receivable, except those in transit, at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for Coverage Applicable At All Locations.

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

a. Multiply the value of all accounts receivable, except those in transit, at the time of loss by the Coinsurance percentage;

b. Divide the Limit of Insurance for Coverage Applicable At All Locations by the figure determined in Step **a.**; and

c. Multiply the total amount of loss by the figure determined in Step **b.**

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

This condition will not apply to records of accounts receivable in transit, interest charges, excess collection expenses or expenses to reestablish your records of accounts receivable.

4. Protection Of Records

Whenever you are not open for business, and except while you are actually using the records, you must keep all records of accounts receivable in reasonably safe receptacles.

F. Definitions

"Premises" means that interior portion of the building at the address shown in the Declarations that you occupy for your business.

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VALUABLE PAPERS AND RECORDS COVERAGE FORM

If either the Building and Personal Property Coverage Form (CP 00 10) or the Condominium Association Coverage Form (CP 00 17) is attached to and part of this policy, the following section is deleted: Section **A.** (Coverage), Item **5**. (Coverage Extensions), Sub-item **c.** (Valuable Papers and Records (Other Than Electronic Data).

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 of or damage to Covered Property from any Covered Cause of Loss.

1. Covered Property, as used in this coverage form, means "valuable papers and records" that are your property or property of others in your care, custody or control.

2. Property Not Covered

The following listing of Property Not Covered is in addition to any other listing of Property Not Covered as stated in any other Coverage Form attached to this policy. Covered Property does not include:

a. “Valuable papers and records” which exist as electronic data. Electronic data has the meaning described under Property Not Covered Electronic Data in the Building and Personal Property Coverage Form (CP 00 10) or the Condominium Association Coverage Form (CP 00 17)

b. Property that cannot be replaced with other property of like kind and quality;

c. Property held as samples or for delivery after sale;

d. Property in storage away from the "premises" shown in the Declarations; or

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

3. Covered Causes Of Loss

Covered Causes of Loss with regard to the coverage provided under this Valuable Papers and Records Coverage Form means Direct Physical Loss Or Damage to Covered Property caused by or resulting from one of the Covered Causes of Loss as specified in the Causes of Loss Form shown in the Declarations and attached to this policy as limited by the exclusions contained in this policy.

4. Coverage Extensions

a. Removal

If you give us written notice within 10 days of removal of your "valuable papers and records" because of imminent danger of loss or damage, we will pay for loss or damage while it is:

(1) At a safe place away from your "premises"; or

(2) Being taken to and returned from that place.

This Coverage Extension is included within the Limits of Insurance applicable to the "premises" from which the Covered Property is removed.

B. Exclusions

1. The following exclusions apply in addition to any other exclusions in this policy. 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. Dishonest or criminal act committed by:

(1) A manager or a member if you are a limited liability company;

(2) Anyone else with an interest in the property, or their employees or authorized representatives; or

(3) Anyone else to whom the property is entrusted for any purpose.

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 Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees. But theft by employees is not covered.

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b. Errors or omissions in processing or copying.

But if errors or omissions in processing or copying result in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this coverage form.

c. Electrical or magnetic injury, disturbance or erasure of electronic recordings.

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

d. Any quality in the property that causes it to damage or destroy itself, gradual deterioration; insects, vermin or rodents.

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, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy.

D. Deductible

We will not pay for loss or damage under this Coverage Form in any one occurrence until the amount of the adjusted loss or damage exceeds the amount of the Deductible applicable to the coverage for fire (shown as “All Other Peril” or “All Other Causes of Loss”) stated in the Declarations or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

E. Additional Conditions

The following conditions apply in addition to the coverage provided under this Valuable Papers and Records Coverage Form in addition to the Common Policy Conditions:

1. Valuation

a. Specifically Declared Items

The value of each item of property that is specifically declared and described in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy is the applicable Limit of Insurance shown in the Declarations for that item.

b. If the values are not specifically declared, then the value of each item of property will be determined as of the time of loss or damage and will be the lesser of the following amounts:

(1) The actual cash value of the 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.

2. Recoveries

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. If so, your loss or damage will be readjusted based on the amount you received for the property recovered, with allowance for recovery expenses incurred.

3. Protection Of Records

Whenever you are not open for business, and except while you are actually using the property, you must keep all "valuable papers and records" in reasonably safe receptacles.

F. Definitions

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

But "valuable papers and records" does not mean "money" or "securities", converted data, programs or instructions used in your data processing operations, including the materials on which the data is recorded.

2. "Premises" means that interior portion of the building at the address shown in the Declarations that you occupy for your business.

3. "Money" means:

a. Currency, coins and bank notes whether or not in current use; and

b. Travelers checks, register checks and money orders held for sale to the public.

4. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

a. Tokens, tickets, revenue and other stamps whether or not in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not of your own issue;

but does not include "money".

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COMMERCIAL FINE ARTS 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.

A. Coverage

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

1. Covered Property, as used in this coverage form, means:

a. Your “fine arts”; and

b. **“**Fine arts” of others that are in your care, custody or control.

2. “Fine arts” means antiques, paintings, etchings, drawings, tapestries, sculptures and fragile property such as porcelains, china and marble.

3. Property Not Covered

The following listing of Property Not Covered is in addition to any other listing of Property Not Covered as stated in any other Coverage Form attached to this policy. Covered Property does not include:

a. Property while on exhibition at fair grounds or on the premises of any national or international exposition; or

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

4. Covered Causes Of Loss

Covered Causes of Loss with regard to the coverage provided under this Commercial Fine Arts Coverage Form means Direct Physical Loss Or Damage to Covered Property caused by or resulting from one of the Covered Causes of Loss as specified in the Causes of Loss Form shown in the Declarations and attached to this policy as limited by the exclusions contained in this policy.

5. Coverage Extension

Newly Acquired Property

We will cover other objects of art that you acquire during the policy period, for up to 30 days, but not beyond the end of the policy period.

The most we will pay for loss or damage under this Coverage Extension is the lesser of:

a. 25% of the total of the Limits of Insurance shown in the Declarations for all individually listed and described items; or

b. the lesser of $10,000 or the Limit of Insurance as shown in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy.

You will report such property within 30 days from the date acquired and pay any additional premium that is due. If you do not report that property to us, coverage will end automatically 30 days after the date you acquire the property or at the end of the policy period, whichever occurs first.

The Coinsurance Additional Condition does not apply to this Coverage Extension. This Coverage Extension is included within the Limit of Insurance applicable to the “premises” from which the records of accounts receivable are removed.

B. Exclusions

1. The following exclusions are in addition to any other exclusions in this policy. 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. Dishonest or criminal act committed by:

(1) A manager or a member if you are a limited liability company;

(2) Anyone else with an interest in the property, or their employees or authorized representatives; or

(3) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such:

(1) Persons are acting alone or in collusion with other persons; or

(2) Acts occur during the hours of employment.

This exclusion does not apply to:

(1) Covered Property that is entrusted to others who are carriers for hire; or

(2) Acts of destruction by your employees. But theft by employees is not covered.

b. Breakage of art glass windows, statuary, glassware, bric-a-brac, marble, porcelain and similar fragile property.

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But we will pay for such loss or damage caused directly by one of the "specified causes of loss" as defined in the Causes of Loss — Special Form (CP 10 30).

c. Any repairing, restoration or retouching of the Covered Property.

d. Wear and tear, any quality in the property that causes it to damage or destroy itself, gradual deterioration; insects, vermin or rodents.

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, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy.

D. Deductible

We will not pay for loss or damage under this Coverage Form in any one occurrence until the amount of the adjusted loss or damage exceeds the amount of the Deductible applicable to the coverage for fire (shown as "All Other Peril" or "All Other Causes of Loss") stated in the Declarations or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

E. Additional Conditions

The following conditions apply to the coverage provided under this Commercial Fine Arts Coverage Form in addition to the Common Policy Conditions:

1. Valuation

a. Specifically Declared Items

The value of each item of property that is individually listed and described in the Declarations is the applicable Limit of Insurance shown in the Declarations for that item.

b. If the values are not specifically declared, then the value of each item of Covered Property, including newly acquired property, will be determined as of the time of loss or damage and 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.

2. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies to all items that are covered but not individually listed and described.

We will not pay the full amount of any loss if the value of Covered Property, except property in transit, 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:

a. Multiply the value of Covered Property, except property in transit, at the time of loss by the Coinsurance percentage;

b. Divide the Limit of Insurance of the property by the figure determined in Step **a.;**

c. Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step **b.;** and

d. Subtract the deductible from the figure determined in Step **c.**

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

3. Packing And Unpacking

You agree that Covered Property will be packed and unpacked by competent packers.

4. Pair Or Sets

a. In case of total loss or damage of any items that are part of a pair or set that is individually listed and described in the Declarations, we will pay the full Limit of Insurance shown in the Declarations for that pair or set. You will surrender to us the remaining items of the pair or set.

b. In case of loss or damage to any part of a pair or set that is not individually listed and described in the Declarations, we may:

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

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

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FIRE EXTINGUISHER SYSTEMS RECHARGE EXPENSE ADDITIONAL COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10
CONDOMINIUM ASSOCIATION COVERAGE FORM CP 00 17

A. Section **A.4. Additional Coverages** has the following Additional Coverage added:

1. Fire Extinguisher Systems Recharge Expense.

a. We will pay:

(1) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 100 feet of a Covered Building; and

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

b. Limitation. No coverage will apply if the fire extinguishing system is discharged during installation or testing.

c. Limit of Insurance. Our Limit of Insurance for this Fire Extinguisher Systems Recharge Expense Additional Coverage is a sublimit of our Limit of Insurance and is included in and part of our Limit of Insurance as shown in the Declarations Page. The most we will pay under this endorsement for loss or damage in any one occurrence is the amount shown in the Declarations Page, Schedule A, or the Statement of Values (ICAT 50 SOV) for the Fire Extinguisher Systems Recharge Expense Additional Coverage Limit. This Coverage Extension does not increase our Limit of Insurance as stated in the Declarations Page.

d. Deductible. A deductible does not apply to this Fire Extinguisher Systems Recharge Expense Additional Coverage. We will pay the amount of the adjusted loss or damage up to the applicable Limit of Insurance.

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TENANT GLASS ADDITIONAL COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10
CONDOMINIUM ASSOCIATION COVERAGE FORM CP 00 17

A. Section **A.4. Additional Coverages** has the following Additional Coverage added:

1. Tenant Glass.

a. We will pay for direct physical loss of or damage to building glass at the building where you conduct your business operations shown in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy caused by or resulting from a Covered Cause of Loss, provided that:

(1) You are a tenant of such building; and

(2) You have a contractual responsibility to insure the building glass, or a contractual responsibility to pay for loss or damage to that property.

b. The value of property covered under this Additional Coverage will be determined in accordance with the Valuation Condition applicable under this policy or at the amount for which you are liable under contract, whichever is less. If required by law, glass is covered at the cost of replacement with safety glazing material.

c. Limit 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, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy for this Tenant Glass Additional Coverage. The Limit of Insurance for this Tenant Glass Additional Coverage is a sublimit of the Limit of Insurance applicable to your Business Personal Property and the addition of this Tenant Glass Additional Coverage does not increase or decrease our total Limit of Insurance.

d. Deductible. We will not pay for loss or damage to building glass as provided under this Tenant Glass Additional Coverage from any one occurrence until the amount of the adjusted loss or damage exceeds the amount of the Deductible applicable to the coverage for fire (shown as "All Other Peril" or "All Other Causes of Loss") stated in the Declarations or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

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PERIMETER EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10
CONDOMINIUM ASSOCIATION COVERAGE FORM CP 00 17

A. The perimeter stated in Section **A.1.a.(5)(b)** applicable to certain Building Coverage is hereby increased from “within 100 feet of the described premises” to “within 1,000 feet of the described premises”.

B. The perimeter stated in Section **A.1.b.** applicable to certain Business Personal Property Coverage is hereby increased from “within 100 feet of the described premises” to “within 1,000 feet of the described premises”.

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SPOILAGE COVERAGE EXTENSION

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10
CONDOMINIUM ASSOCIATION COVERAGE FORM CP 00 17

The Coverage Form to which this endorsement applies is extended to insure against direct physical loss or damage by the Covered Causes of Loss, but only with respect to coverage provided by this endorsement. The changes made by this endorsement to the Coverage Form apply only with respect to coverage provided by this endorsement; this endorsement does not change or modify any other coverage provided under this policy.

A. Paragraph **A.1., Covered Property,** is replaced by the following:

1. Covered Property

Covered Property means "perishable stock" at the described premises owned by you or by others that is in your care, custody or control.

B. With respect to the coverage provided by this endorsement, property located on buildings or in the open or in vehicles is considered to be Property Not Covered.

C. Paragraph **A.3., Covered Causes Of Loss,** is replaced by the following:

3. Covered Causes Of Loss

Covered Causes of Loss means the following:

a. Breakdown or Contamination, meaning:

(1) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is at the described premises; and

(2) Contamination by the refrigerant.

b. Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

D. Selling Price Condition

If “Selling Price Condition” is shown in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy, the following is added to the **Valuation** Loss Condition:

We will determine the value of finished "perishable stock" in the event of loss or damage at:

1. The selling price, as if no loss or damage had occurred;

2. Less discounts and expenses you otherwise would have had.

E. Paragraph **A.5., Coverage Extensions,** does not apply.

F. Paragraph **B., Exclusions,** is replaced by the following:

B. Exclusions

1. Only the following Exclusions contained in Paragraph **B.1.** of the Causes of Loss Form applicable to this Coverage Part apply to Spoilage Coverage:

a. Earth Movement;

b. Governmental Action;

c. Nuclear Hazard;

d. War And Military Action; and

e. Water.

2. The following Exclusions are added:

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

a. The disconnection of any refrigerating, cooling or humidity control system from the source of power.

b. The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current. However, this exclusion does not apply if the **Utility Services Direct Damage Coverage** Form (ICAT SCOL 147) is part of this policy and provides coverage at the same Covered Location and Covered Building as the **Spoilage Coverage Extension** (ICAT SCOL 146).

c. The inability of an Electrical Utility Company or other power source to provide sufficient power due to:

(1) Lack of fuel; or

(2) Governmental order.

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However, this exclusion does not apply if the Utility Services Direct Damage Coverage Form (ICAT SCOL 147) is part of this policy and provides coverage at the same Covered Location and Covered Building as the Spoilage Coverage Extension (ICAT SCOL 146).

d. The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.

e. Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

G. Paragraph **D., Deductible,** is replaced by the following:

We will not pay for loss or damage in any one occurrence under this Spoilage Coverage Extension until the amount of the adjusted loss or damage exceeds the amount of the Deductible applicable to the coverage for fire (shown as "All Other Peril" or "All Other Causes of Loss") stated in the Declarations or otherwise identified in the policy.

We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

H. Paragraph **F., Additional Conditions,** is replaced by the following:

ADDITIONAL CONDITION

The following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

REFRIGERATION MAINTENANCE AGREEMENTS

If Breakdown or Contamination is shown in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy as a Covered Cause of Loss and a “refrigeration maintenance agreement condition” also is shown in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy, the following condition applies:

You must maintain a refrigeration maintenance or service agreement. If you fail to maintain a refrigeration maintenance or service agreement, the insurance provided by this endorsement will be automatically suspended at the involved location until such time as a refrigeration maintenance or service agreement is in full force and effect.

I. Paragraph **G., Optional Coverages,** does not apply.

J. The following is added to the **Definitions:**

"Perishable stock" means personal property:

a. Maintained under controlled conditions for its preservation; and

b. Susceptible to loss or damage if the controlled conditions change.

K. Limits of Insurance. Our Limit of Insurance for this Coverage Extension is a sub-limit of our Limit of Insurance and is included in and part of our Limit of Insurance as shown in the Declarations Page. The most we will pay under this Coverage Extension for perishable stock is the amount shown in the Declarations Page, Schedule A, or the Statement of Values (ICAT 50 SOV) for this Coverage Extension. This Coverage Extension does not increase Our Limit of Insurance as stated in the Declarations Page.

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UTILITY SERVICES - DIRECT DAMAGE COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10
CONDOMINIUM ASSOCIATION COVERAGE FORM CP 00 17

A. Coverage

We will pay for loss of or damage to Covered Property described in the Declarations, Schedule A, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy, caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss as defined in Paragraph **F**. to the property described in Paragraph **C**.

B. Exceptions

1. Coverage under this endorsement for loss or damage to Covered Property does not apply to 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.
2. Power transmission and/or feeder lines remain Property Not Covered as provided in the Additional Property Not Covered Form (ICAT SCOL 221).

C. Utility Services

1. **Water Supply Services,** meaning the following types of property supplying water to the described premises:
   a. Pumping stations; and
   b. Water mains.
2. **Communication Supply Services,** meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
   a. Coaxial cables; and
   b. Microwave radio relays except satellites.
3. **Power Supply Services,** meaning the following types of property supplying electricity, steam or gas to the described premises:
   a. Utility generating plants;
   b. Switching stations;
   c. Substations; and
   d. Transformers.

D. Limits of Insurance

Our Limit of Insurance for this Coverage Extension is a sub-limit of our Limit of Insurance and is included in and part of our Limit of Insurance as shown in the Declarations Page. The most we will pay under this Coverage Extension is the amount shown in the Declarations Page, Schedule A, or the Statement of Values (ICAT 50 SOV) for this Coverage Extension. This Coverage Extension does not increase Our Limit of Insurance as stated in the Declarations Page.

E. Deductible

We will not pay for loss or damage in any one occurrence under this Utility Services – Direct Damage Coverage until the amount of the adjusted loss or damage exceeds the amount of the Deductible applicable to the coverage for fire (shown as “All Other Peril” or “All Other Causes of Loss”) stated in the Declarations or otherwise identified in the policy. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

F. Covered Causes of Loss

Notwithstanding anything stated elsewhere in this policy to the contrary, if the Causes Of Loss – Special Form (CP 10 30) applies to this policy, coverage provided under this Utility Services – Direct Damage Coverage endorsement is limited to the “specified causes of loss” as defined in the Causes of Loss – Special Form (CP 10 30) and as such definition may be further modified by any separate endorsement attached to and made part of this policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:
BUILDING AND PERSONAL PROPERTY COVERAGE FORM (CP 00 10)
CAUSES OF LOSS – BASIC FORM (CP 10 10)
CAUSES OF LOSS – BROAD FORM (CP 10 20)
CAUSES OF LOSS – SPECIAL FORM (CP 10 30)
CONDOMINIUM ASSOCIATION COVERAGE FORM (CP 00 17)
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM (CP 00 18)
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM (CP 00 30)

Equipment Breakdown Schedule	
Equipment Breakdown Limits of Insurance:	
Spoilage	
Expediting Expenses	
Pollution Clean Up and Removal	
Data and Media	
Demolition and Increased Cost of Construction	
"Electronic Vandalism"	
Deductibles:	
Direct Damage	
Business Income and Extra Expense	
Spoilage	
Utility Interruption – Waiting Period	hours
Other:	
*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.	

The following is added to paragraph A. 4. Additional Coverages in the applicable Coverage Form:

A. Equipment Breakdown Coverage

1. We will pay for direct physical loss to Covered Property caused by or resulting from a "breakdown" to "covered equipment".

   With respect to otherwise covered Business Income and Extra Expense, "breakdown" to "covered equipment" will be considered a Covered Cause of Loss.

2. "Breakdown"

a. "Breakdown" means:
   (1) Failure of pressure or vacuum equipment;
   (2) Mechanical failure including rupture or bursting caused by centrifugal force; or
   (3) Electrical failure caused by artificially generated electric current, including arcing;
   that causes direct physical loss or damage to "covered equipment" and necessitates its repair or replacement.

b. "Breakdown" does not mean:

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(1) Cracking of any part on an internal combustion gas turbine exposed to the products of combustion;
(2) Damage to any structure or foundation supporting the “covered equipment” or any of its parts;
(3) Damage to any vacuum tube, gas tube, or brush;
(4) Defects, erasures, errors, limitations or viruses in “computer equipment”, data, "media" and/or programs including the inability to recognize and process any date or time or provide instructions to “covered equipment”. However, if a "breakdown" ensues, we will pay the ensuing loss or damage not otherwise excluded;
(5) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
(6) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification; or
(7) The functioning of any safety or protective device.

c. If an initial “breakdown” causes other “breakdowns”, all will be considered one “breakdown”. All “breakdowns that manifest themselves at the same time and are the result of the same cause will also be considered one “breakdown”.

3. “Covered Equipment”

a. “Covered equipment” means any Covered Property that is:
(1) Equipment designed and built to operate under internal pressure or vacuum other than weight of contents. For any boiler or fired vessel, the furnace of the “covered equipment” and the gas passages from there to the atmosphere will be considered as outside the “covered equipment”;
(2) Communication equipment and “computer equipment”;
(3) Fiber optic cable; or
(4) Any other electrical or mechanical equipment that is used in the generation, transmission or utilization of energy.

b. “Covered equipment” does not mean any:
(1) Astronomical telescope, cyclotron, nuclear reactor, particle accelerator, satellites and/or spacecraft (including satellite or spacecraft contents and/or their launch sites);
(2) Catalyst;
(3) Dragline, power shovel, excavation or construction equipment including any “covered equipment” mounted on or used solely with any dragline, power shovel, excavation or construction equipment;
(4) Elevator or escalator, but not excluding any electrical machine or apparatus mounted on or used with this equipment;
(5) Equipment or any part of equipment manufactured by you for sale;
(6) Felt, wire, screen, mold, form, pattern, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
(7) Insulating or refractory material;
(8) Non-metallic pressure or vacuum equipment, unless it is constructed and used in accordance with the American Society of Mechanical Engineers (A.S.M.E.) code or a Code that has been accepted by the National Board of Boiler and Pressure Vessel Inspectors;
(9) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
(10) Pressure vessels and piping that are buried below ground and require the excavation of materials to inspect, remove, repair or replace;
(11) Structure, foundation, cabinet or compartment supporting or containing the “covered equipment” or part of the “covered equipment” including penstock, draft tube or well casing;
(12) Vehicle, aircraft, self-propelled equipment or floating vessel, including any “covered equipment” mounted on or used solely with any vehicle, aircraft, self-propelled equipment or floating vessel; or
(13) “Media”.

4. **Property Not Covered.** With regard to the coverage provided by this Endorsement only, A.2.b. in the Coverage Form to which this Endorsement applies is deleted and replaced by the following:
b. Animals.

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5. **Equipment Breakdown Coverage Extensions.** The following coverages also apply to loss or damage caused by or resulting from a "breakdown" to "covered equipment". These Equipment Breakdown Coverage Extensions do not provide additional amounts of insurance. The limits provided are part of, not in addition to, the Limit of Insurance that applies to the damaged Covered Property.

   a. **Spoilage**.

      (1) We will pay for:

         (a) Your loss of "perishable goods" due to spoilage;

         (b) Your loss of "perishable goods" due to spoilage that is caused by or results from an interruption in utility services that is the direct result of a "breakdown" to "covered equipment" that is owned by a utility, landlord, or other supplier with whom you have a contract to provide you with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam. Coverage for such loss will begin 12 hours after the time the "breakdown" causes the interruption of the utility service; or

         (c) Your loss of "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia.

      We will also pay any necessary expense you incur to reduce the amount of loss under this coverage. We will pay such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

      (2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "breakdown", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Loss Payment Condition.

      (3) The most we will pay for any loss or expense under this Equipment Breakdown Coverage Extension is $25,000 or the Limit of Insurance for Spoilage shown on the Equipment Breakdown Schedule, whichever is greater.

   b. **Expediting Expenses**.

      (1) With respect to your damaged Covered Property, we will pay the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement.

      (2) Expediting expenses include overtime wages and the extra cost of express or other rapid means of transportation.

      (3) The most we will pay for Expediting Expenses is $25,000 or the Limit of Insurance for Expediting Expenses shown on the Equipment Breakdown Schedule, whichever is greater.

   c. **Utility Interruption.** The insurance provided for Business Income and/or Extra Expense, if covered elsewhere in the policy, is extended to apply to loss caused by or resulting from an interruption in utility services that is a direct result of a "breakdown" to "covered equipment" that is owned by a utility, landlord, or other supplier with whom you have a contract to provide you with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam.

      Coverage for Utility Interruption will begin 12 hours, or the time shown for Utility Interruption-Waiting Period in the Equipment Breakdown Schedule, after the time the "breakdown" causes the interruption of the utility service.

   d. **Drying Out**. If electrical "covered equipment" requires drying out as a result of a flood, waves, tides, tidal waves, or overflow of any body of water or their spray, even if driven by wind, we will pay for the direct expense of drying out such electrical "covered equipment". The most we will pay for such expense under this Equipment Breakdown Coverage Extension is the least of:

      (1) $10,000;

      (2) the Limit of Insurance shown on the Declaration for the applicable covered property; or

      (3) the value of such damaged electrical "covered equipment".

      Coverage provided by this extension does not include the cost to replace such equipment or any other loss, damage or expense that is caused by or results directly or indirectly from flood, waves,

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tides, tidal waves, or overflow of any body of water or their spray, even if driven by wind.

e. **Pollution Clean Up and Removal.** With regard to coverage provided under this Endorsement only, Additional Coverage A.4.d. in the Coverage Form to which this Endorsement applies is deleted and replaced by the following:

d. We will pay your expense to extract "pollutants" from land or water at the described premises and the cost for clean-up, repair, replacement or disposal of Covered Property at the described premises if the discharge, dispersal, seepage, migration, release or escape of such "pollutants" is caused by or results from a “breakdown” to “covered equipment” 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 such “breakdown” 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, water or the clean-up, repair, replacement, or disposal of Covered Property.

The most we will pay under this Additional Coverage, including any loss covered under any applicable Business Income or Extra Expense coverage, for the sum of all covered expenses is $25,000 or the Limit of Insurance for Pollution Clean Up and Removal shown on the Equipment Breakdown Schedule, whichever is greater.

The coverage provided by this Additional Coverage does not include loss to “perishable goods” due to contamination from the release of a refrigerant.

f. **Data and Media**. We will pay your cost to research, replace and restore data, including programs and operating systems that are lost or corrupted due to a “breakdown”. We will also pay for loss or damage to “media” caused by a “breakdown”. The most we will pay under this Coverage Extension for the sum of all covered expenses, including any loss covered under any applicable Business Income and Extra Expense coverage is $25,000 or the Limit of Insurance for Data and Media shown on the Equipment Breakdown Schedule, whichever is greater.

g. **Demolition and Increased Cost of Construction**. The following applies despite the Ordinance or Law Exclusion. If a “breakdown” to “covered equipment” damages a building that is Covered Property that is insured at replacement cost, and the loss is increased by the enforcement of any laws or ordinances that are in force at the time of the "breakdown" and which regulate the demolition, construction, repair or use of the building or structure the following apply:

(1) We will pay for:
   (a) Your actual cost to demolish and clear the site of the undamaged parts of the same building or structure as a consequence of enforcement of an ordinance or law that requires the demolition of such undamaged property; and
   (b) Your actual expenditures for increased costs to repair, rebuild, or construct the building. If the building is repaired, rebuilt or constructed, it must be intended for a similar use or occupancy as the current building, unless otherwise required by zoning or land use ordinance or law;

(2) With regard to otherwise covered Business Income and Extra Expense coverage, the "period of restoration" is extended to include the additional period of time required for demolition and to meet the minimum requirement of any ordinance or law enforcement at the time of the “breakdown”.

(3) We will not pay for any:
   (a) Fine;
   (b) Liability to a third party;
   (c) Increase in loss due to a “pollutant”; or
   (d) Demolition cost until the undamaged portions of the building are actually demolished;
   (e) Increased construction costs until the building is actually rebuilt and replaced;
   (f) Increases in loss, excess of the amount required to meet the minimum requirement of any ordinance or law enforcement at the time of the “breakdown”; or
   (g) Loss due to any ordinance or law that you were required to comply with before the “breakdown”, even if the building was undamaged, and with which you failed to comply.

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The most we will pay under this Coverage Extension for the sum of all covered expenses, including any loss covered under any applicable Business Income and Extra Expense coverage, is $25,000 or the Limit of Insurance for Demolition and Increased Cost of Construction shown on the Equipment Breakdown Schedule, whichever is greater.

h. "Electronic Vandalism"

We will pay for loss or damage caused by "breakdown" to "covered equipment" that is the direct or indirect result of "electronic vandalism". The most we will pay for the total of all such loss resulting from "electronic vandalism", which takes place within a 12-month period, starting with the beginning of the present annual policy period, is $25,000 or the Limit of Insurance for "Electronic Vandalism" shown in the Equipment Breakdown Schedule, whichever is greater. This limit applies regardless of the number of locations.

6. **Equipment Breakdown Exclusions**. With regard to coverage provided under this Endorsement only, the following changes are made:

a. The following Exclusions are deleted:
   (1) In the Causes of Loss – Special Form: B.2.a.; B.2.d.(6); and B.2.e.
   (2) In the Causes of Loss – Broad Form: B.2.a.; B.2.b.; B.2.c.
   (3) In the Causes of Loss – Basic Form: B.2.a.; B.2.d.; and B.2.e.

b. Exclusion B.2.l. from the Causes of Loss – Special Form, is deleted and replaced by the following:
   l. Discharge, dispersal, seepage, migration, release or escape of "pollutants". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "breakdown" to "covered equipment", we will pay for the loss or damage caused by that "breakdown".

c. With regard to the Causes of Loss – Special Form, the last paragraph of Exclusion B.2.d. is deleted and replaced by the following:

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "breakdown", we will pay the resulting loss or damage not otherwise excluded.

d. The following exclusions apply to the coverage provided under this Endorsement in addition to the other exclusions, except as deleted in A.6.a. above, in the Coverage Form to which this Endorsement applies.

   We will not pay under this Endorsement for loss or damage caused directly or indirectly by any of the following:

   (1) Any of the following tests:
      (a) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
      (b) An insulation breakdown test of any type of electrical equipment;
      (c) Any test which subjects the "covered equipment" to greater than maximum allowable operating conditions as identified by the manufacturer of the "covered equipment"
   (2) Fire including fire resulting from a "breakdown";
   (3) Combustion explosion;
   (4) 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;
   (5) An explosion. However, we will pay for direct loss or damage caused by an explosion of "covered equipment" of a kind specified in a. through f. below, if not otherwise excluded**:**
      a. Steam boiler;
      b. Electric steam generator;
      c. Steam piping;
      d. Steam turbine;
      e. Steam engine; or
      f. Gas turbine or any other moving or rotating machinery when such explosion is caused by centrifugal force or mechanical breakdown.
   (6) With regard to the Causes of Loss – Basic Form and Causes of Loss – Broad Form:

      Depletion, deterioration, corrosion, erosion, wear and tear, rust, fungus, decay, wet or dry rot, or mold. However, if a "breakdown" to "covered equipment" results, we will pay the resulting loss or damage not otherwise excluded.
   (7) With respect to Utility Interruption and paragraph (1)(b) of Perishable Goods coverage, we will

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not pay for loss caused by or resulting from: Lightning; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; falling objects; water damage caused by the discharge or leakage of sprinkler system, sewer piping or domestic water piping; water or other means used to extinguish a fire, even when the attempt is unsuccessful; weight of snow, ice or sleet; freezing due to cold weather; molten material; or collapse.

(8) "Electronic Vandalism", except as provided in A.5.h. "Electronic Vandalism" Coverage, above.

7. Equipment Breakdown Limitations.

With regard to this Endorsement only, the following Limitations are deleted from the Causes of Loss – Special Form: C.1.a. and C.1.b.

8. Limits of Insurance

a. The most we will pay for loss or damage in any one "breakdown" is the applicable Limit of Insurance shown in the Declarations. The limits provided for the Equipment Breakdown Coverage Extensions are part of, not in addition to, the Limit of Insurance shown in the Declarations that applies to the damaged Covered Property.

The coverage provided by this Endorsement is part of, not in addition to, the Limits of Insurance shown in the Declarations.

b. The most we will pay for water damage that results from a "breakdown" to "covered equipment" is $25,000 for any one "breakdown". This is part of, not in addition to, the Limit of Insurance shown in the Declarations that applies to damaged Covered Property.

9. Deductible

If an amount is shown in the Deductible section of the Equipment Breakdown Schedule, the following will apply; otherwise the deductible shown in the Declaration for the applicable coverage will apply.

Paragraph D. - Deductibles of the applicable coverage form is deleted and replaced by:

a. In any one "breakdown", 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.

The deductibles listed in the Equipment Breakdown Schedule shall be applied separately to the applicable coverage as follows:

(1) **Dollar Deductible**

If a dollar deductible is shown in the above schedule, we will first subtract the deductible amount from any loss we would otherwise pay.

(2) **Multiple per Unit Deductible**

If a multiple of units is shown in the above schedule, the deductible will be calculated as the sum of the multiplier times the number of units specified. (For example: if the deductible is specified as $25/hp for air conditioning units, and a covered 500 hp air conditioning unit suffered a "Breakdown", the deductible will be $25 times 500 hp which equals $12,500.)

(3) **Time Deductible**

If a time deductible is shown in the above schedule, we will not be liable for any loss under that coverage that occurs during that specified time period immediately following a "Breakdown". If a time deductible is shown in days, each day shall mean twenty-four consecutive hours.

(4) **Multiple of Daily Value Deductible**

If a multiple of daily value is shown in the above schedule, this deductible will be calculated as follows:

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(a) For the entire premise described in the Declarations where the loss occurred, determine the total amount of Business Income that would have been earned during the "Period of Restoration" had no "Breakdown" taken place.
(b) Divide the result in Paragraph (1) by the number of days the business would have been open during the "Period of Restoration". The result is the daily value.
(c) Multiply the daily value in Paragraph (2) by the number of daily value multiples shown in the above schedule. We will first subtract this deductible amount from any loss we would otherwise pay. We will then pay the amount of loss or damage in excess of the deductible, up to the applicable Limit of Insurance.

(5) **Percentage of Loss Deductible**
If a deductible is expressed as a percentage of loss in the above schedule, we will not be liable for the indicated percentage of the gross amount of loss or damage insured under the applicable coverage.

(6) **Minimum Or Maximum Deductible**
(a) If:
(i) A minimum dollar amount deductible is shown in the above schedule; and
(ii) The dollar amount of the Multiple per Unit, Multiple of Daily Value or the Percentage of Loss Deductible is less than the Minimum Deductible:
then the Minimum Deductible amount shown in the above schedule will be the applicable deductible.
(b) If:
(i) A maximum dollar amount deductible is shown in the above schedule; and
(ii) The dollar amount of the Multiple per Unit, Multiple of Daily Value or the Percentage of Loss Deductible is greater than the Maximum Deductible;
then the Maximum Deductible amount shown in the above schedule will be the applicable deductible.

b. If more than one deductible applies to a single coverage, then only one deductible, the highest, will apply to that coverage.

10. The following provision applies to the coverage provided by this Endorsement only and in addition to the provisions in the Loss Payment section of the Coverage Form to which this Endorsement applies:
New Generation. You may replace damaged "Covered Equipment" with a newer generation "Covered Equipment" of the same capacity which improves the environment, increases efficiency or enhances safety. We will pay up to an additional 50% of the covered property damage amount for the “Covered Equipment”. This additional amount is included in, not in addition to, the applicable Limit of Insurance for Covered Property.

11. With respect to the coverage provided under this Endorsement, the following are added to the Additional Conditions section of the Coverage Form to which this Endorsement applies:
a. Jurisdictional Inspections
(1) We agree to provide pressure vessel certificate-of-operation engineering services where:
(a) The certificate-of-operation is required by state, city or provincial law; and
(b) The state, city or provincial law permits inspections by insurance company employees.
(2) If we receive notification of a pressure vessel certificate-of-operation inspection due date less than 30 (thirty) days prior to the expiration of the certificate-of-operation, we will not be responsible for:
(a) Any fine or other penalty that may be assessed; or
(b) Any liability that may arise due to the fact that the inspection was not performed prior to the certificate-of-operation due date.
(3) Certificate-of-operation engineering services will not be provided for any location, other than in the United States of America, Puerto Rico or Canada.

b. Suspension

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(1) Whenever “covered equipment” is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the coverage provided by this Endorsement. We will deliver or mail a written notice of suspension to your last known address or the address where the “covered equipment” is located.
(2) Once suspended in this way, your coverage can be reinstated only by an Endorsement for that “covered equipment”.
(3) If we suspend your coverage, you will get a pro rata refund of premium for that “covered equipment”. But the suspension will be effective even if we have not yet made or offered a refund.

12. With regard to the coverage provided by this Endorsement, the following definitions apply in addition to the definitions provided in the Coverage Form to which this Endorsement applies:
    a. **“Computer equipment”** means your programmable electronic equipment that is used to store, retrieve and process data; and associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as data transmission. It does not include data or "media".
    b. **“Electronic vandalism”** means:
        (1) Willful or malicious destruction of computer programs, content, instructions or other electronic or digital data stored within computer systems.
        (2) Unauthorized computer code or programming that:
            a. Deletes, distorts, corrupts or manipulates computer programs, content, instructions or other electronic or digital data, or otherwise results in damage to computers or computer systems or networks to which it is introduced;
            b. Replicates itself, impairing the performance of computers or computer systems or networks; or
            c. Gains remote control access to data and programming within computers or computer systems or networks to which it is introduced.
    c. **“Media”** means electronic data processing or storage material such as films, tapes, discs, drums or cells.
    d. **“Perishable goods”** means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change.

All other terms and conditions remain unchanged.

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OCCURRENCE LIMIT OF LIABILITY ENDORSEMENT

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

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

1. The Limit of Liability or Limit of Insurance shown in the Declarations, or endorsed onto this policy, is the total limit of our liability applicable to each occurrence, as hereafter defined. The Limit of Liability or Limit of Insurance may be reduced for a particular coverage or Cause of Loss in the event that the coverage or Cause of Loss has a policy period aggregate or annual aggregate indicated in the coverage endorsement, the Cause of Loss endorsement, or in the Declarations. Notwithstanding any other terms and conditions of this policy to the contrary, in no event shall our liability exceed this limit or amount irrespective of the number of locations involved.

   The term “occurrence” shall mean any one loss, disaster, casualty or series of losses, disasters or casualties arising out of one event. When the term applies to loss or losses from the perils of tornado, cyclone, hurricane, windstorm, hail, flood, riot, riot attending a strike, civil commotion, vandalism or malicious mischief, one event shall be construed to be all losses arising during a continuous period of 72 hours. When filing proof of loss, the Insured may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than when the first loss to the Covered Property occurs.

   When the term applies to loss or losses from the perils of earthquake or volcanic eruption, one event shall be construed to be all losses arising during a continuous period of 168 hours. When filing proof of loss, the Insured may elect the moment at which the 168 hour period shall be deemed to have commenced, which shall not be earlier than when the first loss to the Covered Property occurs.

2. The premium for this policy is based upon the Total Insured Value and Limit of Insurance shown in the Declarations or the Stated Values shown in the Statement of Values (ICAT 50 SOV) attached to this policy or on file with us. In the event of loss hereunder, our liability, subject to the terms of paragraph 1. above, shall be limited to the least of the following:

   a. The actual amount of loss adjusted in accordance with the applicable Coverage Form, Valuation Loss Condition, or Replacement Cost Optional Coverage, less any applicable deductible(s).

   b. The total stated value for each scheduled item of property involved, as shown in Schedule A of the Declarations or in the latest Statement of Values (ICAT 50 SOV) on file with the Company, less any applicable deductible(s).

   c. The Limit of Liability or Limit of Insurance shown in the Declarations or endorsed onto this policy.

SINKHOLE LOSS COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ THE ENDORSEMENT CAREFULLY.

This endorsement modifies insurance provided under the following forms.
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIU ASSOCIATION COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

A. Sinkhole Collapse Means **Sinkhole Loss**. In the Causes of Loss – Special Form (CP 10 30), references to sinkhole collapse means **Sinkhole Loss**. Sinkhole collapse is removed from the list of "specified causes of loss". **Sinkhole Loss** is hereby added to this policy as a Covered Cause of Loss and to the list of the "specified causes of loss". However, as a "specified cause of loss", the following does not apply to the Additional Coverage – Collapse.

The definition of sinkhole collapse is replaced by the following:

Sinkhole Loss, meaning loss or damage to Covered Property when "structural damage" to the covered building, including the foundation, is caused by settlement or systematic weakening of the earth supporting the covered building, only if the settlement or systematic weakening results from contemporaneous movement or raveling of soils, sediments, or rock materials into subterranean voids created by the effect of water on a limestone or similar rock formation.

Coverage for **Sinkhole Loss** includes stabilization of the building (including land stabilization) and repair to the foundation provided such work is in accordance with generally accepted engineering and construction practices and with the recommendation(s) of a "professional engineer" selected or approved by us. However, until you enter into a contract for performance of building stabilization or foundation repair:

1. We will not pay for underpinning or grouting or any other repair technique performed below the existing foundation of the building; and
2. Our payment for **Sinkhole Loss** to Covered Property shall be limited to the actual cash value of the loss to such property.

You must enter into a contract for the performance of building stabilization and/or foundation repair in accordance with the aforementioned recommendation(s). Your failure to enter into such contract shall be a material breach of this policy. Only after you have entered into such a contract, we will pay the amounts necessary to begin and perform such repairs as the work is performed and the expenses are incurred. However, if the aforementioned "professional engineer" determines at any point prior to the start of repair work that the repairs will exceed the applicable Limit of Insurance, we will either pay to complete the recommended repairs or pay that Limit of Insurance, whichever is less. If the "professional engineer" makes the aforementioned determination during the course of repair work and we have already begun making payments for the work performed, we will either pay to complete the recommended repairs or pay only the remaining portion of the applicable Limit of Insurance, whichever is less. Notwithstanding anything stated to the contrary in this policy, the most we will pay for the total of all **Sinkhole Loss**, including building and land stabilization and foundation repair, is the applicable Limit of Insurance.

Stabilization and all other repairs to Covered Property must be completed within 12 months of entering into the contract for the performance of the repairs, except that the 12-month completion period shall be extended provided that either of the following applies:

1. There is a mutual agreement between you and us to extend the 12-month completion period; or
2. Your sinkhole claim is involved in litigation, appraisal, or some other formal dispute resolution process agreed to by us.

If the stabilization and all other repairs to Covered Property are not completed within 12 months, we will pay only for the amount of work completed during such 12-month period and we are not obligated to pay for any additional stabilization or other repairs required after the termination of the 12-month period.

B. Limitations and Conditions Applicable to **Sinkhole Loss Coverage**.

1. **Sinkhole Loss** does not include:

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(a) Sinking or collapse of land into man-made underground cavities; or

(b) Earthquake.

2. To the extent that a part of either the **Earth Movement** Exclusion or the **Collapse** Exclusion conflict with the coverage provided for **Sinkhole Loss** under this endorsement, that part of the **Earth Movement** Exclusion or the **Collapse** Exclusion does not apply.

3. Coverage for **Sinkhole Loss** under this endorsement does not increase the applicable Limit of Insurance. Even if loss or damage is caused by multiple Covered Causes of Loss insured under this policy, only one Limit of Insurance will apply to such loss or damage.

4. You may not accept a rebate from any person performing repairs for **Sinkhole Loss** covered under this endorsement. If you receive a rebate, coverage under this endorsement is void and you must refund the amount of the rebate to us.

5. The following provision is added to the Duties In the Event of Loss or Damage Loss Condition:

A claim for **Sinkhole Loss**, including, but not limited to, initial, supplemental and reopened claims, is barred unless notice of the claim is provided to us in accordance with the terms of this policy within two years after you knew or reasonably should have known about the **Sinkhole Loss**.

6. At our sole discretion, we may make payment directly to the persons who perform any repairs related to **Sinkhole Loss**. Our decision to make payment to such persons does not make us part of the repair contract that you entered into with such persons and does not make us liable for the work performed.

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

1. “Primary structural member” means a structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.

2. “Primary structural system” means an assemblage of “primary structural members”.

3. “Professional engineer” means a person who:

a. Is licensed to engage in the practice of engineering under Title 32, Chapter 471 of the Florida Statutes;

b. Has a bachelor’s degree or higher in engineering; and

c. Has experience and expertise in the identification of sinkhole activity as well as other potential causes of structural damage.

4. “Structural damage” means a covered building, regardless of the date of its construction, has experienced the following:

a. Internal floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement-related damage to the interior such that the interior building structure or members become unfit for service or represent a safety hazard as defined in the Florida Building Code;

b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement-related damage to the “primary structural members” or “primary structural systems” and that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those “primary structural members” or “primary structural systems” exceed one and one-third the nominal strength allowed under the Florida Building Code for new buildings of similar structure, purpose, or location;

c. Damage that results in listing, leaning, or buckling of the exterior load-bearing walls or other vertical “primary structural members” to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined in the Florida Building Code;

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d. Damage that results in the covered building, or any portion of the covered building containing “primary structural members” or “primary structural systems”, being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such covered building as defined in the Florida Building Code; or

e. Damage occurring on or after October 15, 2005, that qualifies as substantial structural damage as defined in the Florida Building Code.

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ADDITIONS UNDER CONSTRUCTION CHANGES AND LIMITATIONS

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

This endorsement limits and modifies insurance provided under the following forms:
BUILDING AND PERSONAL PROPERTY COVERAGE FORM (CP 00 10)
CONDOMINIUM ASSOCIATION COVERAGE FORM (CP 00 17)

The following is added to this policy:

Additions Under Construction Changes and Limitations

I. Coverage provided for any additions under construction pursuant to **A.1.a.(5)(a)** is limited to the earlier of the first 30 consecutive days after construction of the addition commences or the expiration of this policy. At our discretion, we may, but are not obligated to, continue such coverage beyond the first 30 consecutive days after construction of the addition commences if you report the construction to us within the first 60 consecutive days after construction of the addition commences.

With respect to insurance on any additions under construction, coverage will end when any of the following first occurs:

(a) this policy expires;

(b) 30 days expire after you begin construction on the addition 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 begin construction of the addition that would qualify as covered property.

The most we will pay for loss or damage for additions under construction is $250,000 at each building.

II. If a Coinsurance percentage is shown in the Declarations pursuant to **F.1**, any additions under construction covered pursuant to **A.1.a.(5)(a)** will not be included as part of the value of Covered Property used in the calculation of the minimum amount of insurance required to meet the Coinsurance requirement if the loss occurs during the first 30 consecutive days after construction of the addition commences.

All other terms and conditions of this policy remain.

ADDITIONAL PROPERTY NOT COVERED

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

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10
CONDOMINIUM ASSOCIATION COVERAGE FORM CP 00 17

A. Machinery and Equipment in the Open Exclusion

1. Paragraph **A.1.b.(2)** is superseded and replaced by the following thereby removing coverage for machinery and equipment in the open (or in a vehicle) within 100 feet of the described premises:

(2) Machinery and equipment, but only machinery or equipment located in or on the building described in the Declarations and except for any machinery or equipment specifically listed in the Declarations or Statement of Values (ICAT 50 SOV).

B. Land, Water, and Air Exclusion

1. Paragraph **A.2.h.** is superseded and replaced by the following thereby excluding coverage for land, water, and/or air:

h. Land (including but not limited to land on which Covered Property is located), water, air, growing crops or lawns, howsoever and wherever located, or any interest or right therein.

C. Additional Property added to Property Not Covered

1. **Additional Property**, as defined in Paragraph **E.** of this Endorsement below, is added to **Property Not Covered**. Notwithstanding any provision to the contrary in this policy, **Additional Property** is covered under this policy only:

a. as provided under the **Additional Coverage – Unscheduled Additional Property** as explained in Paragraph **D.** of this Endorsement below; or

b. if specifically scheduled as Covered Property on the policy.

D. Additional Coverage – Unscheduled Additional Property

1. Paragraph **A.4.**, **Additional Coverages**, has the following Additional Coverage added:

a. **Additional Coverage – Unscheduled Additional Property.** We will pay for sudden, fortuitous, direct physical loss or damage to **Additional Property** caused by a Covered Cause of Loss under this policy and subject to all other terms, conditions, and limitations contained in this policy, including those in the Causes of Loss Form attached to and part of this policy. Under this Additional Coverage, **Additional Property** has the meaning described in Paragraph **E.** of this Endorsement below. This **Additional Coverage – Unscheduled Additional Property** applies in addition to and separately from the coverage provided for any property specifically scheduled under Additional Property Coverage in the Declarations or Statement of Values (ICAT 50 SOV).

b. **Limit of Insurance.** The most we will pay for loss or damage in any one occurrence for this **Additional Coverage – Unscheduled Additional Property** is $10,000, unless a higher limit is shown in the Declarations. The Limit of Insurance for this **Additional Coverage – Unscheduled Additional Property** is a sublimit of the Limit of Insurance that applies to this policy. The addition of this **Additional Coverage – Unscheduled Additional Property** to the policy does not increase or decrease our total Limit of Insurance.

c. **Deductible.** The Deductible applicable to this **Additional Coverage – Unscheduled Additional Property** is $2,500, unless a different amount is shown in the Declarations. If the adjusted amount of loss or damage (hereinafter referred to as 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 subtract the Deductible from the adjusted amount of loss and we will pay the resulting amount or the Limit of Insurance, whichever is less. Notwithstanding any provision in this policy to the contrary, the above-stated Deductible amount will apply to each occurrence of loss covered under this **Additional Coverage – Unscheduled Additional Property**.

EXAMPLE #1: Loss only to Unscheduled Additional Property (loss above applicable deductible)

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The policy covers an apartment building with a $5,000,000 Limit of Insurance applicable to the Building Coverage and no property scheduled under Additional Property Coverage. The policy deductible applicable to loss caused by fire is $5,000. The deductible applicable to the **Additional Coverage – Unscheduled Additional Property** is $2,500. A fire damages a gazebo, shed, hot tub, and a fence that was set apart from the covered building by clear space, causing $14,000 in loss.

Result: We will pay $10,000 under this **Additional Coverage – Unscheduled Additional Property** because the Limit of Insurance for this Additional Coverage ($10,000) is less than the amount of loss minus the Deductible ($14,000 - $2,500 = $11,500). Note that the applicable Deductible is $2,500 and that the policy's $5,000 deductible for loss caused by fire does not apply.

EXAMPLE #2: Loss only to Unscheduled Additional Property (loss below applicable deductible)

The policy covers an apartment building with a $5,000,000 Limit of Insurance applicable to the Building Coverage and no property scheduled under Additional Property Coverage. The policy deductible applicable to loss caused by fire is $5,000. The deductible applicable to the **Additional Coverage – Unscheduled Additional Property** is $2,500. A fire partially damages a fence that was set apart from the covered building by clear space. Repairs to the fence cost $2,000.

Result: No payment is due under the policy as follows:

Loss to Unscheduled Additional Property	
$2,000 - $2,500 deductible =	No Payment

EXAMPLE #3: Loss to Scheduled Additional Property Coverage and to Unscheduled Additional Property

The policy covers an apartment building with a $5,000,000 Limit of Insurance applicable to the Building Coverage and a fence is scheduled in the Declarations under Additional Property Coverage with a Limit of Insurance of $7,500. The policy deductible applicable to loss caused by fire is $5,000. The deductible applicable to the **Additional Coverage – Unscheduled Additional Property** is $2,500. A fire completely destroys a gazebo, shed, hot tub, and the scheduled fence. The loss to the gazebo, shed, and hot tub is $12,000. There is no damage to the apartment building.

Result: We will pay $12,000 as follows:

Loss to Scheduled Fence	
$7,500 - $5,000 deductible =	$2,500
Loss to Unscheduled Additional Property	
$12,000 - $2,500 deductible =	$9,500
Total amount of Loss Payable:	$12,000

EXAMPLE #4: Loss to Building and to Unscheduled Additional Property

The policy covers an apartment building with a $5,000,000 Limit of Insurance applicable to the Building Coverage and no property scheduled under Additional Property Coverage. The deductible applicable to loss caused by hurricane is 3%. The deductible applicable to the **Additional Coverage – Unscheduled Additional Property** is $2,500. The wind from a hurricane causes $30,000 in loss to the roof of the apartment building and completely destroys a shed valued at $7,500.

Result: We will pay $5,000 as follows:

Loss to Building	
$30,000 - $150,000 deductible =	No Payment
Loss to Unscheduled Additional Property	
$7,500 - $2,500 deductible =	$5,000
Total amount of Loss Payable:	$5,000

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E. Definition

1. Additional Property means:

a. Machinery and equipment in the open, including gas pumps.

b. Contractor's equipment, including trailers used to transport such equipment.

c. Buildings or structures in the course of construction, including materials and supplies, except additions to or alterations and repairs on or within the existing walls of existing buildings or structures as provided pursuant to **A.1.a.(5)**.

d. Power transmission and/or feeder lines.

e. Fences, property-line walls, gates, latticework, and trellises, whether attached to a covered building or not.

f. Walkways, boardwalks, catwalks, trestles, dams, and tunnels (all whether for pedestrians or vehicles).

g. Seawalls.

h. Pools (whether in the ground or above the ground and including spas, hot tubs and jacuzzis) located outdoors, ponds, lakes, waterfalls or fountains.

i. Signs not attached to a covered building unless held for sale as Business Personal Property.

j. Awnings, canopies, and carports not attached to a covered building or structure, including any structure or covering over gas pumps or pools.

k. Light poles (including fixtures attached to such light poles) and street signs not attached to a covered building or structure.

l. Lanai or any other similar structure not attached to a covered building and abutting, enclosing, or partially enclosing a pool.

m. Greenhouses, shade houses, hot houses, and glass houses.

n. Other buildings and structures at a Covered Location set apart from the covered building by clear space and not specifically described and included as Covered Property in the Declarations or Statement of Values (ICAT 50 SOV). This includes structures connected to a covered building by only a fence, utility line or similar connection.

All other terms and conditions of this policy remain unchanged.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ALUMINUM WIRING EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following form:
CAUSES OF LOSS - SPECIAL FORM (CP 10 30)

The following **Aluminum Wiring Exclusion** is added to this policy:

Aluminum Wiring Exclusion

We will not pay for any loss or damage caused by or resulting directly or indirectly from a malfunction of aluminum wiring located within a building.

All other terms and conditions of this policy remain.

ASBESTOS AND SICK BUILDING EXCLUSION ENDORSEMENT

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

This endorsement modifies insurance provided under the following form:
CAUSE OF LOSS - SPECIAL FORM (CP 10 30)

The following **Asbestos and Sick Building Exclusion** is added to this policy:

Asbestos and Sick Building Exclusion

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

A. Any loss, damage or expense, or increase in loss, damage or expense caused by or resulting from:

(1) The removal, encapsulation, covering, or any manner of control or abatement from any goods, products, or structure of asbestos, dioxin, or polychlorinated biphenyls;

(2) The demolition, increased cost of construction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos, dioxins, or polychlorinated biphenyls;

(3) Any governmental direction or request declaring that asbestos material present in or part of or utilized on any undamaged portion of the Named Insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified;

(4) The presence of asbestos in any building or structure whether covered or not covered by this Policy.

B. Any loss, damage or expense, or increase in loss, damage or expense caused by or resulting from ventilation, heating, air conditioning, or sick building condition(s). Sick building condition(s) as used herein means a building(s) or structure(s) with actual or alleged conditions which create or may create an environment which is, or is suspected to be, unhealthy in any way to any person or other living thing.

All other terms and conditions of this policy remain.

PRIOR LOSS EXCLUSION ENDORSEMENT

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

This endorsement modifies insurance provided under the following form:
CAUSES OF LOSS - SPECIAL FORM (CP 10 30)

The following **Prior Loss Exclusion** is added to this policy:

Prior Loss Exclusion

We will not pay for any loss or damage that occurred prior to the effective date of this policy, including any continuation, change or resumption of such loss or damage during the policy period. In the event the effective date of this Policy is prior to the date coverage was requested to be bound, this Policy will not pay for any loss or damage occurring between the effective date of this Policy and the date coverage was requested to be bound.

All other terms and conditions of this policy remain.

SEEPAGE AND POLLUTION EXCLUSION ENDORSEMENT

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

This endorsement modifies insurance provided under the following form:
CAUSES OF LOSS - SPECIAL FORM (CP 10 30)

I. The following replaces **B.2.I.**:

I. Seepage and Pollution Exclusion

(1) Notwithstanding any provision to the contrary within the policy of which this endorsement forms part (or within any other endorsement which forms part of this policy), this policy does not insure:

(a) any loss, damage, cost or expense, or

(b) any increase in insured loss, damage, cost or expense, or

(c) any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation),

which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

(2) The term "any kind of seepage or any kind of pollution and/or contamination" as used herein includes (but is not limited to):

(a) seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a "hazardous substance" by the United States Environmental Protection Agency or as a "hazardous material" by the United States Department of Transportation, or defined as a "toxic substance" by the Canadian Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and

(b) the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

All other terms and conditions of this policy remain.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR, BIOLOGICAL, CHEMICAL AND RADIOLOGICAL HAZARDS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
ASSET COVERAGE PART
PREFERRED ASSET COVERAGE PART
BUILDERS RISK COVERAGE
COMMERCIAL OUTPUT PROGRAM
DIFFERENCE IN CONDITIONS PROGRAM
SPECIAL CAUSE OF LOSS POLICY

I. Regardless of any other cause or event that contributes concurrently or in any sequence to loss, damage, cost, or expense, we will not pay for any loss, damage, cost or expense, whether real or alleged, that is caused by, results from, is exacerbated by or otherwise impacted by, either directly or indirectly and whether threatened or actual, any of the following:

1) **Nuclear Hazard** – including, but not limited to, nuclear reaction, nuclear detonation (including electromagnetic pulse caused by nuclear detonation), nuclear radiation, radioactive contamination and all agents, materials, products or substances, whether engineered or naturally occurring, involved therein or released thereby;

2) **Biological Hazard** – including, but not limited to, any biological and/or poisonous or pathogenic agent, material, product or substance, whether engineered or naturally occurring, that induces or is capable of inducing physical distress, illness, or disease;

3) **Chemical Hazard** – including, but not limited to, any chemical agent, material, product or substance;

4) **Radioactive Hazard** – including, but not limited to, any magnetic, electromagnetic, optical, solar, or ionizing radiation or energy, including all generators and emitters thereof, whether engineered or naturally occurring. For purposes of this exclusion, magnetic or electromagnetic radiation or energy includes, but is not limited to, the following:

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

(b) Pulse of electromagnetic energy; or

(c) Electromagnetic waves or microwaves.

II. Only if and to the extent required by state law, the following exception to the exclusion in paragraph **I. 1)** applies:

If a hazard excluded under paragraph **I. 1)** results in fire, we will pay for the loss, damage, cost or expense caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. This coverage does not apply to insurance provided under Business Income, Rental Value or Extra Expense coverage forms or endorsements that apply to those coverage forms.

All other terms and conditions of this policy remain.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER EVENT EXCLUSION

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL PROPERTY DEDUCTIBLE BUY BACK POLICY
DIFFERENCE IN CONDITIONS PROGRAM
EXCESS FOLLOWING FORM POLICY
NAMED PERIL COMMERCIAL PROPERTY POLICY
SPECIAL CAUSE OF LOSS POLICY

I. Cyber Event Exclusion. We will not pay for any loss, damage, cost or expense, whether real or alleged, that is caused by, results from, is exacerbated by or otherwise impacted by, either directly or indirectly and whether threatened or actual, any of the following. Such loss, damage, costs and expenses are excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

A. **Computer Virus or Software** – Including but not limited to any software, program, instructions, code or data that:

1. Infiltrates and disrupts computer operations;
2. Accesses, acquires, collects, gathers, transmits, alters or damages instructions, information or data, including but not limited to personally identifiable information or other personal data, confidential information or “electronic data”;
3. Gains access to “computer systems”; or
4. Affects the operation or functionality of “computer systems”, “computer networks” or “electronic data”.

Computer virus or software also includes but is not limited to any computer code, worm, logic bomb, smurf attack, malware, Trojan horse, spyware, rootkits, ransomware, adware, keyloggers, rogue security software, destructive program, or malicious browsers, whether or not self-propagating.

B. **Cyber Attack** – Including but not limited to any attack on or vandalism of “computer systems”, “computer networks” or “electronic data”, including but not limited to a “denial-of-service attack”.

C. **Cyber Extortion** – Including but not limited to a threat or series of threats made to:

1. Prevent access of authorized users to “computer systems”, “computer networks” or “electronic data”;
2. Introduce any computer virus or software as described in I.A. above into “computer systems”, “computer networks” or “electronic data”;
3. Conduct a cyber attack as described in I.B. above;
4. Gain access that otherwise would be unauthorized to “computer systems”, “computer networks” or “electronic data”; or
5. Release, disclose, misuse, alter or destroy instructions, information or data, including but not limited to personally identifiable information or other personal data, confidential information or “electronic data”.

Cyber extortion also includes any illegal demand for payment, including but not limited to payment in money or cryptocurrency, to unlock any computer, “computer systems” or “computer network”, or to not do, undo or mitigate I.C.1., I.C.2, I.C.3., I.C.4. or I.C.5. above. However, a threat to do any of the above that is not accompanied by a demand for payment also is considered to be cyber extortion.

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D. **Cyber Risk** – Including but not limited to any risk where loss or damage is cyber-related, arising from either malicious acts, such as cyber attack as explained in I.B above or infection of systems with malicious code, or non-malicious acts, such as loss of data or accidental acts or omissions, involving either tangible or intangible property.

II. Exceptions. The following exceptions to the exclusion in Paragraph I. apply:

A. To the extent that any part of the exclusion in Paragraph I. conflicts with an Additional Coverage, Coverage Extension or sublimited coverage specifically and affirmatively granted to you by us elsewhere under this Coverage Part or Policy, that part of the exclusion does not apply. The preceding reference to an Additional Coverage, Coverage Extension and sublimited coverage does not mean that any of these have been included with this Policy. Additional Coverages, Coverage Extensions, or sublimited coverages are provided under this Coverage Part or Policy only as stated in and documented by one of the Coverage Forms or Endorsements included with this Coverage Part or Policy.

B. Only if and to the extent required by state law, if fire is a Covered Cause of Loss under this Coverage Part or Policy and a hazard excluded under Paragraph I. above results in fire, we will pay for the loss, damage, cost or expense caused by that fire, subject to all applicable policy provisions including any applicable Deductible and Limit of Insurance provisions. Coverage for fire provided under this exception does not apply to insurance provided under Business Income, Rental Value or Extra Expense Coverage Forms or endorsements that apply to those Coverage Forms.

III. Definitions. The following definitions are added with respect to the provisions of this endorsement:

A. “Computer systems” means Information Technology (IT), data processing, industrial process control and communication systems, as well as any other item or element of hardware or associated software, including but not limited to IT infrastructure, software or equipment used for the purpose of creating, accessing, processing, protecting, monitoring, storing, backing up, retrieving, displaying or transmitting data. “Computer systems” also includes but is not limited to IT and mobile devices such as mobile phones, tablet devices, laptops, external drives, CD-ROMs, DVD-ROMs, magnetic tapes, magnetic disks or USB sticks that process, record, transmit or store data, as well as network equipment and associated input and output devices.

B. “Computer network” means a group of “computer systems” and other computing hardware devices or network facilities connected by a form of communication technology, including but not limited to those connected to or by the internet, any intranet and virtual private networks (VPNs), allowing the networked computing devices to, among other things, exchange data.

C. “Denial-of-service attack” means any attack leading to a total or partial deprivation, disruption or unavailability of “computer systems” or “computer networks” temporarily or permanently, such that they are non-functional in whole or in part, or otherwise unavailable to anticipated users of such “computer systems” or “computer networks”. The term “denial-of-service attack” includes but is not limited to a distributed attack in which multiple compromised systems are used to deluge or overload “computer systems” or “computer networks” with an incoming stream or requests or data, volumetric and application-specific attacks, and attacks targeting specific “computer systems”, entities or individuals.

D. “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 that 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 that 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.

All other terms and conditions of this policy remain unchanged.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MUTUAL APPRAISAL ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

This endorsement replaces and supersedes any and all other provisions regarding appraisal, wherever found.

If we and you disagree on the value of the property or the amount of loss, either party may request, in writing, an appraisal of the value of the property and/or the amount of loss. An appraisal may then take place only if the other party agrees in writing to participate in the appraisal process pursuant to terms of a written agreement between the parties. At a minimum, the written agreement between the parties will specify a protocol for the selection of a disinterested, competent and impartial appraiser (who does not have a financial interest in the claim and/or appraisal award, including a contingent interest in the outcome of the claim or appraisal award), the inspection of the property by the appraisers, the selection of an umpire, communications between and among the appraisers and umpire, specific itemization of each item in dispute, and an award form. If the parties cannot agree on a written agreement specifying the protocol, an appraisal will not take place.

If appraisal moves forward, the two appraisers will select an umpire, who shall be competent, impartial, and disinterested. If the two appraisers cannot agree to an umpire within 15 days of either appraiser proposing one or more umpires, the two appraisers may jointly request that the selection of a competent and impartial umpire be made by a judge of a court in the county of the loss or damage. If either party to the appraisal, without notice to the other party, asks a judge to select an umpire, any such umpire selection shall be invalidated and the selection of a new umpire shall be required. If the appraisers do not agree to jointly request the appointment of an umpire, either we or you can unilaterally end the appraisal with written notice to the other. The appraisers will state separately the value of the property and amount of loss. Specific itemization of each item and amount in dispute is required, including, but not limited to, building-by-building, floor-by-floor, unit-by-unit, and area-by-area allocation, as applicable. If the appraisers fail to agree, they will submit their differences to the umpire. A decision in writing, agreed to and signed by any two of the appraisers and umpire, will be binding.

Each party will:

a. pay its chosen appraiser; and

b. bear the other expenses of the appraisal and the umpire's fee equally.

In connection with the appraisal proceeding, neither the appraisers nor the umpire shall have authority to decide questions of law, nor shall they attempt to resolve any issue of insurance coverage, policy exclusions, compliance with the policy terms and conditions, or any issues concerning the Limits of Insurance available under the Policy, and any such attempts to decide such questions or issues shall be of no force and effect.

At any time after the request for appraisal, we will retain our right to demand compliance with all applicable Duties in the Event of Loss as described in this Policy. We may require completion of any of the Duties in the Event of Loss, or any other policy condition, prior to continuance of the appraisal proceeding.

Where applicable, the parties agree that during the pendency of an appraisal all required responses and cures to any Civil Remedy Notices are extended until 30 days after the appraisal is concluded.

By voluntarily agreeing to the appraisal process, both parties acknowledge that there are irreconcilable differences that exist regarding the value of the property and/or the amount of loss. Since appraisal is voluntary, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to an action against us.

DEDUCTIBLE ENDORSEMENT FORM 425

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

This endorsement defines how your Deductible(s) are calculated under the following Coverage Forms as may be applicable:
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM

I. Deductible. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible defined in this Endorsement. We will then pay the amount of loss or damage in excess of the stated Deductible up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition, Agreed Value Optional Coverage, Additional Condition - Need for Adequate Insurance, or Additional Condition - Need for Full Reports.

II. Covered Cause of Loss. Your deductible will be applied against all loss or damage covered under this policy (unless such loss or damage is specifically excluded from application of a deductible) caused by a Covered Cause of Loss (as hereinafter defined or as defined in a separate Endorsement attached to this policy). A Covered Cause of Loss under this policy shall mean that the particular Cause of Loss is insured under this policy, which shall be documented in the Causes of Loss — Special Form (CP 10 30) or by the attachment of one or more Endorsement Form(s) adding such coverage to this policy. The Declarations Page, Schedule A identifies one or more Covered Causes of Loss under this policy, the dollar amount or percentage deductible for each Covered Cause of Loss, and the manner in which the deductible shall be applied against loss or damage.

Causes of Loss which may be covered under this policy and which may have a separate deductible include, but are not limited to, the following:

- windstorm or hail (including Named Windstorm and Named Hurricane)
- Named Windstorm (which includes Named Hurricane)
- Named Hurricane
- Water Damage
- All Other Peril or All Other Causes of Loss

The identification of the foregoing Causes of Loss does not mean that the Cause of Loss is a Covered Cause of Loss under this policy. A Cause of Loss is a Covered Cause of Loss under this policy only if it is insured under this policy, which would be documented in the Causes of Loss - Special Form or by the attachment of one or more Endorsement Form(s) adding such coverage to this policy.

III. Deductible Amount. The amount of your deductible may be different for different Covered Causes of Loss under this policy. These differences shall be identified on the Declarations Page, Schedule A. If you are insured for loss or damage caused by windstorm or hail, the amount of your deductible may differ for loss or damage caused by Named Hurricane, Named Windstorm, and windstorm or hail.

Notwithstanding anything to the contrary herein, if you purchased a Named Windstorm or Named Hurricane Deductible, your deductible shall be applied exclusively and on a primary basis if loss or damage is caused by a Named Windstorm or a Named Hurricane.

Although the Covered Cause of Loss insured against may include multiple Covered Causes of Loss (i.e., windstorm or hail coverage includes coverage for Named Hurricane), the Declarations Page, Schedule A may indicate different deductibles for these associated Covered Causes of Loss. For example, if your Declarations Page, Schedule A indicates separate deductibles for Named Hurricane and windstorm or hail, the Named Hurricane Deductible applies to loss or damage resulting from a Named Hurricane, and the Windstorm or Hail Deductible applies to all other loss or damage caused by windstorm or hail. In the event that two or more Covered Causes of Loss apply to an occurrence of loss or damage and two or more of the Covered Causes of Loss have different

deductibles shown in the Declarations, only the highest deductible shall apply.

IV. The amount of your deductible is determined as follows:

a. Fixed Dollar Deductible. Your deductible equals a fixed dollar amount if the deductible is identified as a fixed dollar amount on the Declarations Page, ScheduleA for the Covered Cause of Loss.

b. Percentage Deductible - Line of Coverage. If the deductible is expressed as a percentage in Schedule A for a Covered Cause of Loss, and the percentage deductible is applied by Line of Coverage, then that deductible amount shall be determined by multiplying the percentage which applies for the Covered Cause of Loss by the stated value at each building or structure for each Line of Coverage identified in the Statement of Values (ICAT 50 SOV) or otherwise identified in the policy. The deductible amount for loss or damage to Business Personal Property shall be determined by multiplying the percentage which applies for the Covered Cause of Loss by the stated values for such Business Personal Property identified in the Statement of Values (ICAT 50 SOV) or otherwise identified in the policy.

c. Percentage Deductible - Building. If the deductible is expressed as a percentage and applied by Building in Schedule A for a Covered Cause of Loss, then that deductible amount shall be determined by multiplying the percentage which applies for the Covered Cause of Loss by the sum of the stated values for each Building identified in the Statement of Values (ICAT 50 SOV) or otherwise identified in the policy.

d. Percentage Deductible - Location. If the deductible is expressed as a percentage and applied by Location in Schedule A for a Covered Cause of Loss, then that deductible amount shall be determined by multiplying the percentage which applies for the Covered Cause of Loss by the sum of the stated values for each Covered Location identified in the Statement of Values (ICAT 50 SOV) or otherwise identified in the policy.

e. Percentage Deductible - Policy. If the deductible is expressed as a percentage and applied by Policy in the Declarations Page, Schedule A for a Covered Cause of Loss, then that deductible amount shall be determined by multiplying the percentage which applies for the Covered Cause of Loss by the sum of the stated values under the policy identified in the Statement of Values (ICAT 50 SOV) or otherwise identified in the policy.

f. Minimum Deductible. Notwithstanding anything to the contrary contained herein, a Covered Cause of Loss may be subject to a Minimum Deductible.

V. Deductible Application. Your deductible will be applied to loss or damage to Covered Property by Policy, Location, Building, or Line of Coverage, subject to our Limit of Insurance. Your deductible will be applied as identified in the Declarations Page, Schedule A.

a. Policy Application. If your deductible for a particular Covered Cause of Loss is applied by Policy, your deductible will be applied to the sum of all loss or damages to Covered Property under this policy directly resulting from a Covered Cause of Loss.

b. Location Application. If your deductible for a particular Covered Cause of Loss is applied by Location, your deductible will be applied to the sum of all loss or damages to Covered Property at each Covered Location resulting from a Covered Cause of Loss. If two or more Covered Locations are insured under this policy, then the deductible will be applied separately at each Covered Location against the sum of all loss or damages incurred at each Covered Location resulting from a Covered Cause of Loss

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c. Building Application. If your deductible for a particular Covered Cause of Loss is applied by Building, your deductible will be applied to the sum of all loss or damages to Covered Property at each Building or structure resulting from a Covered Cause of Loss. If two or more buildings or structures are insured under the policy, then the applicable deductible will be applied separately at each Building or structure against the sum of all loss or damages incurred at each Building or structure resulting from a Covered Cause of Loss.

d. Line of Coverage Application.

i. As respects loss or damage to Covered Property (as defined in either the Building and Personal Property Coverage Form or the Condominium Association Coverage Form) excluding Business Personal Property (also as defined in either the Building and Personal Property Coverage Form or the Condominium Association Coverage Form):

1. The applicable deductible will be applied separately to all Covered Property excluding Business Personal Property building and structure losses from all other Covered Property losses; and

2. If two or more buildings or structures are Covered Property, then the applicable deductible will be applied separately to each such building or structure.

ii. As respects loss or damage to Business Personal Property:

1. The applicable deductible will be applied to Business Personal Property losses separately from All Other Covered Property Losses; and

2. If Business Personal Property is located in two or more buildings or structures, then the applicable deductible will be applied separately to such Business Personal Property located in each such separate building or structure as shown in the Declarations Page, Schedule A and/or the Statement of Values (ICAT 50 SOV) or otherwise identified in the policy; and

3. The applicable deductible for losses to all Business Personal Property will be applied to the sum of all Business Personal Property losses in each building or structure as shown in the Declarations Page, Schedule A and/or the Statement of Values (ICAT 50 SOV) or otherwise identified in the policy.

iii. As respects loss, damage or expense to Covered Property insured under Business Income and Extra Expense (pursuant to the Business Income (And Extra Expense) Coverage Form and/or the Extra Expense Coverage Form and hereinafter referred to as Business Income and Extra Expense):

1. The applicable deductible will be applied separately to all Business Income and Extra Expense losses and applied at either the building or Covered Location level as shown in the Declarations Page, Schedule A; and

2. If Business Income and Extra Expense Coverage is applicable to two or more buildings or structures, then the applicable deductible will be applied separately to Business Income and Extra Expense losses from all other Covered Property Losses and applied at either each building or Covered Location as shown in the Declarations Page, Schedule A.

iv. As respects loss or damage to Covered Property under the Increased Cost of Construction Additional Coverage (as defined in either the Building and Personal Property Coverage Form or the Condominium Association Coverage Form), the coverage provisions of this Additional Coverage shall not be activated or available to you unless and until the deductible provisions applicable to Covered Property have been satisfied and a claim payment is due to you.

VI. Frequency of Deductible Application During the Policy Period. The Deductible applicable to any loss or damage to Covered Property will be applied separately to each such occurrence of loss or damage during the Policy Period.

VII. Named Windstorm as used herein is defined as a storm system that has been declared to be a hurricane or tropical storm by the National Hurricane Center of the National Weather Service which affects Covered Property. The duration of the Named Windstorm shall be from the moment a tropical storm or hurricane watch or warning is issued by the National Hurricane Center and continuing for the time period during which the tropical storm or hurricane watch or warning is in effect, ending 72 hours following the termination of the last tropical storm or hurricane watch or warning issued by the National Hurricane Center for such storm system.

VIII. Named Hurricane as used herein is defined as a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service which affects Covered Property. The duration of the Named Hurricane shall be from the moment a hurricane watch or warning is issued by the National Hurricane Center and continuing for the time period during which the hurricane watch or warning is in effect, ending 72 hours following the termination of the last hurricane watch or warning issued by the National Hurricane Center for such storm system.

IX. Water Damage Deductible. In the event that the Declarations Page indicates a separate Water Damage Deductible, that Deductible shall apply to covered fortuitous loss or damage to Covered Property caused directly or indirectly by water, freeze, wetness, accidental discharge, seepage, or excessive moisture resulting from a Covered Cause of Loss under this policy. For example, the Water Damage Deductible applies, but is not limited, to loss or damage to Covered Property that occurs when a pipe freezes resulting in the cracking of the pipe and water leaks from the pipe after it thaws, but does not apply to loss or damage to Covered Property caused by the intentional spraying of a fire hose to extinguish a fire. Instead, the All Other Peril or All Other Causes of Loss Deductible would apply to loss or damage caused by the intentional spraying of a fire hose to extinguish a fire. Notwithstanding the foregoing, if the water, freeze, wetness, accidental discharge, seepage, or excessive moisture is the result of, or contributed to in any way by, windstorm or hail, Named Windstorm, Named Hurricane, Earthquake, or Earthquake Sprinkler Leakage and that Cause of Loss has a higher Deductible shown in the Declarations, then that higher Deductible shall apply to any loss or damage to Covered Property.

All other terms and conditions of this policy remain.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES AND COMMON POLICY CONDITIONS

All parts of your policy are subject to the following:

A. Cancellation and Nonrenewal

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;

   b. 20 days before the effective date of cancellation if we cancel for any other reason during the first 90 days of the policy;

   c. 45 days before the effective date of cancellation if we cancel for any other reason after the first 90 days of the policy; or

   d. We may cancel immediately if there has been:
      i. A material misstatement or misrepresentation; or
      ii. A failure to comply with an underwriting requirement established by us.

3. The notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

4. If this policy is cancelled, we will refund any premium refund due, with such refund payment to be calculated consistent with the terms and conditions of this policy and any endorsements that are part of this policy, unless otherwise stipulated by law.

5. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal at least 45 days in advance.

6. Any notice of cancellation or nonrenewal will be mailed or delivered to the first Named Insured's last mailing address known to us.

7. If notice of cancellation or nonrenewal 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 we provide. 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 five years afterward.

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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. We do not warrant that conditions:

   a. Are safe or healthful; or

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

3. Section D., Paragraphs 1. and 2. 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. The underwriting period for this policy is the first 90 days of the policy period. During the underwriting period, we may verify the information submitted as part of the application for insurance coverage under this policy. We may modify the terms of the policy, including the premium charged, based on the information we obtain during the underwriting period.

E. Premiums

The first Named Insured shown in the Declarations is responsible for the payment of all premiums.

F. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured. If you die, your rights and duties will be transferred to your legal representative. Until your legal representative is appointed, anyone having temporary custody of your property will have your rights and duties with respect to that property.

G. Windstorm or Hail, Named Windstorm, and Named Hurricane Exterior Paint and Waterproofing Exclusion

1. If windstorm or hail, Named Windstorm, or Named Hurricane is a Covered Cause of Loss and loss or damage to Covered Property is caused by or results from such Covered Cause(s) of Loss, the following exclusion applies in:

   a. Broward County;

   b. Dade County;

   c. Martin County;

   d. Monroe County;

   e. Palm Beach County; and

   f. All the areas east of the west bank of the Intra-Coastal Waterway in the Counties of:

      i. Indian River; and

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ii. St. Lucie.

2. We will not pay for loss or damage caused by windstorm or hail, Named Windstorm, or Named Hurricane to:

   a. Paint; or

   b. Waterproofing material;

   applied to the exterior of Buildings unless the Building to which such loss or damage occurs also sustains other loss or damage by windstorm or hail, Named Windstorm, or Named Hurricane in the course of the same storm event. But such coverage applies only if windstorm or hail, Named Windstorm, or Named Hurricane is a Covered Cause of Loss.

3. When loss or damage to exterior paint or waterproofing material is excluded, we will not include the value of paint or waterproofing material to determine:

   a. The amount of the Windstorm or Hail Deductible, the Named Windstorm Deductible, or the Named Hurricane Deductible; or

   b. The value of Covered Property when applying the Coinsurance Condition.

H. Changes for Residential Condominium Association Coverage

This Section H. applies only if (1) the Condominium Association Coverage Form (CP 00 17) is attached to and part of this policy and (2) this policy provides coverage for a "residential condominium" as defined in Section 718.103(23) of the Florida Statutes. This Section H. does not apply to any type of condominium other than a "residential condominium."

The **Building** section of the Condominium Association Coverage Form (CP 00 17) is replaced by the following:

1. Building shall mean the building or structure described in the Declarations, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy, including:

   a. Completed additions;

   b. Fixtures, outside of individual units, including outdoor fixtures;

   c. Permanently installed machinery and equipment;

   d. Air conditioning and heating equipment, including air conditioning compressors, used to service the building or structure including individual units and limited common elements;

   e. Any other portion of the condominium property located outside of individual units; and

   f. Additional property as described in the Declarations, the Statement of Values (ICAT 50 SOV), or otherwise identified in the policy.

   g. Personal property owned by you that is used to maintain or service the building or structure or its premises, including:

      i. Fire extinguishing equipment;

      ii. Outdoor furniture;

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iii. Floor coverings; and

iv. Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering that are not contained within individual units.

h. If not covered by other insurance:

i. Additions under construction, alterations and repairs to the building or structure;

ii. 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; and

iii. Fixtures, improvements and alterations that are a part of the building or structure and contained within a unit if your Condominium Association Agreement requires you to insure it.

2. Building does not include:

a. Any personal property within individual units or limited common elements except as provided in Section H., Paragraph 1.d. above;

b. Floor coverings, wall coverings and ceiling coverings within individual units or limited common elements;

c. Electrical fixtures, water heaters, water filters, window treatments, including curtains, drapes, blinds, hardware and similar window treatment components, and built-in cabinets and countertops which are located within an individual unit or limited common elements;

d. Any of the following types of property contained inside individual units: appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping; and

e. Improvements or additions to the condominium property that benefit fewer than all unit-owners, unless otherwise endorsed to the policy.

3. With respect to the coverage provided under this Coverage Form, such coverage will be provided for all portions of the condominium property as originally installed or replacement of like kind and quality, in accordance with the original plans and specifications.

4. With respect to Replacement Cost coverage as provided under this Coverage Form, the property described in Section H., Paragraph 1.d. above is not considered to be the personal property of others.

I. Duties in the Event of Loss or Damage

The following provision is added to the Duties in the Event of Loss or Damage Condition:

A claim or reopened claim is barred unless notice of the claim is given to us in accordance with the terms of this policy within one year after the date of loss. A supplemental claim is barred unless notice of the claim is given to us in accordance with the terms of this policy within 18 months after the date of loss. Reopened claim for purposes of this provision means a claim that we previously closed, but that has been reopened upon your request for additional costs for loss or damage previously disclosed to us. Supplemental claim for purposes of this provision means an additional claim for loss or damage from the same peril which we previously had adjusted or for which costs have been incurred while completing repairs or replacement pursuant to an open claim for which timely notice was provided to us.

J. Legal Action Against Us

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The following replaces the Legal Action Against Us Condition in the COMMERCIAL PROPERTY COVERAGE PART:

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;

2. You have provided a written notice of intent to initiate litigation to the Department of Financial Services at least ten (10) business days before filing suit but not before we have made a determination of coverage under Florida Statute s. 627.70131; and

3. Legal action against us involving direct physical loss or damage to property must be brought within five (5) years from the date the loss occurs.

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EARNED PREMIUM ENDORSEMENT

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

This endorsement modifies insurance provided under the following forms.
COMMERCIAL PROPERTY COVERAGE PART
Earned Premium

I. If this Policy, including any extensions of this Policy, is in force at any time between June 1 and November 30, then the Table 1 immediately below defines how premium is earned unless otherwise stipulated by law and subject to any exceptions stated herein.

Table 1

Percent of Expired Policy Term Current Policy Period	Percent of Annual Premium Earned
0% to 50%	80%
51% to 57%	85%
58% to 65%	90%
66% to 73%	92.5%
74% to 82%	95%
83% to 90%	97.5%
91% to 100%	100%

If a building or location is added during the term of this Policy and the Policy is in force at any time between June 1 and November 30, then the premium associated with that building or location will be earned in accordance with the above table.

II. The sole exceptions to Table 1 above are as follows:

A. If the Covered Property is located in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, or Rhode Island, then Section I.A of this Endorsement is deleted and replaced with the following:

1. Unless otherwise stipulated by law and subject to any exceptions stated in Sections II.A.(1)-(2) of this Endorsement, if this Policy, including any extensions of this Policy, is in force at any time between July 1 and April 1, then Table 1 above defines how premium is earned.

III. If this Policy is cancelled, we will refund any unearned premium due in accordance with the table above, subject only to the following exceptions:

A. If we cancel, the refund will be pro-rated based upon the number of days remaining until the end of the Policy Period.

B. If you cancel and the Policy was not in force at any time between June 1 and November 30, then the premium refund will be equal to 90% of the pro rata unearned premium as of the effective date of cancellation subject to a minimum earned premium of 25% of the annual premium.

C. If this Policy has been extended beyond the end of the Policy Period and the Policy is cancelled at any time during such extended Policy Period, there will be no premium refund.

ELECTRONIC DATE RECOGNITION EXCLUSION ENDORSEMENT

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ THE ENDORSEMENT CAREFULLY.

A. Notwithstanding any provision to the contrary within this Policy or within any Endorsement which forms part of this Policy, this Policy does not insure any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

1. the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not; or

2. any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not.

This Endorsement applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

The above-listed changes do not increase or decrease the Policy Limit of Insurance.

All other terms and conditions of this Policy remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRORISM EXCLUSION

Notwithstanding any provision to the contrary within this policy or any endorsement attached thereto, it is agreed that this policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this Endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This Endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If we determine that by reason of this exclusion, any loss, damage, cost or expense is not covered by this policy, the burden of proving the contrary shall be upon the Insured.

In the event any portion of this Endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

(NMA2920 08/10/2001)

TRIA COVERAGE DECLINATION

This Endorsement is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Program" as provided for and created by the "U.S. Terrorism Risk Insurance Act of 2002" as amended.

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

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

The terms "act of terrorism" and "insured loss(es)" shall have the meanings as provided for in TRIA.

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EMPLOYEE THEFT AND FORGERY POLICY
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
GOVERNMENT CRIME AND COVERAGE FORM
GOVERNMENT CRIME POLICY
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

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

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

1. The failure, malfunction or inadequacy of:

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

(1) Computer hardware, including microprocessors;

(2) Computer application software;

(3) Computer operating systems and related software;

(4) Computer networks;

(5) Microprocessors (computer chips) not part of any computer system; or

(6) Any other computerized or electronic equipment or components; or

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

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

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

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

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

2. Under the Commercial Property Coverage Part:

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

b. In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

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

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

SCHEDULE

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

State(s)	Coverage Form, Coverage Part Or Policy
California, Connecticut, Georgia, Iowa, Maine,	Policy
Missouri, New York, Rhode Island, Washington	
and West Virginia	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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

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

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

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

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph **B.** applies only if indicated and as indicated in the Schedule of this endorsement.

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

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

D. Application Of Other Exclusions

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

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WAR AND CIVIL WAR EXCLUSION CLAUSE

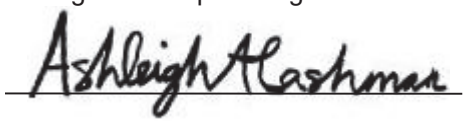
Notwithstanding anything to the contrary contained herein this policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

NMA0464

01/01/1938

AUTHORIZED SIGNATURES, SERVICE OF PROCESS, AND CONSUMER SERVICE ENDORSEMENT

1. **Signature(s) Required.** If the Insurer Participation Schedule (ICAT 50 SCH) identifies Underwriters at Lloyd's, London, as an insurer participating on this policy, a signature of the duly authorized Correspondent issuing this policy on behalf of Underwriters at Lloyd's, London, is required to be included with this policy. The duly authorized Correspondent is International Catastrophe Insurance Managers, LLC ("ICAT") and following is the required signature on behalf of such Correspondent:



Any authorized signatures required on behalf of any other insurers participating on this policy can be found on the pages immediately following this Endorsement.

Correspondent Not Insurer. The Correspondent is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those Underwriters at Lloyd's, London whose syndicate numbers can be ascertained as hereinbefore set forth, and any other insurers participating on this policy as listed on the Insurer Participation Schedule. As used in this endorsement "Underwriters" shall be deemed to include incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.

2. **Service of Suit.**

   A. **Underwriters at Lloyd's, London.** If the Insurer Participation Schedule (ICAT 50 SCH) identifies Underwriters at Lloyd's, London, as an insurer participating on this policy, then the following provisions apply with regard to Service of Suit upon such Underwriters at Lloyd's, London: In the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

   It is further agreed that service of process in such suit may be made upon:

   Lloyd's America, Inc.
   Attention: Legal Department
   280 Park Avenue, East Tower, 25th Floor
   New York, NY 10017
   Tel: +1 212 382 4060

   and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

   The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

   Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or

Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

B. Other Insurers. If the Insurer Participation Schedule (ICAT 50 SCH) identifies insurer(s) other than Underwriters at Lloyd's, London, as participating on this policy, then please see the separate Service of Process Endorsement(s) attached to and part of this policy immediately following on the pages immediately following this Endorsement.

3. Applicable Law. This insurance policy shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the Service-of-Suit provisions in number 2. directly above. (LMA5021.)

4. Consumer Service. We are dedicated to providing you with high-quality service and we want to ensure that we maintain such service at all times. If you feel that we have not offered you first-class service, please write and tell us and we will do our best to resolve the problem. If you have any questions or concerns about your policy or the handling of a claim, you should, as a first step, contact the licensed insurance professional who assisted you in the purchase of this insurance. If the licensed insurance professional is unable to resolve your questions or concerns, please write to the Lloyd's Coverholder for this business at the following address:

Compliance Department
ICAT
385 Interlocken Crescent
Suite 1100
Broomfield, CO 80021

Tel: (303) 447-1155
Fax: (303) 447-1166

In the event that you remain dissatisfied and wish to make a complaint, it may be possible in certain circumstances, and to the extent that Underwriters at Lloyd's, London, is identified as an insurer which is participating on this policy, for you to refer the matter to Policyholder & Market Assistance at Lloyd's. Their address is:

Policyholder & Market Assistance
Lloyd's Market Services
One Lime Street
London EC3M 7HA

Tel.: 011.44.020.7327.5693
Fax: 011.44.020.7327.5225
Email: Complaints@Lloyds.com

In the event that Policyholder & Market Assistance is unable to resolve your complaint, it may be possible, and again only to the extent that Underwriters at Lloyd's, London, is identified as an insurer which is participating on this policy, for you to refer it to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.

National Fire & Marine Insurance Company

SERVICE OF SUIT (National Fire & Marine Insurance Company Only)

Service of Suit upon National Fire & Marine Insurance Company may be made upon: Counsel, Legal Department, National Fire & Marine Insurance Company, 1314 Douglas Street, Suite 1400, Omaha, NE 68102-1944.

In addition to the foregoing, should any cause of action arise in Washington under this policy of insurance, then service of process against National Fire & Marine Insurance Company may be made in such action by service upon the Commissioner of Insurance of the State of Washington. National Fire & Marine Insurance Company further designates the following as the person to whom the Commissioner shall forward such process: Counsel, Legal Department, National Fire & Marine Insurance Company, 1314 Douglas Street, Suite 1400, Omaha, NE 68102-1944.

SIGNATURE PAGE (National Fire & Marine Insurance Company Only)

Secretary	President

All other terms and conditions of the policy remain unchanged.

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

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

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

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

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

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

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

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