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IN THE CIRCUIT COURT OF THE FIFTEENTH
JUDICIAL CIRCUIT IN AND FOR PALM
BEACH COUNTY, FLORIDA

CASE NO.: _____

CLASS REPRESENTATION

WORTH AVENUE RESTAURANT, INC.
d/b/a TA-BOO RESTAURANT, individually
and on behalf of all others similarly situated,

Plaintiff(s),

vs.

CERTAIN UNDERWRITERS AT
LLOYD’S, LONDON,

Defendant(s).

_____ /

CLASS ACTION COMPLAINT

Plaintiff, Worth Avenue Restaurant, Inc. d/b/a Ta-boo Restaurant, individually and on behalf of all other similarly situated, and on behalf the other members of the below-defined nationwide classes (collectively, the “Class”) brings this Complaint, alleging against Defendant Certain Underwriters at Lloyd’s, London (“Lloyd’s”) as follows:

I. NATURE OF THE CASE

1. This is a class action seeking declaratory relief arising from Plaintiff and Class members’ contracts of insurance with Defendant.

2. In light of the global coronavirus pandemic (“COVID-19”) and state and local government orders (“Civil Authority Orders”) mandating that all non-essential in-store businesses must shut down nationwide, including but not limited to Plaintiff’s business, have suffered significant business losses.

3. Plaintiff and Class Members’ insurance policies provide coverage for all non-excluded business losses, and thus provide coverage here.

4. As a result, Plaintiff is entitled to declaratory relief that it is covered for all business losses that have been incurred.

II. JURISDICTION AND VENUE

5. This Court has jurisdiction over the subject matter and the Parties herein. This class action seeks the requested relief set forth above.

6. The Court has personal jurisdiction over Defendant because at all relevant times it has engaged in substantial business activities, including operating, conducting, engaging in and carrying on a business in the State of Florida. At all relevant times Defendant transacted, solicited, and conducted business in Florida through its employees, agents, and/or sales representatives, and derived substantial revenue from such business in Florida. The acts upon which this action is based occurred in this County and elsewhere in the State of Florida.

7. Venue is proper in this court because a substantial portion of the wrongful acts upon which this lawsuit is based occurred in Palm Beach County. Venue is also proper because Defendant is a corporation that has substantial, systematic, and continuous contacts in the State of Florida, and as a result it is subject to personal jurisdiction in this Circuit. Finally, Venue is proper because Defendant's performance of its contract was to occur in Palm Beach County, Florida and the damages caused by Defendant's breach occurred in Palm Beach County, Florida.

8. The acts and/or omissions complained of took place, in whole or in part, within the venue of this Court.

III. PARTIES

9. Plaintiff Worth Avenue Restaurant, Inc. d/b/a Ta-boo Restaurant, is a Florida corporation with its principal place of business in Florida, authorized to do business and doing business in Florida. Worth Avenue Restaurant, Inc. d/b/a Ta-boo Restaurant owns, operates, manages, and/or controls the restaurant Ta-boo located at 221 Worth Avenue, Palm Beach, FL

33480.

10. Defendant Certain Underwriters at Lloyd's, London ("Lloyd's") is composed of separate syndicates, in turn comprised of entities known as "Names," which underwrite insurance in a market known as Lloyd's of London. Each "Name" and syndicate is organized under the laws of the United Kingdom and is located in and has its principal place of business in England.

11. At all relevant times, Lloyd's subscribed to Policy PXA0000905-00 issued to Plaintiff for the period of November 1, 2019 to November 1, 2020. *See* Policy Declaration page, attached hereto as Exhibit 1. Defendant is transacting in the business of insurance in the State of Florida and within the County of Palm Beach and the basis of this suit arises out of such conduct.

12. The policy, currently in full effect, includes coverage for, among other things, business personal property, civil authority and extended business income.

IV. FACTUAL BACKGROUND

A. Insurance Coverage

13. On or about November 1, 2019, Defendant entered into a contract of insurance with the Plaintiff, whereby Plaintiff agreed to make payments to Defendant in exchange for Defendant's promise to indemnify the Plaintiff for losses including, but not limited to, business income losses at its restaurant located in Palm Beach County (the "Insured Property").

14. The Insured Property consists of Ta-boo located at 221 Worth Avenue, Palm Beach, FL 33480 in Palm Beach¹ which is owned, leased by, managed, and/or controlled by the Plaintiff. *See* <http://www.taborestaurant.com/> (last visited June 26, 2020). Prior to March 20, 2020, Ta-boo was open seven days a week from 11:30 a.m. through 11:00 p.m., with the capacity to hold approximately 200 guests inside the restaurant; Ta-boo does not have any open air or

¹ This address is listed as the Insured Property under the Policy.

outside capacity.

15. The Insured Property is covered under a policy issued by the Defendant with policy number believed to be PXA0000905-00 (hereinafter “Policy”).

16. The Policy is currently in full effect, providing, among other things property, business personal property, business income and extra expense, contamination coverage, and additional coverages between the period of November 1, 2019 through November 1, 2020.

17. Plaintiff faithfully paid policy premiums to Defendant, specifically to provide, among other things, additional coverages in the event of business interruption or closures by order of Civil Authority.

18. Under the Policy, insurance is extended to apply to the actual loss of business income sustained and the actual, necessary and reasonable extra expenses incurred when access to the Insured Property is specifically prohibited by order of civil authority as the direct result of a covered cause of loss to property in the immediate area of Plaintiff’s Insured Property. This additional coverage is identified as coverage under “Civil Authority.”

19. The Policy is an all-risk policy, insofar as it provides that covered causes of loss under the policy means direct physical loss or direct physical damage unless the loss is specifically excluded or limited in the Policy.

20. An all-risk Policy such as that purchased by Plaintiff is one that protects against catastrophic events, such as the one occurring now, involving the global COVID-19 Pandemic that has resulted in the widespread, omnipresent, and persistent presence of COVID-19 in and around Plaintiff’s Insured Property, including adjacent properties.

21. Coverage under an all-risk policy is to be broadly interpreted and provided, and exclusions are to be narrowly construed in favor of coverage.

22. Plaintiff's all-risk policy includes coverage for business interruption, which is standard in most all-risk commercial property insurance policies, along with coverage for extended expenses.

23. Based upon information and belief, the Policy provided by Defendant included language that is essentially standardized language adopted from and/or developed by the ISO ("Insurance Service Office"). The ISO, founded in 1971, provides a broad range of services to the property and casualty insurance industry. In addition to form policies, ISO collects and manages databases containing large amounts of statistical, actuarial, underwriting, and claims information, fraud-identification tools, and other technical services. ISO describes itself as follows: "ISO provides advisory services and information to many insurance companies. ... ISO develops and publishes policy language that many insurance companies use as the basis for their products." ISO General Questions, Verisk, <https://www.verisk.com/insurance/about/faq/> (last visited June 26, 2020); *see also* Insurance Services Office (ISO), Verisk, <https://www.verisk.com/insurance/brands/iso/> (last visited June 26, 2020).

24. The language in the Policy is language that is "adhesionary" in that Plaintiff was not a participant in negotiating or drafting its content and provisions.

25. Plaintiff was not a participant in negotiating or drafting the Policy's content and provisions. Plaintiff possessed no leverage or bargaining power to alter or negotiate the terms of the Policy, and more particularly, Plaintiff had no ability to alter, change or modify standardized language derived from the ISO format.

26. Plaintiff purchased the Policy with an expectation that it was purchasing a policy that would provide coverage in the event of a business interruption, such as that suffered by Plaintiff as a result of the COVID-19 Pandemic.

27. At no time had Defendant or their agents notified Plaintiff that the coverage that Plaintiff had purchased pursuant to an all-risk policy that included business interruption coverage had exclusions and provisions that purportedly undermined the very purpose of the coverage—to provide benefits in the event of a business interruption.

28. The reasonable expectations of Plaintiff—i.e., an objectively reasonable interpretation by the average Policyholder of the coverage that was being provided—was that the Policy included coverage when a civil authority forced closure of the business for an issue of public safety such as that involving the COVID-19 pandemic in the immediate area surrounding the Insured Property.

29. The purported exclusions of the Policy that Defendant has or is expected to raise in defense of Plaintiff's claim under the Civil Authority coverage of the Policy are contradictory to the provision of Civil Authority coverage and violate public policy as a contract of adhesion and hence are not enforceable against Plaintiff.

30. Plaintiff is not seeking coverage because of personal injuries caused by the virus, but rather coverage for property damage, business income loss, and extra expense.

31. Plaintiff purchased, among other coverages, business interruption coverage for closure by Order of Civil Authority.

32. The COVID-19 pandemic caused direct physical loss of or damage to the Covered Property under the Policy by denying use of and damaging the Covered Property and by causing a necessary suspension of operations during the period of restoration. Further, the COVID-19 pandemic renders the Covered Property unsafe, uninhabitable, or otherwise unfit for their intended use, which constitutes direct physical loss.

33. Furthermore, Defendant's expected application of exclusions to undermine

Plaintiff's bargained-for coverage violates public policy of the State of Florida as a contract of adhesion and hence not enforceable against Plaintiff.

34. Access to Plaintiff's business was prohibited by Civil Authority Orders and the Policy provides for coverage for actual loss of business sustained and actual expenses incurred as a covered loss caused by the prohibitions of the Civil Authority Orders in the area of Plaintiff's Insured Property.

35. Plaintiff had a reasonable expectation that the Policy's business interruption coverage applied where a civil authority forced closure of the business for an issue of public safety in the immediate area surrounding the Insured Property.

36. The Policy does not exclude the losses suffered by Plaintiff and therefore the Policy does provide coverage for those losses.

37. Plaintiff suffered direct physical loss or damage within the definitions of the Policy as loss of use of property, as in this case, constitutes loss or damage.

38. The Policy does not appear to contain any separate, explicit virus exclusion. It does appear to have a Total Mold, Mildew, or Other Fungi Exclusion. This exclusion does not mention a virus in its header of endorsement title. However, it appears to try to include "organic pathogens," which it goes on to define as "mold, fungus, bacteria, or virus including but not limited to their byproducts such as mycotoxins, mildew, or biogenic aerosol," as well as "fungi or mycotoxins produced by such fungi." The COVID-19 virus, however, is not mold, mildew, fungus, or bacterium. It does not create any mycotoxins or mildew as a byproduct. The Policy elsewhere defines mold, fungi, and bacteria without any reference to viruses. Simply put, the COVID-19 virus is not mold, mildew, or other fungi. Even if a virus is within the meaning of mold, fungi, or bacteria (which it is not), the Policy goes on to include Limited coverage for

Mold, Fungi, Wet or Dry Rot or Bacteria.

39. Regardless, even assuming Defendant wrongly claims its exclusions cover a virus, such exclusions would not apply because Plaintiff's losses were not directly caused by a virus, bacterium or other microorganism. Instead, Plaintiff's losses were caused by the entry of Civil Authority Orders, particularly those by the Governor of Florida, the Florida Health Department, and Palm Beach County, to mitigate the spread of COVID-19.

40. Further, any exclusion Defendant may argue that might include a virus (even though COVID-19 is not mold, mildew, fungus, or bacterium) (called, for shorthand only here, the Virus Exclusion) was first permitted by state insurance departments due to misleading and fraudulent statements by the ISO that property insurance policies do not and were not intended to cover losses caused by viruses, and so the exclusion offers mere clarification of existing law. To the contrary, before the ISO made such baseless assertions, courts considered contamination by a virus to be physical damage. Defendant's use of the Virus Exclusion to deny coverage here shows that the Virus Exclusion was fraudulently adopted, adhesionary, and unconscionable. *See* <https://www.propertycasualty360.com/2020/04/07/here-we-go-again-virus-exclusion-for-covid-19-and-insurers/> (last visited June 26, 2020).

41. Based on information and belief, the Defendant has accepted the policy premiums with no intention of providing any coverage for business losses or the Civil Authority extension due to a loss and shutdown.

B. The Coronavirus Pandemic

42. The scientific community, and those personally affected by the virus, recognize the Coronavirus as a cause of real physical loss and damage. It is clear that contamination of the Insured Property would be a direct physical loss requiring remediation to clean the surfaces of the

restaurant.

43. The virus that causes COVID-19 remains stable and transmittable in aerosols for up to three hours, up to four hours on copper, up to 24 hours on cardboard and up to two to three days on plastic and stainless steel. See <https://www.nih.gov/news-events/news-releases/new-coronavirus-stable-hours-surfaces> (last visited June 26, 2020).

44. The CDC has issued a guidance that gatherings of more than 10 people must not occur. People in congregate environments, which are places where people live, eat, and sleep in close proximity, face increased danger of contracting COVID-19.

45. On March 11, 2020 the World Health Organization (“WHO”) made the assessment that COVID-19 shall be characterized as a pandemic. See <https://www.who.int/dg/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020> (last visited June 26, 2020).

46. The global Coronavirus pandemic is exacerbated by the fact that the deadly virus physically infects and stays on surfaces of objects or materials, “fomites,” for up to twenty-eight (28) days.

47. A particular challenge with the novel coronavirus is that it is possible for a person to be infected with COVID-19 but be asymptomatic. Thus, seemingly healthy people unknowingly spread the virus via speaking, breathing, and touching objects.

48. While infected droplets and particles carrying COVID-19 may not be visible to the naked eye, they are physical objects which travel to other objects and cause harm. Habitable surfaces on which COVID-19 has been shown to survive include, but are not limited to, stainless steel, plastic, wood, paper, glass, ceramic, cardboard, and cloth.

49. The virus is thought to spread mainly from person to person: between people

who are in close contact with one another (within about 6 feet); through respiratory droplets produced when an infected person coughs, sneezes or talks; these droplets can land in the mouths or noses of people who are nearby or possibly be inhaled into the lungs; and some recent studies have suggested that COVID-19 may be spread by people who are not showing symptoms. See <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html>.

50. The CDC has noted that “[i]t may be possible that a person can get COVID-19 by touching a surface or object that has the virus on it and then touching their own mouth, nose, or possibly their eyes, but this is not thought to be the main way the virus spreads.” See <https://www.cdc.gov/foodsafety/newsletter/food-safety-and-Coronavirus.html>.

51. “The primary and most important mode of transmission for COVID-19 is through close contact from person-to-person. Based on data from lab studies on COVID-19 and what we know about similar respiratory diseases, it may be possible that a person can get COVID-19 by touching a surface or object that has the virus on it and then touching their own mouth, nose, or possibly their eyes, but this isn’t thought to be the main way the virus spreads.” <https://www.cdc.gov/media/releases/2020/s0522-cdc-updates-covid-transmission.html> (last edited May 23, 2020).

52. The CDC has said that the best way to prevent illness is to avoid being exposed to this virus and that steps can be taken to slow its spread: Maintain good social distance (about 6 feet). This is very important in preventing the spread of COVID-19; Wash your hands often with soap and water. If soap and water are not available, use a hand sanitizer that contains at least 60% alcohol; Routinely clean and disinfect frequently touched surfaces; and Cover your mouth and nose with a cloth face covering when around others.

53. Compliance with the CDC recommendations, along with compliance with the

civil authority orders, effectively made it impossible for Plaintiff to operate its business in the usual and customary manner causing the business to suffer business losses and added expenses as provided for and covered under the Policy

54. China, Italy, France, and Spain have implemented the cleaning and fumigating of public areas prior to allowing them to re-open publicly due to the intrusion of microbials.

55. A French Court has determined that business interruption coverage applies to the COVID-19 Pandemic. See <https://www.insurancejournal.com/news/international/2020/05/22/569710.htm>. (last visited June 26, 2020).

56. Similarly, on September 15, 2020, the United Kingdom's High Court found that the 'disease' and/or 'denial of access' clauses in the various insurance policy wordings provide coverage in the circumstances of the COVID-19 pandemic, and that the trigger for coverage caused policyholders' losses. The High Court further noted:

The fact that a provision in a contract is expressed as an exception does not necessarily mean that it should be approached with a pre-disposition to construe it narrowly. Like any other provision in a contract, words of exception or exemption must be read in the context of the contract as a whole and with due regard for its purpose. As a matter of general principle, it is well established that that if one party, otherwise liable, wishes to exclude or limit his liability to the other party, he must do so in clear words; and that the contract should be given the meaning it would convey to a reasonable person having all the background knowledge which is reasonably available to the person or class of persons to whom the document is addressed.

<https://www.fca.org.uk/publication/corporate/bi-insurance-test-case-judgment.pdf>.

57. The determination by a Court of another country that coverage exists is consistent with public policy that in the presence of a worldwide Pandemic, such as COVID-19, businesses that possess business interruption insurance coverage should recover their losses from

the insurance carriers.

C. Civil Authority

58. On March 1, 2020, Florida Governor Ron DeSantis issued Executive Order No. 20-051, establishing a public health emergency as to COVID-19. *See* Exhibit 2.

59. On March 9, 2020, Florida Governor Ron DeSantis issued Executive Order No. 20-52, declaring a State of Emergency in the State of Florida based on the ongoing risk posed by COVID-19. *See* Exhibit 3.

60. On March 13, 2020, Palm Beach County announced a local State of Emergency due to the Coronavirus pandemic. *See* <http://discover.pbcgov.org/PDF/COVID19/Declaration-of-Local-State-of-Emergency-COVID-19.pdf> (last visited June 26, 2020).

61. On March 17, 2020, Governor Ron DeSantis issued Executive Order 20-68, which immediately required restaurants in Florida counties *other than* Broward and Palm Beach Counties to limit occupancy to 50%. *See* Exhibit 4.

62. On March 20, 2020, Governor Ron DeSantis issued Executive Order 20-70, which ordered that all restaurants, bars, taverns and other facilities in Broward and Palm Beach Counties be closed to on-premise service of customers. *See* Exhibit 5.

63. On March 20, 2020, Governor Ron DeSantis issued Executive Order 20-71, which ordered all restaurants and bars in Florida to suspend on-premise service of customers. *See* Exhibit 6.

64. On March 22, 2020, Palm Beach County issued COVID-10 Public Safety Order Number 1, which incorporated the governor's Executive Order 20-70. *See* <http://discover.pbcgov.org/PDF/COVID19/Emergency-Order-Number-1.pdf> (last visited June 26, 2020).

65. On April 29, 2020, Governor Ron DeSantis issued Executive Order No. 20-112 (taking effect May 4, 2020), which among other things allowed restaurants in counties *other than* Miami-Dade, Broward, and Palm Beach to resume on-premise consumption of food and beverage so long as they adopt appropriate social distancing measures and limit their indoor occupancy to no more than 25 percent of their building occupancy. In addition, outdoor seating is permissible with appropriate social distancing. Appropriate social distancing requires maintaining a minimum of 6 feet between parties, only seating parties of 10 or fewer people and keeping bar counters closed to seating. *See* Exhibit 7.

66. Restaurants, bars, and other establishments in Palm Beach County were not allowed re-open until May 11, 2020. *See* Exhibit 8 (Executive Order 20-120, signed by Governor Ron DeSantis on May 9, 2020, and taking effect on May 11, 2020).

67. During this period of Civil Authority Orders, Plaintiff abided by the state and local orders requiring Plaintiff to close its business.

68. State and local authorities' concerns were echoed at the national level. For example, on April 10, 2020 President Trump seemed to support insurance coverage for business loss like that suffered by the Plaintiff:

REPORTER: Mr. President may I ask you about credit and debt as well. Many American individuals, families, have had to tap their credit cards during this period of time. And businesses have had to draw down their credit lines. Are you concerned Mr. President that that may hobble the U.S. economy, all of that debt number one? And number two, would you suggest to credit card companies to reduce their fees during this time?

PRESIDENT TRUMP: Well it's something that we've already suggested, we're talking to them. ***Business interruption insurance***, I'd like to see these insurance companies—you know you have people that have paid. When I was in private I had business interruption. When my business was interrupted through a hurricane or whatever it may be, I'd have business where I had

it, I didn't always have it, sometimes I had it, sometimes, I had a lot of different companies. *But if I had it I'd expect to be paid.* You have people. *I speak mostly to the restaurateurs*, where they have a restaurant, they've been paying for 25, 30, 35 years, business interruption. They've never needed it. All of a sudden they need it. And I'm very good at reading language. I did very well in these subjects, OK. And I don't see the word pandemic mentioned. Now in some cases it is, it's an exclusion. But in a lot of cases I don't see it. I don't see it referenced. And they don't want to pay up. I would like to see the insurance companies pay if they need to pay, if it's fair. And they know what's fair, and I know what's fair, I can tell you very quickly. But business interruption insurance, that's getting a lot of money to a lot of people. And they've been paying for years, sometimes they just started paying, but you have people that have never asked for business interruption insurance, and they've been paying a lot of money for a lot of years for the privilege of having it, and then when they finally need it, the insurance company says 'we're not going to give it.' We can't let that happen.

https://youtu.be/_cMeG5C9TjU (last visited on April 17, 2020) (emphasis added).

69. The President is articulating a few core points:

- a. Business interruption is a common type of insurance, especially for restaurants.
- b. Businesses pay in premiums for this coverage and should reasonably expect they'll receive the benefit of the coverage.
- c. This pandemic should be covered unless there is a specific exclusion for pandemics.
- d. If insurers deny coverage, they would be acting in bad faith.
- e. Public policy considerations support a finding that coverage exists and that Defendant's denial of coverage would be in violation of public policy. These Orders and proclamations, as they relate to the closure of all "non-life- sustaining businesses," evidence an awareness on the part of both state and local governments that COVID-19 causes damage to property. This is particularly true in places where business is conducted, such as Plaintiff's, as the requisite contact and interaction causes a heightened risk of the property becoming contaminated.

70. These Orders and proclamations, as they relate to the closure of all non-life-sustaining businesses, evidence an awareness on the part of both state and local governments that

COVID-19 causes damage to property. This is particularly true in places where business is conducted, such as Plaintiff's, as the requisite contact and interaction causes a heightened risk of the property becoming contaminated.

71. Plaintiff did not have the ability or right to ignore these Orders made by agents of civil authority, including the Governor of Florida and the County of Palm Beach, as doing so would expose Plaintiff to fines and sanctions.

72. Plaintiff's adherence to the requirements of these civil authority Orders and proclamations was in furtherance of protecting the public, the public good, public policy in favor of minimizing the risk of spread of COVID-19 and complying with the civil authority Orders.

D. Impact on Plaintiff

73. As a result of the Orders referenced herein, Plaintiff shut its doors to customers on March 20, 2020. Plaintiff did not re-open until May 22, 2020, and when it did re-open, it continued to abide by all Civil Authority Orders restricting the number of customers permitted within the restaurant.

74. As a further direct and proximate result of the Orders, Plaintiff was forced to lay off approximately 50 employees for the duration of time the restaurant originally remained closed in March, April and May.

75. Plaintiff's business is not a closed environment, and because people – staff, customers, community members, and others – constantly cycle in and out of the restaurant, there is an ever-present risk that the Insured Property is contaminated and would continue to be contaminated.

76. Restaurants like Plaintiff's are more susceptible to being or becoming contaminated, as both respiratory droplets and fomites are more likely to be retained on the Insured

Property and remain viable for far longer as compared to a facility with open-air ventilation.

77. Plaintiff's business is also highly susceptible to rapid person-to-property transmission of the virus, and vice-versa, because the service nature of the business places staff and customers in close proximity to the property and to one another.

78. As a sit-down restaurant, Plaintiff's business serves hundreds of customers weekly in an intimate setting.

79. The operation of a formal restaurant such as Plaintiff's involves a great deal of person to person interaction between staff and customers, as well as repeated and shared uses of surfaces in the kitchen and dining room.

80. Because of COVID-19's persistence in locations and surfaces, and the prospect of causing asymptomatic responses in some people, the risk of infection to persons is not only high but could also cause persons with asymptomatic responses to come into contact with others who may develop serious illness.

81. Moreover, COVID-19 caused physical damage to the inventory of Plaintiff's business, such as foodstuffs, and creates a high and dangerous risk of such injury to the same.

82. Recognizing this risk, the Civil Authority Orders were the lawful exercise of authority to protect the public and minimize the risk of spread of disease.

83. Even with the entry of these Orders, there remained physical impact not only within Plaintiff's Insured Property but in and around the surrounding location of the Insured Property due to the difficulty of identifying the presence of COVID-19.

84. Upon information and belief, individuals have contracted the COVID-19 illness in Palm Beach County and/or in and around the location of the Insured Property, thereby confirming the presence of COVID-19 and its impact on property and locations in and around the

Insured Property, supporting the propriety of the entry of the Civil Authority Orders.

85. The virus is therefore physically impacting Plaintiff's business. Any effort by Defendant to deny the reality that the virus causes physical loss and damage would constitute a false and potentially fraudulent misrepresentation that could endanger Plaintiff and the public.

86. Plaintiff has suffered "direct physical loss of or damage" to its property due to the COVID-19 Pandemic. Among other things, COVID-19 made the Insured Property unusable in the way that it had been used before the Pandemic, rendered the property substantially unusable and uninhabitable, intruded upon the property, damaged the property, prevented physical access to and use of the property, and caused a suspension of business operations at the property.

87. The COVID-19 Pandemic also caused physical loss and damage to property near Plaintiff's Insured Property.

88. This loss is physical. Instead of being able to operate Plaintiff's business normally, the Insured Property was required to physically alter and drastically reduce operations, and even to close entirely. To do anything else would lead to the emergence or reemergence of COVID-19 at the location. Given the widespread prevalence of COVID-19, even limited use of the Insured Property was not reasonably safe for extended periods. The high probability of illness and contamination prevents the full physical use of the property.

89. Plaintiff specifically sought coverage for business interruption losses and extra expenses and paid premiums for such coverage with an expectation that the Policy provided such coverage, with no disclosures to the contrary being made to Plaintiff by Defendant or its agents.

90. A declaratory judgment determining that the coverage provided under the Policy is necessary to prevent Plaintiff from being left without vital coverage acquired to ensure the survival of Plaintiff's business due to the shutdown caused by the Civil Authority Orders. As a

result of these Orders, Plaintiff has incurred, and continues to incur, among other things, a substantial loss of business income and additional expenses covered under the Policy.

91. Plaintiff submitted a claim under the Policy to Defendant on or about May 22, 2020. Defendant denied the claim on or about June 15, 2020. In its follow-up letter for additional information, Defendant reserved its rights to deny coverage. Defendant cited, among other things, a micro organism exclusion (that is not attached to the Policy provided to Plaintiff) and a special form of exclusions for ordinances or laws that appear to conflict with the Policy's other coverage, and which does not encompass the Civil Authority issuances by the state and county executives (which are not legislative or regulatory "ordinances") discussed above.

CLASS REPRESENTATION ALLEGATIONS

92. Plaintiff brings this action pursuant to Florida law on behalf of the following class defined to include:

All restaurants that have suffered business interruption and lost income as a result of Civil Authority Orders issued in response to the COVID-19 pandemic.

93. Upon information and belief, Defendant does not cover business interruption in contravention to the uniform language contained in the insurance policies it has issued to restaurants.

94. Plaintiff's claims are maintainable on behalf of the class pursuant to Florida Rule of Civil Procedure 1.220(b)(2) as Defendant was obligated to pay all class members under their business interruption insurance for lost income resulting from the Civil Authority Orders issued in response to the COVID-19 pandemic and has failed to do so.

95. The exact number of the Class members is unknown as such information is in exclusive control of Defendant. However, due to the nature and commerce involved, Plaintiff

believes the Class consists of thousands of insureds nationwide, making joinder of the Class members impractical.

96. Common questions of law and fact affect the right of each Class member. Plaintiff is seeking Declaratory Relief for all Class members with similar policies to Plaintiff. Declaratory relief will permit adjudication of the rights of all parties as to whether Defendant's policies provide coverage for business interruptions losses the Class has suffered as a result of property loss and the Civil Authority Orders.

97. Common questions of law and fact that affect the Class members include, but are not limited to:

- a. Whether Defendant was legally obligated to pay for business interruption as a result of Civil Authority Orders issued in response to the COVID-19 pandemic;
- b. Whether Plaintiff and Class members have suffered "property damages" in accordance with the terms and conditions of Defendant's business interruption insurance policies;
- c. Whether Plaintiff and Class members are excluded from coverage for losses they suffered due to the Civil Authority Orders as a result of the Virus Exclusion(s) contained in Defendant's insurance policies;
- d. Whether Defendant is justified in denying Plaintiff and Class members' claims.

98. The claims and defenses of Plaintiff, as a representative plaintiff, are typical of the claims and defenses of the Class because Defendant wrongfully denied that its policy covers claims to Plaintiff and the Class members.

99. Plaintiff, as a representative plaintiff, will fairly and adequately assert and protect the interests of the Class.

- a. Plaintiff has hired attorneys who are experienced in prosecuting class actions and will adequately represent the interests of the Class; and

- b. Plaintiff has no conflict of interest that will interfere with the maintenance of a class action.

100. A class action provides a fair and efficient method for adjudication of the controversy for the following reasons:

- a. Prosecution of separate actions by individual Class members would create a risk of inconsistent and varying results against Defendant when confronted with incompatible standards of conduct; and
- b. Adjudications with respect to individual Class members could, as a practical matter, be dispositive of any interest of other members not parties to such adjudications and substantially impair their ability to protect their interests.

101. Defendant has taken steps to discourage the Class from submitting claims under their policies. Upon information and belief, Defendant has sent a uniform letter to all insurance brokers and has advised them to advise Class members that insureds do not have a claim under the terms of their policy(ies). For this reason, Declaratory relief for the entire class is appropriate and necessary

V. CAUSE OF ACTION
DECLARATORY RELIEF

102. Plaintiff and the proposed Class re-alleges and incorporates by reference into this cause of action each and every allegation set forth in each and every paragraph of this Complaint.

103. The Declaratory Judgment Act, 28 U.S.C. § 2201(a), provides that in “a case of actual controversy within its jurisdiction . . . any court of the United States . . . may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought.” 28 U.S.C. § 2201(a); *see also, e.g., State Farm Mut. Automobile Ins. Co. v. Advance Med. Assocs. & Forme Rehab, Inc.*, No. 1:17-cv-21737, 2017 WL 5953295 (S.D. Fla. Aug. 15, 2017). Furthermore, Florida’s Declaratory Judgment laws found in Chapter 86 of the Florida Statutes, provide that “Any person claiming to be interested or who may be in doubt about his or her rights under a . . .contract. . .may have determined any

question of construction or validity under such...contract...and obtain a declaration of rights, status or other equitable or legal relations thereunder.

104. An actual controversy has arisen between Plaintiff and the Defendant as to the rights, duties, responsibilities and obligations of the parties under the Policy in that Plaintiff contends and, on information and belief, the Defendant disputes and denies that:

- f. The Orders constitute a prohibition of access to Plaintiff's Insured Property;
- g. The prohibition of access by the Orders has specifically prohibited access as defined in the Policy;
- h. The Policy's Exclusion of Loss Due to Mold, Mildew, Fungus, or Bacterium (and, even if virus could be read to be included) does not apply to the business losses incurred by Plaintiff here.
- i. The Orders trigger coverage;
- j. The Policy provides coverage to Plaintiff for any current and future civil authority closures of restaurants in Palm Beach County due to physical loss or damage directly or indirectly from the Coronavirus under the Civil Authority coverage parameters;
- k. Under the circumstances of the COVID-19 pandemic and the entry of the Civil Authority Orders, Plaintiff had no choice but to comply with the Orders, and Plaintiff's compliance resulted in business losses, business interruption and extended expenses, and therefore constitute covered losses;
- l. Defendant's denial of coverage for losses sustained that were caused by the entry of the Civil Authority Orders referenced, and Plaintiff's required compliance with the Orders, violates public policy;
- m. The Policy provides business income coverage in the event that Coronavirus has directly or indirectly caused a loss or damage at the insured premises or immediate area of the Insured Property; and
- n. Resolution of the duties, responsibilities and obligation of the parties is necessary as no adequate remedy at law exists and a declaration of the Court is needed to resolve the dispute and controversy.

105. Plaintiff seeks a Declaratory Judgment to determine whether the Orders constitute a prohibition of access to Plaintiff's Insured Property as Civil Authority as defined in

the Policy.

106. Plaintiff further seeks a Declaratory Judgment to affirm that the Order triggers coverage.

107. Plaintiff further seeks a Declaratory Judgment to affirm that the Policy provides coverage to Plaintiff for any current and future Civil Authority closures of restaurants in Palm Beach County due to physical loss or damage from the Coronavirus and the policy provides business income coverage in the event that Coronavirus has caused a loss or damage at the Insured Property.

108. Plaintiff does not seek any determination of whether the Coronavirus is physically in or at the Insured Property, amount of damages, or any other remedy other than declaratory relief.

VI. PRAYER FOR RELIEF

WHEREFORE, Plaintiff herein prays as follows:

- 1) For a declaration that the Orders constitute a prohibition of access to Plaintiff's Insured Property.
- 2) For a declaration that the prohibition of access by the Orders is specifically prohibited access as defined in the Policy.
- 3) For a declaration that the Orders trigger coverage under the Policy.
- 4) For a declaration that the Policy provides coverage to Plaintiff for any current and future closures in Palm Beach County due to any physical loss or damage directly or indirectly arising out of COVID-19 and/or pandemic circumstance under the Civil Authority coverage parameters.
- 5) For a declaration that the Policy's exclusions for mold, mildew, fungus, and bacterium

(and to the extent these can be read to include virus) do not apply to the circumstances presented in this lawsuit and the kind and types of damages and losses suffered by Plaintiff.

6) For a declaration that under the circumstances of the COVID-19 pandemic and the entry of the Civil Authority Orders, Plaintiff had no choice but to comply with the Orders and Plaintiff's compliance resulted in business losses, business interruption and extended expenses, and therefore constitute covered losses.

7) For a declaration that Defendant's denial of coverage for losses that were caused by entry of the Civil Authority Orders and Plaintiff's required compliance with those Orders violates public policy.

8) For a declaration that the Policy provides coverage to Plaintiff for any current, future and continued civil authority closures of non-essential businesses due to physical loss or damage directly or indirectly from COVID-19 under the Civil Authority coverage parameters.

9) For a declaration that the Policy provides coverage to Plaintiff for any current, future and continued civil authority closures of restaurants in Palm Beach County due to physical loss or damage directly or indirectly from the Coronavirus under the Civil Authority coverage parameters.

10) For a declaration that the Policy provides business income coverage in the event that Coronavirus has directly or indirectly caused a loss or damage at the Plaintiff's Insured Property or the immediate area of the Plaintiff's Insured Property.

11) For such other relief as the Court may deem proper.

TRIAL BY JURY IS DEMANDED

Plaintiff hereby demands trial by jury.

Dated: 8th day of March, 2021.

Respectfully submitted,

/s/ SEAN C. DOMNICK

Sean C. Domnick, Esquire
Florida Bar No.: 843679
Domnick Cunningham & Whalen
2401 PGA Boulevard, Suite 140
Palm Beach Gardens, Florida 33410
Telephone: (561) 625-6260
Facsimile: (561) 625-6269
eservice@dcwlaw.com; sean@dcwlaw.com;
kds@dcwlaw.com

and

/s/ KENNETH J. GRUNFIELD

Kenneth J. Grunfeld, Esquire
Pro Hoc application to be made
Golomb & Honik
1835 Market Street, Suite 2900
Philadelphia, PA 19103
Telephone: (215) 985-9177
KGrunfeld@golombhonik.com

EXHIBIT 1

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FLORIDA POLICYHOLDER NOTICE

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

SURPLUS LINES AGENT: Chris B. McGovern
LIC # E043040

10150 York Road, 5th Floor
Hunt Valley, MD 21030

PROD. AGT. Ann Fisher

Street 8 Wood Hollow Rd, Suite 301

City Parsippany Zip 07054

This insurance is issued pursuant to the Florida Surplus Lines Laws. 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.

Quarter 4th

Premium 9,704.00 Tax 496.70

Agents Countersignature:



Policy Fee:	<u>150.00</u>
Inspection Fee:	<u>80.00</u>
FL SL Tax:	<u>496.70</u>
FLSO Service Fee:	<u>9.93</u>
Hurricane Cat. Fund:	<u> </u>
Citizens Assessment Fee:	<u> </u>
EMPA Surcharge:	<u>4.00</u>
	<u> </u>

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Sanction and Limitation Exclusion Clause

The insurer will not provide cover, be liable to pay any claim or provide any benefit if to do so would expose the insurer (or any parent company, direct or indirect holding company of the insurer) to any penalty or restriction including extraterritorial penalties or restrictions so far as such do not contradict laws applicable to the insurer, arising out of any trade and economic sanctions laws or regulations which are applicable to it.

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**Security MGU Slip - Property
(B0429BA1900661)**

Name	Initial	Syndicate Number	Percentage
Canopus	CNP	4444	6%
Beazley	AFB	2623	4.92%
Beazley	AFB	623	1.08%
Brit	BRTj	2987	11.25%
Brit	BRTj	2988	1.25%
Neon	NEO	2468	14%
Meacock	SAM	727	1.5%
Axis	AXS	1686	7.5%
HDI Global Specialty SE	XIS	H4202	2.5%
QBE	QBE	1886	10%
Dale Underwriting Managers	DUW	1729	5%
Blenheim	WBC	5886	4.5%
Channel	CHN	2015	2.75%
Hardy	HDU	382	1.5%
MSP	MSP	318	3%
Agora	AGR	3268	4%
Apollo	APL	1969	4%
Arcus	ACS	1856	5%
Argo	AMA	1200	2%
Talbot	TAL	1183	1.5%
Pioneer	PPP	9981	1%

NOT A

**Security MGU Slip – Equipment Breakdown
(B0429BA1900661)**

Name	Initial	Syndicate Number	Percentage
Travelers	TRV	5000	100.00%

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COMMERCIAL LINES POLICY COMMON POLICY DECLARATIONS

COMPANY PROVIDING COVERAGE: Certain Underwriters at Lloyd's, London

POLICY NO.: PXA0000905-00

RENEWAL OF: 001920/MGU001

CONTRACT NO: Agreement No.: B0429BA1900661
Agreement No.: B0429BA1900661

Equipment Breakdown
Property

100%
100%

POLICY PERIOD

FROM: 11/1/2019

TO: 11/1/2020

AT 12:01 A.M., Standard Time at your mailing address shown below

Named Insured and Address:
Worth Avenue Restaurant Inc DBA Ta-boo Restaurant

221 Worth Ave
Palm Beach, FL 33480

Business Description:
Fine Dining Restaurant

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

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

PREMIUM	
Commercial General Liability Coverage Part	\$ NOT COVERED
Commercial Property Coverage Part	\$ 9,320.00
Commercial Inland Marine Coverage Part	\$ NOT COVERED
	\$
Equipment Breakdown Coverage Part	\$ 384.00
Policy Premium:	\$ 9,704.00
Surplus Lines Tax	\$ \$496.70
Stamp Fee	\$ \$9.93
Policy Fee	\$ \$150.00
Inspection Fee	\$ \$80.00
Florida Non-Residential Surcharge	\$ \$4.00
	\$
	\$
Premium for Certified Acts of Terrorism	\$ EXCLUDED
Total Premium:	\$ \$10,444.63

THESE DECLARATIONS TOGETHER WITH ANY APPLICABLE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART HEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Form(s) and Endorsement(s) applicable to the policy: See form ARF1779

Date: 11/6/2019

By: All Risks, LTD.
10150 York Rd. , 5th FL
Hunt Valley, MD 21030



(Authorized Representative)

Type Name: Christopher McGovern

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ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.
PXA0000905-00	11/1/2019	Worth Avenue Restaurant Inc DBA Ta-boo Restaurant	290397

Schedule of Forms

Florida Surplus Line	Florida Surplus Lines Tax Stamp
KSD-07/01/2019	Sanction Limitation and Exclusion Clause
Security MGU Slip	Security Slip MGU - Property (B0429BA1900661)
Security Slip EB	Security MGU Slip - Equipment Breakdown (B0429BA1900661)
CNP-CD-01 06 13	Common Declarations
ARF1779 01 13	Schedule of Forms
GSC-GN-001 09 07	General Clauses Endorsement (includes Lloyds mandatory forms)
GSC-GN-002 09 07	Minimum Earned Premium Endorsement
IL 00 17 11 98	Common Policy Conditions
IL 00 21 05 04	Nuclear Energy Liability Exclusion Endorsement
LMA3100 09 10	Sanction Limitation and Exclusion Clause
IL P 001 01 04	U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to P
ARFD051 10 18	Request For Jurisdictional Inspection
ARFD052 10 18	Notice to Policyholders Jurisdictional Inspections
LMA5018 09 05	Micro Organism Exclusion
LMA5021 09 05	Applicable Law (USA) Clause
LMA5219 01 15	U. S. Terrorism Risk Insurance Act of 2002 as amended - Not Purchased Clause
LSW1001 08 94	Several Liability Notice (Insurance)
LSW1135B 06 03	Lloyd's Privacy Policy Statement
NMA 1331 04 61	Cancellation Clause
ARFD039	PUR Property Coverage Enhancement
TRVEBAIRisks	Equipment Breakdown Coverage
CN-CPD-002 04 19	Commercial Property Declarations
CP 10 30 10 12	Causes of Loss - Special Form
CP 00 10 04 02	Building & Personal Property Coverage Form
CP 00 30 04 02	Business Income & Extra Expense
LMA5019 09 05	Asbestos Endorsement
CND-SL-001 06 13	Schedule of Locations
CP 00 90 07 88	Commercial Property Conditions
CP 10 32 08 08	Water Exclusion

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.
PXA0000905-00	11/1/2019	Worth Avenue Restaurant Inc DBA Ta-boo Restaurant	290397

Schedule of Forms

CP 10 54 06 95	Wind or Hail Exclusion
CP 12 11 10 00	Burglary & Robbery Protective Safeguards
IL 04 15 04 98	Protective Safeguard Endorsement
IL 09 35 07 02	Computer Related Losses Exclusion
CP 12 18 06 95	Loss Payable Provisions
GSC-CP-007 09 07	Total Mold, Mildew or Other Fungi Exclusion
GSC-CP-009 02 08	Total Loss Endorsement
IL 02 55 (02/12)	FL Changes - Cancellation and Nonrenewal
IL 01 75 09 07	Florida Changes - Legal Action Against Us
IL 04 01 (02/12)	FL Sinkhole Loss Coverage
CP 01 25 02 12	FL Changes

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a) Service of Suit Clause – LMA 5010

This Service of Suit Clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in any Arbitration provision within this Policy. This Clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this contract of insurance (or reinsurance).

It is agreed that 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 {as stated on the policy declarations page} 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) Electronic Data Endorsement B- NMA 2915

1. Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

(a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature.

COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

(b) However, in the event that a peril listed below results from any of the matters described in paragraph (a) above, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

- Listed Perils:
• Fire
• Explosion

2. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost

of the blank media. However this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

c) Terrorism Exclusion Endorsement – NMA 2920

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance 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 organisation(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 the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

d) Seepage and Pollution Exclusion Clause – NMA 2340

LAND, WATER AND AIR EXCLUSION

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 land (including but not limited to land on which the insured property is located), water or air, howsoever and wherever occurring, or any interest or right therein.

SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION

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.

The term 'any kind of seepage or any kind of pollution and/or contamination' as used in this Endorsement 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.

DEBRIS REMOVAL ENDORSEMENT

THIS ENDORSEMENT CONTAINS PROVISIONS WHICH MAY LIMIT OR PREVENT RECOVERY UNDER THIS POLICY FOR LOSS WHERE COSTS OR EXPENSES FOR DEBRIS REMOVAL ARE INCURRED.

Nothing contained in this Endorsement shall override any Seepage and/or Pollution and/or Contamination Exclusion or any Radioactive Contamination Exclusion or any other Exclusion applicable to this Policy.

Any provision within this Policy (or within any other Endorsement which forms part of this Policy) which insures debris removal is cancelled and replaced by the following:

- 1) In the event of direct physical damage to or destruction of property, for which Underwriters hereon agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay (hereinafter referred to as 'Damage or Destruction'), this Policy also insures, within the sum insured, subject to the limitations and method of calculation below, and to all the other terms and conditions of the Policy, costs or expenses:
 - (a) which are reasonably and necessarily incurred by the Assured in the removal, from the premises of the Assured at which the Damage or Destruction occurred, of debris which results from the Damage or Destruction; and

- (b) of which the Assured becomes aware and advises the amount thereof to Underwriters hereon within one year of the commencement of such Damage or Destruction.
- 2) In calculating the amount, if any, payable under this Policy for loss where costs or expenses for removal of debris are incurred by the Assured (subject to the limitations in paragraph 1 above):
- (a) the maximum amount of such costs or expenses that can be included in the method of calculation set out in (b) below shall be the greater of U.S. \$25,000 (twenty-five thousand dollars) or 10% (ten percent) of the amount of the Damage or Destruction from which such costs or expenses result, and
- (b) the amount of such costs or expenses as limited in (a) above shall be added to:
- (i) the amount of the Damage or Destruction; and
- (ii) all other amounts of loss, which arise as a result of the same occurrence, and for which Underwriters hereon also agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay, and

the resulting sum shall be the amount to which any deductible or underlying amount to which this Policy is subject and the limit (or applicable sub-limit) of this Policy, shall be applied.

e) Radioactive Contamination Exclusion - NMA 1191

This policy does not cover any loss or damage arising directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination however such nuclear reaction, nuclear radiation or radioactive contamination may have been caused * NEVERTHELESS if Fire is an insured peril and a Fire arises directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination any loss or damage arising directly from that Fire shall (subject to the provisions of this policy) be covered EXCLUDING however all loss or damage caused by nuclear reaction, nuclear radiation or radioactive contamination arising directly or indirectly from that Fire.

* Note - If Fire is not an insured peril under this policy the words from NEVERTHELESS to the end of the clause do not apply and should be disregarded.

f) War and Civil War Exclusion - NMA 464

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.

g) Biological or Chemical Materials Exclusion - NMA 2962

It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

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

GSC-GN-002 (09/07) Minimum Earned Premium Endorsement

The Minimum Earned Premium for the Policy is 25 % of the premium shown on the Declaration page.

In respect to the Commercial General Liability coverage part, at expiry of a full annual term the underwriter shall retain not less than the deposit premium shown on the declaration, regardless of the premium actually developed upon audit of the premium base.

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

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COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
 - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

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

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

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

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

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

"Nuclear facility" means:

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

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

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

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

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

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

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SANCTION LIMITATION AND EXCLUSION CLAUSE

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

15/09/10

LMA3100

(Applicable to Certain Underwriters at
Lloyd's, London)

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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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REQUEST FOR JURISDICTIONAL INSPECTION

Fax: 877-764-9535

Email: Boilinsp@Travelers.com

Phone: 800-425-4119

Name of Coverholder: All Risks, LTD

Named Insured (Company Name): _____

Policy Number (if known): _____

Locations to Be Inspected:

City

State

Zip Code

Person to contact for scheduling inspection: _____

Contact Phone and/or E-mail: _____

Completed By: _____ Phone Number: _____

NOTICE TO POLICY HOLDERS

JURISDICTIONAL INSPECTIONS

Dear Policyholder;

Many states, provinces and some cities (jurisdictional authorities) issue certificates permitting the continued operation of certain equipment such as boilers, water heaters, pressure vessels, etc. Periodic inspections are normally required by law to renew these certificates. In most jurisdictions, insurance companies licensed to sell Boiler and Machinery insurance have employees licensed by the jurisdiction to perform these inspections.

If:

- You own or operate boilers or other pressure vessels as defined by a jurisdictional boiler and pressure vessel law that requires these objects to be inspected for a certificate of operation from the jurisdiction (city, state and/or province), and
- The objects are located in a jurisdiction that accepts inspections completed by insurance company employees, and
- We insure these objects under this Reinsurance Coverage Agreement, and
- You would like us to perform the next required inspection;

Then: Call this toll-free number – **1-800-425-4119**

When you call this number, our representative will ask you for the following information:

- Name of your business (as shown on this Reinsurance Coverage Agreement)
- Location where the equipment is located, including the Zip Code
- Person to contact and phone number for scheduling of inspection
- Type of equipment requiring inspection
- Certificate inspection date and certificate number

Or: Fill in the form on the following notice and fax it to the toll free number indicated on that form.

Please note the following:

- Your jurisdiction may charge you a fee for renewing a certificate. It is your responsibility to pay such a fee.
- All the provisions of the INSPECTIONS AND SURVEYS Condition of the Reinsurance Coverage Agreement apply to the inspections described in this notice.

REMINDER

If new equipment is installed or old equipment replaced that requires a jurisdictional inspection please let us know by calling our toll free number listed above.

MICROORGANISM EXCLUSION (ABSOLUTE)

This Policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to:

mold, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This Exclusion applies regardless whether there is (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy, or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This Exclusion replaces and supersedes any provision in the Policy that provides insurance, in whole or in part, for these matters.

14/09/2005

LMA5018

Form approved by Lloyd's Market Association

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APPLICABLE LAW (U.S.A.)

This Insurance shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the provisions of the Service of Suit Clause (U.S.A.)

LMA5021

14/09/2005

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**U.S. Terrorism Risk Insurance Act of 2002 as amended
Not Purchased Clause**

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

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

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

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

LMA5219

12 January 2015

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SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

08/94

LSW1001 (Insurance)

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LLOYD'S PRIVACY POLICY STATEMENT

UNDERWRITERS AT LLOYD'S, LONDON

The Certain Underwriters at Lloyd's, London want you to know how we protect the confidentiality of your non-public personal information. We want you to know how and why we use and disclose the information that we have about you. The following describes our policies and practices for securing the privacy of our current and former customers.

INFORMATION WE COLLECT

The non-public personal information that we collect about you includes, but is not limited to:

- Information contained in applications or other forms that you submit to us, such as name, address, and social security number
- Information about your transactions with our affiliates or other third-parties, such as balances and payment history
- Information we receive from a consumer-reporting agency, such as credit-worthiness or credit history

INFORMATION WE DISCLOSE

We disclose the information that we have when it is necessary to provide our products and services. We may also disclose information when the law requires or permits us to do so.

CONFIDENTIALITY AND SECURITY

Only our employees and others who need the information to service your account have access to your personal information. We have measures in place to secure our paper files and computer systems.

RIGHT TO ACCESS OR CORRECT YOUR PERSONAL INFORMATION

You have a right to request access to or correction of your personal information that is in our possession.

CONTACTING US

If you have any questions about this privacy notice or would like to learn more about how we protect your privacy, please contact the agent or broker who handled this insurance. We can provide a more detailed statement of our privacy practices upon request.

06/03

LSW1135B

CANCELLATION CLAUSE

NOTWITHSTANDING anything contained in this Insurance to the contrary this Insurance may be cancelled by the Assured at any time by written notice or by surrendering of this Contract of Insurance. This Insurance may also be cancelled by or on behalf of the Underwriters by delivering to the Assured or by mailing to the Assured, by registered, certified or other first class mail, at the Assured's address as shown in this Insurance, written notice stating when, not less than {Response} days thereafter, the cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice and this Insurance shall terminate at the date and hour specified in such notice.

If this Insurance shall be cancelled by the Assured the Underwriters shall retain the customary short rate proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Underwriters shall receive the Earned Premium hereon or the customary short rate proportion of any Minimum Premium stipulated herein whichever is the greater.

If this Insurance shall be cancelled by or on behalf of the Underwriters the Underwriters shall retain the pro rata proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Underwriters shall receive the Earned Premium hereon or the pro rata proportion of any Minimum Premium stipulated herein whichever is the greater.

Payment or tender of any Unearned Premium by the Underwriters shall not be a condition precedent to the effectiveness of Cancellation but such payment shall be made as soon as practicable.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

20/4/61
NMA1331

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PUR Property Coverage Enhancement Form

The following Sub-limits of Liability will apply on a per occurrence basis and considered inclusive within the limits of liability set forth in the Declaration page, unless otherwise stated in the Declaration page or endorsed hereafter:

Premium Charge:	\$ 500.00
Deductible:	\$ 1,000.00

1. Valuable Papers and Records	\$ 25,000
2. Accounts Receivable	\$ 25,000
3. Professional Fees	\$ 100,000
4. Emergency Vacating Expense	\$ 25,000
5. Locks and Keys	\$ 5,000
6. Pollution Cleanup and Removal	\$ 25,000
7. Off Premises Service Interruption	\$ 100,000
8. Electronic Data Processing Equipment	\$ 25,000
9. Fine Arts	\$ 25,000
10. Fire Brigade Charges and Extinguishing Expenses	\$ 25,000
11. Mold, Fungi, Wet or Dry Rot	\$ 25,000
12. Water and Sewer Back Up	\$ 25,000
13. Unintentional Errors and Omissions	\$ 50,000
14. Civil Authority	\$250,000 or 60 days, whichever is greater
15. Ingress/Egress	45 days
16. Personal Effects and Property of Others	\$ 15,000
17. Outdoor Property	\$ 25,000
1. Tree, Shrubs, Plants (subject to max \$1,000 for anyone plant)	\$ 5,000
18. Signs	\$ 15,000
19. Fire Protection Equipment Refill	\$ 10,000
20. Spoilage	\$ 25,000
21. Debris Removal	\$ 15,000
22. Money & Securities	\$ 25,000
23. Employee Dishonesty	\$ 25,000

In consideration of the premium paid and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the Policy to which this endorsement is attached:

1. Valuable Papers

This insurance is extended to cover Valuable Papers as defined below:

- a. The term "Valuable Papers" shall include but not be limited to written, printed or otherwise inscribed documents and records including books, maps, film, drawings, abstracts, deeds, mortgages, manuscripts,
- b. The term "Valuable Papers" shall not mean money or securities.
Notwithstanding the limit of insurance stated elsewhere in this Policy, the limit of Underwriters Liability for loss shall not exceed the actual cash value of the property at the time of loss nor what it would then cost to repair or replace the property with other of like kind and quality.
- c. The limit of Liability will not exceed the applicable limit of insurance shown in the sublimits.

2. Accounts Receivable

This insurance is extended to cover Accounts Receivable as defined below:

- a. Insures against loss of sums owed to the insured by its customers that are uncollectible because of damage by an insured peril to accounts receivable records
- b. All Sums due to the Named Insured from customers, provided the Named Insured is unable to effect collections thereof as direct result of loss or damage to records of accounts receivable
- c. Collection expense in excess of normal collection cost and made necessary because of such loss or damage
- d. Other expenses, when reasonably incurred by the Named Insured in re-establishing records of accounts receivable following such loss or damage.
- e. The limit of Liability will not exceed the applicable limit of insurance shown in the sublimits.

3. Professional Fees

This insurance is extended to cover reasonable claims administration and loss data preparation fees and expenses to: Auditors, Accountants, Appraisers, Architects, Engineers, Construction consultants for producing and certifying particulars or details of the Named Insured's business in order to determine the amount of loss. Expenses must be incurred by the Named Insured in order to establish the amount of the loss

- a. The Company will not be liable for fees or expenses to: attorneys, public adjusters, or the Named Insureds own employees or agents.
- b. The limit of Liability will not exceed the applicable limit of insurance shown in the sublimits.

4. Emergency Vacating Expense

This insurance is extended to cover the reasonable expenses incurred by the Insured to evacuate occupants when an authorized governmental agency or other similar authority orders the emergency evacuation of an insured building as a result of an impending insured peril that threatens imminent physical danger or loss of life to the occupants of the building. The limit of Liability will not exceed the applicable limit of insurance shown in the sublimits.

5. Locks and Keys

This insurance is extended to provide indemnity to the insured for cost of damage to locks or misplaced keys. The limit of Liability will not exceed the applicable limit of insurance shown in the sublimits.

6. Pollution Cleanup and Removal

This Insurance is extended to provide indemnity to the Insured for the cost of Clean up and/or Removal of any Pollution directly resulting from physical loss or damage insured by this Policy that occurs during the Period of Insurance stated in the Schedule.

Provided always that the maximum payable in respect of the indemnity available under this Extension shall not exceed the amount stated in the Program Sub-limits in respect of Pollutant Clean Up and Removal.

7. Off Premises Service Interruption

This insurance is extended to cover the actual loss sustained and necessary Extra Expense incurred during the period of time when, as direct result of physical damage within five miles of the premises by a peril insured against, electrical, steam, gas, water or telephone services to the described premises are interrupted. The limit of Liability will not exceed the applicable limit of insurance shown in the sublimits.

8. Electronic Data Processing Equipment

1) You may extend the insurance that applies to Your Business Personal Property to apply at the described premises in the Declarations for direct physical loss or damage to “electronic data processing hardware”, “telecommunications equipment”, “electronic data” and “media”:

- (a) Owned by you (other than your “stock”);
- (b) Owned by others, but leased to you; or
- (c) Owned by others but in your care, custody or control (other than your “stock”).

2. Under this Additional Coverage the following additional Causes of Loss are covered:

- (a) Changes in your electrical power supply, including interruption, power surge, blackout or brownout;
- (b) Dampness or dryness of atmosphere or changes in or extremes of temperature caused by direct physical damage from a Covered Cause of Loss to an air conditioning unit or system, including equipment and parts, which is part of or used with an electronic data processing system .
- (c) Short circuit, blowout, or other electrical disturbance within the “electronic data processing hardware”;
- (d) Electrical or magnetic injury, disturbance, or erasure of electronic recordings;
- (e) Floods, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (f) Earth movement, such as an earthquake, landslide or earth sinking, rising or shifting; and
- (g) A virus, harmful code or similar instruction introduced into or enacted on a computer system or network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation but only for the limits outlined in **9. Limits of Insurance** below.

The additional Causes of Loss provided in this Additional Coverage are not applicable to Business Income and/or Extra Expense other than that provided in the Business Income or Extra Expense form(s).

3. The following additional exclusions apply only to the **Electronic Data Processing Hardware, Electronic Data and Media** Additional Coverage in this endorsement:

We will **not** cover loss resulting directly or indirectly from:

- (a) Errors, omissions or incorrect instructions in programming or processing “electronic data”;
- (b) Errors or deficiency in design, installation, maintenance, repair or modification of your computer system or any computer system or network to which your system is connected or on which your system depends (including “electronic data”);

(c) Manipulation of your computer system, including “electronic data”, by an employee, volunteer worker or contractor, for the purpose of diverting “electronic data” or causing fraudulent or illegal transfer of any property;

(d) Unauthorized viewing, copying or use of “electronic data” (or any proprietary or confidential information or intellectual property in any form) by any person, even if such activity is characterized as theft.

9. Fine Arts Extension:

This insurance is extended to cover Fine Arts against Direct Physical Loss or Damage and is defined as follows:

- a. Paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; antique furniture; antique jewelry; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metals, watercraft, aircraft, money, securities.
- b. This Policy covers insured physical loss or damage to Fine Arts articles while anywhere within this Policy's territory, including while in transit

This additional coverage excludes loss or damage if the Fine Arts cannot be replaced with other of like kind and quality, unless it is specifically declared to the Insurer.

This Policy does not insure against:

- a. Deterioration, wear and tear or inherent vice;
- b. Loss or damage from any repairing, restoration or retouching process.

The limit of Liability will not exceed the applicable limit of insurance shown in the sublimits.

10 Fire Brigade Charges and Extinguishing Expenses

This insurance is extended to cover the following expenses resulting from a covered loss:

- c. fire brigade charges and any extinguishing expenses which the Assured incurs
- d. loss and disposal of fire extinguishing materials expended.

Limit is as stated in the Program Sub limits

- e. The limit of Liability will not exceed the applicable limit of insurance shown in the sublimits.

11. Mold, Fungi, Wet or Dry Rot or Bacteria

This insurance is extended to cover direct physical loss, damage or destruction to insured property resulting from Fungus, Mold, Wet or Dry Rot which is a direct result of physical loss, damage or destruction from a covered peril insured against under this policy that occurs to covered property under this policy, during the policy term. This coverage includes the cost or expense to test for remove and remediate;

- a. any Fungus, Mold, Wet or Dry Rot from insured property caused by insured direct physical loss, damage or destruction. The cost to tear out and replace any part of the building or other property as needed to gain access to the Fungus, Mold, Wet or Dry Rot is also insured.
- b. any and all other damage of the type not otherwise excluded by this policy resulting from Fungus, Mold, Wet or Dry Rot.
- c. The limit of Liability will not exceed the applicable limit of insurance shown in the sublimits.

The cost of testing performed after removal and remediation of such Fungus, Mold, Wet or Dry Rot from insured property is also insured provided there is reason to believe that such Fungus, Mold, Wet or Dry Rot is still present.

It is agreed that the Insured shall give notice to the Company of intent to claim for the costs or expenses described above no later than 12 months after the date of direct physical loss, damage or destruction giving rise to the Fungus, Mold, Wet or Dry Rot.

Fungus means any of the plants or organisms belonging to the major group fungi, lacking chlorophyll, and including mold(s), rusts, mildews, yeasts, smuts and mushrooms. Mold means any superficial growth produced on damp or decaying organic matter or on living organisms, and fungi that produce mold(s). Both definitions include any spores or toxins created or produced by or emanating from such Fungus or Mold. Spores mean any dormant or reproductive body produced by or arising or emanating out of Fungus or Mold.

12. Water and Sewer Backup

This insurance is extended to cover direct physical loss to covered property caused by

- a. water that backs up through a sewer or drain; or
- b. water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a covered building or structure.

13. Unintentional Errors or Omissions

If physical loss or damage is not payable under this Policy solely due to an unintentional error or omission:

- a. in the description of where an insured property is physically located;
- b. to include any Location:
 - i. owned, rented or leased by the Insured on the effective date of this Policy; or
 - i. purchased, rented or leased by the Insured during the Period of Insurance of this Policy; or
- c. that results in cancellation of the property insured under this Policy;

this policy is extended to cover such physical loss or damage, to the extent it would have provided coverage had such unintentional error or omission not been made and subject to the amount shown under the Sublimits section above.

It is a further condition of this Coverage Enhancement that any error or unintentional omission be reported by the Insured to Underwriters when discovered and corrected.

14. Civil or Military Authority

This insurance is extended to cover the actual loss sustained and necessary Extra Expense incurred during the period of time when, as direct result of physical damage within five miles of the premises by a peril insured against, access to the described premises is prohibited by order of civil or military authority. The maximum period of indemnity in respect to this extension shall not exceed 30 consecutive days from the date of that order.

15. Ingress/Egress

This policy is extended to cover the actual loss sustained and necessary Extra Expense during the period of time when as direct result of physical damage within five miles of the premises by a peril insured against, ingress to or egress from the described premises is thereby prevented. The maximum period of indemnity in respect to this extension shall not exceed 30 consecutive days.

16. Personal Effects And Property of Others is replaced by the following:

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 includes tools owned by your employees that are used in your business while such tools are located in or on building(s) described in the Declarations or in the open (or in a vehicle) within one hundred feet of the described premises,
2. "Personal Property of Others" in your care, custody or control. This includes property that you have sold which is awaiting delivery or installation.

However, this Extension does not apply if the "loss" is covered by other insurance, whether collectible or not.

For "Personal Property of Others", **Extension Of Replacement Cost To Personal Property Of Others** in the **Optional Coverages Section**, is applicable.

Additional Definition:

"Personal Property of Others" means personal property that you do not own. It does not include:

1. Personal property that belongs you, your officers, your partners or members, your managers or your employees; or
2. Business Personal Property leased from others.

The most we will pay for loss or damage under this Coverage Extension is \$15,000 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.

17. 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;**
5. **Aircraft;**

The most we will pay for loss or damage to trees, shrubs, or plants (including debris removal expense) under this Coverage Extension is \$5,000, but not more than \$1,000 for any one tree, shrub or plant.

The most we will pay for other property under this Coverage Extension is \$25,000. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence

A \$500 deductible applies to this Coverage Extension. The amount payable under this Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Coverage Extension.

18. Signs

Coverage is extended as follows:

1. We will pay for loss or damage caused by a Covered Cause of Loss to signs at the premises described in the Declarations:

- (a) Owned by you; or
- (b) Owned by others in your care, custody or control.

2. The **Exclusions and Limitations** Section does not apply to this Coverage Extension for **Signs**, except for:

- (a) **Governmental Action**;
- (b) **Nuclear Hazard**; and
- (c) **War And Military Action**.
- (d) Delay, loss of use or loss of market;
- (e) Smoke, vapor or gas from agricultural smudging or industrial operations.
- (f) Wear and tear; rust or other corrosion, decay, deterioration, hidden or latent defects or any quality in property that causes it to damage or destroy itself; smog; settling, cracking, shrinking or expansion; nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals; 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;
- (g) 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 also not pay for loss or damage caused by or resulting from any of the following:

- (a) Dampness or dryness of atmosphere;
- (b) Changes in extremes of temperature
- (c) Marring or scratching; or
- (d) Rain, snow, ice or sleet.

4. The most we will pay under this Coverage Extension is \$15,000 any one occurrence.

5. A \$500 deductible applies to this Coverage Extension.

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

19. Fire Protection Equipment Refill

We will pay:

1. Expenses you incur for the recharging or refilling of your automatic fire extinguishing equipment after such equipment is discharged as a result of a fire to your Covered Property; or
2. For loss or damage to Covered Property if caused by the accidental discharge of fire suppressant chemicals from your automatic fire extinguishing system. This limit may be used to cover the additional expense you incur to recharge such systems following a covered accidental discharge; or
3. The cost you incur to recharge or refill portable fire extinguishing equipment after being used to fight a fire to your Covered Property.

The most we will pay under this Additional Coverage is \$10,000 for each occurrence at your described premises. No deductible applies to this Additional Coverage. The amount payable under this Additional Coverage is additional insurance. The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

20. Spoilage.

Coverage is provided as follows:

1. You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage to “perishable stock” caused by or resulting from:

(a) A change in temperature or humidity resulting from mechanical breakdown or failure of refrigerating, cooling, heating, or humidity control equipment, but only while such equipment is at the premises described in the Declarations;

(b) Contamination by the refrigerant resulting from the failure or mechanical breakdown of refrigerating or cooling equipment at the premises described in the Declarations; or,

(c) Complete or partial interruption or failure of power or other utility service either on or off the premises described in the Declarations, due to conditions beyond your control.

2. We will determine the value of “perishable stock” in the event of loss or damage at:

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

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

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

(a) The disconnection of any refrigerating, cooling, heating, or humidity control equipment or systems 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 electric power or current or other utility service;

(c) The inability of an electric power company or other utility service to provide sufficient power of service due to lack of fuel or Governmental order; or

(d) The inability of a power source or other utility at the premises described in the Declarations to provide sufficient power or service due to lack of generating or operating capacity to meet demand, or

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

4. Coverage provided by this Coverage Extension does not apply if the loss or damage is covered by any other insurance, whether collectible or not.

5. The most we will pay for loss or damage under this Coverage Extension is \$15,000 per occurrence at each premises described in the Declarations.

6. A \$250 deductible applies to this Coverage Extension. This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Coverage Extension.

7. The following “Definitions” is added for this Coverage Extension:

“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.

The most we will pay for other property under this Coverage Extension is \$25,000. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence

A \$500 deductible applies to this Coverage Extension. The amount payable under this Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Coverage Extension.

expense you incur to recharge such systems following a covered accidental discharge; or

3. The cost you incur to recharge or refill portable fire extinguishing equipment after being used to fight a fire to your Covered Property.

The most we will pay under this Additional Coverage is \$10,000 for each occurrence at your described premises. No deductible applies to this Additional Coverage. The amount payable under this Additional Coverage is additional insurance. The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

5. The most we will pay for loss or damage under this Coverage Extension is \$15,000 per occurrence at each premises described in the Declarations.

6. A \$250 deductible applies to this Coverage Extension. This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Coverage Extension.

7. The following "Definitions" is added for this Coverage Extension::

"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.

21 Debris Removal

This insurance is extended to cover the following expenses resulting from a covered loss:

- a. the cost of removal of debris of property covered hereunder;
- b. the cost of removal of debris of property not covered hereunder from the premises of the Insured;
- c. the cost of recycling debris of property insured hereunder including the reasonable cost of cleaning, sorting, separating, segregating and transporting such debris to recycling centers.

22 Money and Securities

a. We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, at the described premises or in transit between any of these places, resulting directly from:

- (1) "theft";
- (2) disappearance; or
- (3) destruction.

b. In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:

- (1) resulting from accounting or arithmetical errors or omissions;
- (2) due to the giving or surrendering of property in any exchange or purchase; or

(3) of property contained in any money-operated device unless the amount of "money" deposited in it is recorded

by a continuous recording instrument in the device.

c. All loss or damage:

(1) caused by one or more persons; or

(2) involving a single act or series of related acts; is considered one occurrence.

d. You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.

c. The most we will pay under this Coverage Extension for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Schedule on page 1 of this endorsement.

23) Employee Dishonesty

a. We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your "employees" acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:

(1) cause you to sustain loss or damage; and also

(2) obtain financial benefit (other than salaries, commissions, fees bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:

(i) any "employee", or

(ii) any other person or organization

b. We will not pay for loss or damage:

(1) resulting from any dishonest or criminal act that you, any of your partners, or any of your "members" commit whether acting alone or in collusion with other persons;

(2) the only proof of which as to its existence or amount is:

(i) An inventory computation; or

(ii) A profit and loss computation. However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of loss claimed;

(3) resulting from an "employee" of yours or predecessor in interest of yours, for whom similar prior insurance has been canceled and not reinstated since the last such cancellation;

(4) Resulting from trading, whether in your name or in a genuine or fictitious account;

(5) resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

c. All loss or damage:

(1) caused by one or more persons; or

(2) involving a single act or series of related acts; is considered one occurrence.

d. The most we will pay under this Coverage Extension for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Schedule on page 1 of this endorsement.

e. We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

f. This Coverage does not apply to any "employee" immediately upon discovery by: (1) you; or (2) any of your partners, officers or directors not in collusion with the "employee"; of any dishonest act committed by that "employee" before being hired by you or after they have left your service.

We will pay only for covered loss or damage discovered no later than one year from the end of the Policy Period.

g. If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this coverage, provided:

(1) this coverage became effective at the time of cancellation or termination of the prior insurance; and

(2) the loss or damage would have been covered by this coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

h. The insurance under Paragraph (g) above is part of, not in addition to, the Limit of Insurance applying to this coverage and is limited to the lesser of the amount recoverable under:

(1) this coverage as of its effective date; or

(2) the prior insurance had it remained in effect.

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EQUIPMENT BREAKDOWN COVERAGE

This Endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CAUSES OF LOSS – BASIC FORM
 CAUSES OF LOSS – BROAD FORM
 CAUSES OF LOSS – SPECIAL FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

Equipment Breakdown Schedule	
Equipment Breakdown Limits of Insurance:	\$ 3,000,000
Perishable Goods	\$ 100,000
Expediting Expenses	\$ 100,000
Pollution Clean Up and Removal	\$ 100,000
Data and Media	\$ 100,000
Demolition and Increased Cost of Construction	\$ 100,000
Deductibles:	
Direct Damage	\$ 1,000
Business Income and Extra Expense	72 hours
Perishable Goods	\$ 1,000
Utility Interruption – Waiting Period	72 hours
Other:	\$ 1,000

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:

- (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.
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. **Perishable Goods.**
 - (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 Perishable Goods 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, 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.

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.

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.I. from the Causes of Loss – Special Form, is deleted and replaced by the following:
 - I. 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 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.
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:

- (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 25% 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

- (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. **“Media”** means electronic data processing or storage material such as films, tapes, discs, drums or cells.
- c. **“Perishable goods”** means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change.

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Commercial Property Schedule

Policy No. PXA0000905-00

Named Insured Worth Avenue Restaurant Inc DBA Ta-boo Restaurant Effective Date 11/01/19

These Declarations are part of the Common Policy Declarations containing the name of the Insured and the Policy Period

Loc No	Bldg No	Coverage	Cause of Loss	Co-ins. or Mo. Limitation	Valuation	*Ded	Water Damage Ded	Limit	Rate	Premium
1	1	Tenants I&B (Improvements & Betterments)	Special excluding Wind/Hail	80%	RCV	\$1,000		\$850,000	.2940	\$2,499.00
1	1	Business Personal Property	Special excluding Wind/Hail	80%	RCV	\$1,000		\$640,000	.2940	\$1,882.00
1	1	Business Income with Extra Expense	Special excluding Wind/Hail	1/4				\$1,500,000	.2940	\$4,410.00
2	1	Business Personal Property	Special excluding Wind/Hail	80%	RCV	\$1,000		\$10,000	.2940	\$29.00

*Deductible exceptions:

See form ARF1779 for Schedule of Forms and Endorsements

See form CND-MH-001 for Schedule of Mortgage Holders

See form CNS-SL-001 for Schedule of Locations

**Total Property Premium for all locations is shown on the Common Declarations Page form CNP-CD-01

CAUSES OF LOSS – SPECIAL FORM

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

A. Covered Causes Of Loss

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

B. Exclusions

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

a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

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

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

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

b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

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

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

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

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

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

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

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

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

d. Nuclear Hazard

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

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

e. Utility Services

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

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

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

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

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

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

f. War And Military Action

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

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

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- (4) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings; or
- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

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

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

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

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

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

This exclusion does not apply:

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

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

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

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

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

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

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

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

- b. Delay, loss of use or loss of market.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.
- d.(1) Wear and tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Settling, cracking, shrinking or expansion;

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

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

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

- (a) Dampness or dryness of atmosphere;
- (b) Changes in or extremes of temperature; or
- (c) Marring or scratching.

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

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.
- g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - (1) You do your best to maintain heat in the building or structure; or

- (2) You drain the equipment and shut off the supply if the heat is not maintained.
- h. Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1) Applies whether or not an act occurs during your normal hours of operation;
- (2) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- j. Rain, snow, ice or sleet to personal property in the open.
- k. Collapse, including any of the following conditions of property or any part of the property:
- (1) An abrupt falling down or caving in;
- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above.

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

This exclusion, k., does not apply:

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

- (b) To collapse caused by one or more of the following:

- (i) The "specified causes of loss";
- (ii) Breakage of building glass;
- (iii) Weight of rain that collects on a roof; or
- (iv) Weight of people or personal property.

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

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

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

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

- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- c. Faulty, inadequate or defective:
- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation or remodeling; or
- (4) Maintenance;
- of part or all of any property on or off the described premises.

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

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

We will not pay for:

- (1) Any loss caused by or resulting from:
 - (a) Damage or destruction of "finished stock"; or
 - (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.
- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

- (5) Any other consequential loss.

b. Leasehold Interest Coverage Form

- (1) Paragraph B.1.a., Ordinance Or Law, does not apply to insurance under this Coverage Form.
- (2) We will not pay for any loss caused by:
 - (a) Your cancelling the lease;
 - (b) The suspension, lapse or cancellation of any license; or
 - (c) Any other consequential loss.

c. Legal Liability Coverage Form

- (1) The following exclusions do not apply to insurance under this Coverage Form:
 - (a) Paragraph B.1.a. Ordinance Or Law;
 - (b) Paragraph B.1.c. Governmental Action;
 - (c) Paragraph B.1.d. Nuclear Hazard;
 - (d) Paragraph B.1.e. Utility Services; and
 - (e) Paragraph B.1.f. War And Military Action.
- (2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

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

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

(b) Nuclear Hazard

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

5. Additional Exclusion

The following provisions apply only to the specified property:

Loss Or Damage To Products

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

C. Limitations

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

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

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

However, this limitation does not apply to:

- (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
 - (2) Business Income Coverage or Extra Expense Coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
 - f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
 - g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
 - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
 - (2) Changes in or extremes of temperature;
 - (3) Disease;
 - (4) Frost or hail; or
 - (5) Rain, snow, ice or sleet.
2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or
 - (2) Containers of property held for sale.
 - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

 - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or
 - (2) To Business Income Coverage or to Extra Expense Coverage.

3. The special limit shown for each category, **a.** through **d.**, is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):
 - a. \$2,500 for furs, fur garments and garments trimmed with fur.
 - b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
 - c. \$2,500 for patterns, dies, molds and forms.
 - d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

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

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

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:
 - a. Results in discharge of any substance from an automatic fire protection system; or
 - b. Is directly caused by freezing.

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

D. Additional Coverage – Collapse

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

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

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
 - a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
 - c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
 - d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
 - (1) A cause of loss listed in **2.a.** or **2.b.**;
 - (2) One or more of the "specified causes of loss";
 - (3) Breakage of building glass;
 - (4) Weight of people or personal property; or
 - (5) Weight of rain that collects on a roof.
3. This **Additional Coverage – Collapse** does not apply to:
 - a. A building or any part of a building that is in danger of falling down or caving in;
 - b. A part of a building that is standing, even if it has separated from another part of the building; or
 - c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
4. With respect to the following property:
 - a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

- b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in **2.a.** through **2.d.**, we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.**;
 - b. The personal property which collapses is inside a building; and
 - c. The property which collapses is not of a kind listed in **4.**, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- 6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- 7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.
- 8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in **D.1.** through **D.7.**

E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under **E.2.** of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

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

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.
6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:
- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

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

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - (1) Fire, lightning, explosion, 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:

- (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and
- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the described premises and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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

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

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

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.

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 Additional Coverages – 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.

- 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, signs (other than signs attached to buildings), 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

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 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.
- (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.
 - (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.

- (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.
- (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), signs (other than signs attached to buildings), 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 attached to buildings is \$1,000 per sign in any one occurrence.

The limits applicable to the Fire Department Service Charge and Pollutant Clean Up and Removal Additional Coverages are in addition to the Limits of Insurance.

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

D. Deductible

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

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

Example No. 1:

(This example assumes there is no coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance – Bldg. 1:	\$ 60,000
Limit of Insurance – Bldg. 2:	\$ 80,000
Loss to Bldg. 1:	\$ 60,100
Loss to Bldg. 2:	\$ 90,000

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

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

\$ 60,100
– 250
<hr/>
\$ 59,850 Loss Payable – Bldg. 1

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

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

Example No. 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 Bldg. 1:	\$ 70,000
(exceeds Limit of Insurance plus Deductible)	
Loss to Bldg. 2:	\$ 90,000
(exceeds Limit of Insurance plus Deductible)	
Loss Payable – Bldg. 1:	\$60,000
(Limit of Insurance)	
Loss Payable – Bldg. 2:	\$80,000
(Limit of Insurance)	
Total amount of loss payable:	\$140,000

E. Loss Conditions

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

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

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

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

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

3. Duties In The Event Of Loss Or Damage

a. You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

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

- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.

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

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of 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.

5. Recovered Property

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

6. Vacancy

a. Description Of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:
 - (a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
 - (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:
 - (i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
 - (ii) Used by the building owner to conduct customary operations.

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

b. Vacancy Provisions

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

- (1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
 - (a) Vandalism;
 - (b) Sprinkler leakage, unless you have protected the system against freezing;
 - (c) Building glass breakage;
 - (d) Water damage;
 - (e) Theft; or
 - (f) Attempted theft.
- (2) With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

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

- a. At actual cash value as of the time of loss or damage, except as provided in **b.**, **c.**, **d.** and **e.** below.
- b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of 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. Tenant's 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 No. 1 (Underinsurance):

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

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

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

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

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

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

Example No. 2 (Adequate Insurance):

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

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

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

Example No. 3:

When:	The value of property is:	
	Bldg. at Location No. 1	\$ 75,000
	Bldg. at Location No. 2	\$ 100,000
	Personal Property at Location No. 2	\$ 75,000
		<u>\$ 250,000</u>

The Coinsurance percentage for it is 90%

	The Limit of Insurance for Buildings and Personal Property at Location Nos. 1 and 2 is	\$ 180,000
	The Deductible is	\$ 1,000
	The amount of loss is:	
	Bldg. at Location No. 2	\$ 30,000
	Personal Property at Location No. 2.	\$ 20,000
		<u>\$ 50,000</u>

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

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

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

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

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

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and

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

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

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

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

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

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

- (1) 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

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

G. Optional Coverages

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

1. Agreed Value

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

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

- (1) On or after the effective date of this Optional Coverage; and
- (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage 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 $\$100,000 \times .08 \times 146 \div 365 =$	\$ 3,200

3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, 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.

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.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

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

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

A. Coverage

1. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

- a. Business Income including "Rental Value".
- b. Business Income other than "Rental Value".
- c. "Rental Value".

If option a. above is selected, the term Business Income will include "Rental Value". If option c. above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- a. The portion of the building which you rent, lease or occupy; and
- b. Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

2. Extra Expense

- a. Extra Expense coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income coverage applies at that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- (2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

3. Covered Causes Of Loss, Exclusions And Limitations

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

4. Additional Limitation – Interruption Of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage – Interruption Of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage – Interruption Of Computer Operations.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

5. Additional Coverages

a. Civil Authority

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

The coverage for Business Income will begin 72 hours after the time of that action and will apply for a period of up to three consecutive weeks after coverage begins.

The coverage for Extra Expense will begin immediately after the time of that action and will end:

- (1) 3 consecutive weeks after the time of that action; or
- (2) When your Business Income coverage ends;

whichever is later.

b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:

- (a) Used in the construction, alterations or additions; or
- (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income

- (1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or

- (ii) 30 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 30 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption Of Computer Operations

- (1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.

- (2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss.

- (3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

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

- (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage – Interruption Of Computer Operations includes Collapse as set forth in that form.

- (c) If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage – Interruption Of Computer Operations.

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

(4) The most we will pay under this Additional Coverage – Interruption of Computer Operations is \$2,500 for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

(5) This Additional Coverage – Interruption in Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.

6. Coverage Extension

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

Newly Acquired Locations

- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (1) This policy expires;
 - (2) 30 days expire after you acquire or begin to construct the property; or
 - (3) You report values to us.

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

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

B. Limits Of Insurance

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

The limit applicable to the Coverage Extension is in addition to the Limit of Insurance.

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

1. Alterations and New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

C. Loss Conditions

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

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

2. Duties In The Event Of Loss

- a. You must see that the following are done in the event of loss:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when, and where the direct physical loss or damage occurred.

- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

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

- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

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

3. Loss Determination

- a. The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and

- (4) Other relevant sources of information, including:

- (a) Your financial records and accounting procedures;
- (b) Bills, invoices and other vouchers; and
- (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

- (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
- (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

3. Discounts;

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

D. Additional Condition

Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

- a. The Coinsurance percentage shown for Business Income in the Declarations; times
- b. The sum of:
 - (1) The Net Income (Net Profit or Loss before income taxes), and
 - (2) Operating expenses, including payroll expenses,

that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

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

1. Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
2. Divide the Limit of Insurance for the described premises by the figure determined in Step 1.; and
3. Multiply the total amount of loss by the figure determined in Step 2.

We will pay the amount determined in Step 3. or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

1. Prepaid freight – outgoing;
2. Returns and allowances;

4. Bad debts;
5. Collection expenses;
6. Cost of raw stock and factory supplies consumed (including transportation charges);
7. Cost of merchandise sold (including transportation charges);
8. Cost of other supplies consumed (including transportation charges);
9. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
10. Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
11. All ordinary payroll expenses or the amount of payroll expense excluded (if Form **CP 15 10** is attached); and
12. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example No. 1 (Underinsurance):

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been \$ 400,000

The Coinsurance percentage is 50%

The Limit of Insurance is \$ 150,000

The amount of loss is \$ 80,000

Step 1: $\$400,000 \times 50\% = \$200,000$
(the minimum amount of insurance to meet your Coinsurance requirements)

Step 2: $\$150,000 \div \$200,000 = .75$

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

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

Example No. 2 (Adequate Insurance):

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

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

This condition does not apply to Extra Expense coverage.

E. Optional Coverages

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

1. Maximum Period Of Indemnity

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

2. Monthly Limit Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:
 - (1) The Limit of Insurance, multiplied by
 - (2) The fraction shown in the Declarations for this Optional Coverage.

Example:

When: The Limit of Insurance is	\$ 120,000
The fraction shown in the Declarations for this Optional Coverage is	1/4
The most we will pay for loss in each period of 30 consecutive days is:	
\$120,000 x 1/4 = \$30,000	
If, in this example, the actual amount of loss is:	
Days 1-30	\$ 40,000
Days 31-60	20,000
Days 61-90	30,000
	\$ 90,000
We will pay:	
Days 1-30	\$ 30,000
Days 31-60	20,000
Days 61-90	30,000
	\$ 80,000

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

- a. To activate this Optional Coverage:
 - (1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":
 - (a) During the 12 months prior to the date of the Work Sheet; and
 - (b) Estimated for the 12 months immediately following the inception of this Optional Coverage.
 - (2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:
 - (a) The Coinsurance percentage shown in the Declarations; multiplied by
 - (b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.
- b. The Additional Condition, Coinsurance, is suspended until:
 - (1) 12 months after the effective date of this Optional Coverage; or

- (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.

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6. "Suspension" means:
- a. The slowdown or cessation of your business activities; or
 - b. That a part or all of the described premises is rendered untenable, if coverage for Business Income including "Rental Value" or "Rental Value" applies.

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ASBESTOS ENDORSEMENT

A. This Policy only insures asbestos physically incorporated in an insured building or structure, and then only that part of the asbestos which has been physically damaged during the period of insurance by one of these Listed Perils:

fire; explosion; lightning; windstorm; hail; direct impact of vehicle, aircraft or vessel; riot or civil commotion, vandalism or malicious mischief; or accidental discharge of fire protective equipment.

This coverage is subject to each of the following specific limitations:

1. The said building or structure must be insured under this Policy for damage by that Listed Peril.
 2. The Listed Peril must be the immediate, sole cause of the damage of the asbestos.
 3. The Assured must report to Underwriters the existence and cost of the damage as soon as practicable after the Listed Peril first damaged the asbestos. However, this Policy does not insure any such damage first reported to the Underwriters more than 12 (twelve) months after the expiration, or termination, of the period of insurance.
 4. Insurance under this Policy in respect of asbestos shall not include any sum relating to:
 - (i) any faults in the design, manufacture or installation of the asbestos;
 - (ii) asbestos not physically damaged by the Listed Peril including any governmental or regulatory authority direction or request of whatsoever nature relating to undamaged asbestos.
- B. Except as set forth in the foregoing Section A, this Policy does not insure asbestos or any sum relating thereto.

LWA5019

14/09/2005

SCHEDULE OF LOCATIONS

Policy No. PXA0000905-00

Named Insured Worth Avenue Restaurant Effective Date 11/01/19
Inc DBA Ta-boo
Restaurant

Loc No	Bldg No	Designated Premises (Address, City, State, Zip Code)	Protection Class	Construction and Occupancy
1	1	221 Worth Ave, Palm Beach, FL 33480	3	MNC; Restaurant
2	1	220 Peruvian Avenue , Palm Beach, FL 33480	3	JM; Office

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See form ARF1779 for Schedule of Forms and Endorsements

See CND-MH-001 for Schedule of Mortgage Holders

COMMERCIAL PROPERTY CONDITIONS

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

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

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

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

B. CONTROL OF PROPERTY

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

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

C. INSURANCE UNDER TWO OR MORE COVERAGES

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

D. LEGAL ACTION AGAINST US

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

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

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

F. NO BENEFIT TO BAILEE

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

G. OTHER INSURANCE

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

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

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

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

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

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

This will not restrict your insurance.

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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.

WINDSTORM OR HAIL EXCLUSION

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS – BASIC FORM
CAUSES OF LOSS – BROAD FORM
CAUSES OF LOSS – SPECIAL FORM
STANDARD PROPERTY POLICY

A. The following is added to the EXCLUSIONS section and is therefore not a Covered Cause of Loss:

WINDSTORM OR HAIL

We will not pay for loss or damage:

1. Caused directly or indirectly by Windstorm or Hail, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage; or
2. Caused by rain, snow, sand or dust, whether driven by wind or not, if that loss or damage would not have occurred but for the Windstorm or Hail.

But if Windstorm or Hail results in a cause of loss other than rain, snow, sand or dust, and that resulting cause of loss is a Covered Cause of Loss, we will pay for the loss or damage caused by such Covered Cause of Loss. For example, if the Windstorm or Hail damages a heating system and fire results, the loss or damage attributable to the fire is covered subject to any other applicable policy provisions.

B. Under ADDITIONAL COVERAGE – COLLAPSE, in the Causes of Loss – Broad Form, Windstorm or Hail is deleted from paragraph a.(1).

C. In the Causes of Loss – Special Form, Windstorm or Hail is deleted from the "specified causes of loss".

D. Under ADDITIONAL COVERAGE EXTENSIONS – PROPERTY IN TRANSIT, in the Causes of Loss – Special Form, Windstorm or Hail is deleted from paragraph b.(1).

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BURGLARY AND ROBBERY PROTECTIVE SAFEGUARDS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE*

Premises No.	Building No.	Protective Safeguards Symbols Applicable
1,2	1	BR-1
Describe any "BR-4":		
*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.		

A. The following is added to the **Commercial Property Conditions**:

BURGLARY AND ROBBERY PROTECTIVE SAFEGUARDS

1. As a condition of this insurance, you are required to maintain the protective devices and/or services listed in the Schedule above.
2. The protective safeguard(s) to which this endorsement applies are identified by the following symbols:
 - a. "BR-1" Automatic Burglary Alarm, protecting the entire building, that signals to:
 - (1) An outside central station; or
 - (2) A police station.
 - b. "BR-2" Automatic Burglary Alarm, protecting the entire building, that has a loud sounding gong or siren on the outside of the building.

- c. "BR-3" Security Service, with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.
- d. "BR-4" The protective safeguard described in the Schedule.

B. The following is added to the **Exclusions** section of the Causes Of Loss – Special Form:

BURGLARY AND ROBBERY PROTECTIVE SAFEGUARDS

We will not pay for loss or damage caused by or resulting from theft if, prior to the theft, you:

1. Knew of any suspension or impairment in any protective safeguard listed in the Schedule above and failed to notify us of that fact; or
2. Failed to maintain any protective safeguard listed in the Schedule above, and over which you had control, in complete working order.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROTECTIVE SAFEGUARDS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART

SCHEDULE*

Prem. No.	Bldg. No.	Protective Safeguards Symbols Applicable
1	1	P-1
1	1	P-2
1	1	P-9
<p>Describe any "P-9": 1-1 Automatic Extinguishing System w/Semi Annual Cleaning</p>		
<p>* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.</p>		

A. The following is added to the:

- Commercial Property Conditions
- General Conditions in the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions
- General Conditions in the Mobile Agricultural Machinery and Equipment Coverage Form
- General Conditions in the Livestock Coverage Form

PROTECTIVE SAFEGUARDS

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the Schedule above.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

"P-1" Automatic Sprinkler System, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
 - (1) Sprinklers and discharge nozzles;
 - (2) Ducts, pipes, valves and fittings;

(3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

"P-2" Automatic Fire Alarm, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

"P-3" Security Service, with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.

"P-4" Service Contract with a privately owned fire department providing fire protection service to the described premises.

"P-9" The protective system described in the Schedule.

B. The following is added to the EXCLUSIONS section of:

- CAUSES OF LOSS – BASIC FORM
- CAUSES OF LOSS – BROAD FORM
- CAUSES OF LOSS – SPECIAL FORM
- MORTGAGE HOLDERS ERRORS AND OMISSIONS COVERAGE FORM
- STANDARD PROPERTY POLICY
- CAUSES OF LOSS FORM – FARM PROPERTY
- MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM
- LIVESTOCK COVERAGE FORM

We will not pay for loss or damage caused by or resulting from fire if, prior to the fire, you:

1. Knew of any suspension or impairment in any protective safeguard listed in the Schedule above and failed to notify us of that fact; or
2. Failed to maintain any protective safeguard listed in the Schedule above, and over which you had control, in complete working order.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

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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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

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

SCHEDULE

Prem. No.	Bldg. No.	Description of Property	Loss Payee (Name & Address)	Provisions Applicable		
				Loss Payable	Lender's Loss Payable	Contract Of Sale
1	1	221 Worth Ave Palm Beach, FL 33480	LCA Lease Corporation of America 3150 Livernois Rd. Ste 300 Troy, MI 48083	X		

A. When this endorsement is attached to the STANDARD PROPERTY POLICY CP 00 99 the term Coverage Part in this endorsement is replaced by the term Policy.

The following is added to the LOSS PAYMENT Loss Condition, as indicated in the Declarations or by an "X" in the Schedule:

B. LOSS PAYABLE

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

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

C. LENDER'S LOSS PAYABLE

1. The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:
 - a. Warehouse receipts;
 - b. A contract for deed;
 - c. Bills of lading;
 - d. Financing statements; or
 - e. Mortgages, deeds of trust, or security agreements.
2. For Covered Property in which both you and a Loss Payee have an insurable interest:
 - a. We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
 - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
 - c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:
 - (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 Loss Payee.

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

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

- (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

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

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

D. CONTRACT OF SALE

1. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered a contract with for the sale of Covered Property.
2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:
 - a. Adjust losses with you; and
 - b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
3. The following is added to the OTHER INSURANCE Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

GSC-CP-007 (09/07) Total Mold, Mildew or Other Fungi Exclusion

*Entry is optional if shown in the Common Policy Declarations. If no entry is shown, the effective date of the endorsement is the same as the effective date of the policy.

*ATTACHED TO AND FORMING PART OF POLICY NO: PXA0000905-00	*EFFECTIVE DATE OF ENDORSEMENT: 11/1/2019	*ISSUED TO: Worth Avenue Restaurant Inc DBA Ta-boo R
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This endorsement modifies insurance provided by this policy:

We do not cover loss, damage, cost, fine, penalty or expense caused directly or indirectly by, arising out of, in connection with, resulting from, contributed to or related in any way by exposure to or the manifestation, release, dispersal, seepage, migration, discharge, appearance, presence or growth of mold, mildew, mycotoxins, fungi or organic pathogens. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

The term "organic pathogen" or "organic pathogens" means any organic irritant or contaminant including but not limited to the following: mold, fungus, bacteria, or virus including but not limited to their byproducts such as mycotoxins, mildew, or biogenic aerosol. "Organic pathogen" includes but is not limited to the following fungi or mycotoxins produced by such fungi: Aspergillus, Penicillium, Stachybotrys chartarum, Trichodema, and Fusarium Memnoniella.

This exclusion also applies to any claim arising out of allegations of acts or omissions by or on behalf of the insured in connection with exposure to or the manifestation, release, dispersal, seepage, migration, discharge, appearance, presence or growth of mold, mildew, mycotoxins, fungi or organic pathogens. There shall be no obligation to defend the insured against any claim or loss excluded by this endorsement regardless of whether the allegations forming the basis of the claim or loss are groundless, false, or fraudulent.

This exclusion includes but is not limited to (1) any cost, expense or charge to test, monitor, cleanup, remediate, remove, contain, treat, detoxify, neutralize, rehabilitate, or in any way respond to or assess the effects of mold, mildew, mycotoxins, fungi or organic pathogen; or (2) any cost, expense or charge in connection with the actual or alleged discharge, dispersal, seepage, migration, release, escape, exposure to, manifestation, appearance, presence, or growth of mold, mildew, mycotoxins, fungi or organic pathogens.

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

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GSC-CP-009 (02/08) Total Loss Endorsement

*Entry is optional if shown in the Common Policy Declarations. If no entry is shown, the effective date of the endorsement is the same as the effective date of the policy.

*ATTACHED TO AND FORMING PART OF POLICY NO: PXA0000905-00	*EFFECTIVE DATE OF ENDORSEMENT: 11/1/2019	*ISSUED TO: Worth Avenue Restaurant Inc DBA Ta-boo Restaurant
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Property Earned Premium Endorsement – It is understood and agreed that in the event of a total loss or constructive total loss under this policy, the entire policy premium shall be earned in full and no return premium shall be due the named insured.

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

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

2. Cancellation For Policies In Effect 90 Days Or Less

a. If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:

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

(2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:

(a) A material misstatement or misrepresentation; or

(b) A failure to comply with underwriting requirements established by the insurer.

b. However, Paragraph 2.a.(2) does not apply to a first Named Insured whose residential structure has been insured by us or an affiliated insurer for at least a five-year period immediately prior to the date of written notice. Instead, refer to Paragraph C.7.b.(4) of this endorsement.

c. We may not cancel:

(1) On the basis of property insurance claims that are the result of an act of God, unless we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or

(2) Solely on the basis of a single property insurance claim which is the result of water damage, unless we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

B. Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.

If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.

The cancellation will be effective even if we have not made or offered a refund.

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

7. Cancellation For Policies In Effect For More Than 90 Days

a. If this policy has been in effect for more than 90 days, we may cancel this policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) The policy was obtained by a material misstatement;
- (3) There has been a failure to comply with underwriting requirements established by us within 90 days of the effective date of coverage;
- (4) There has been a substantial change in the risk covered by the policy;
- (5) The cancellation is for all insureds under such policies for a given class of insureds;
- (6) On the basis of property insurance claims that are the result of an act of God, if we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;
- (7) On the basis of a single property insurance claim which is the result of water damage, if we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or
- (8) The cancellation of some or all of our policies is necessary to protect the best interests of the public or policyholders and such cancellation is approved by the Florida Office of Insurance Regulation.

b. If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:

- (1) 10 days before the effective date of cancellation if cancellation is for nonpayment of premium;

(2) 45 days before the effective date of cancellation if:

(a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above, and this policy does not cover a residential structure or its contents; or

(b) Cancellation is based on the reason stated in Paragraph **7.a.(8)** above;

(3) 100 days before the effective date of cancellation if:

(a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above; and

(b) This policy covers a residential structure or its contents, unless Paragraph **7.b.(4)** applies.

However, if cancellation is to become effective between June 1 and November 30, we will mail or deliver to the first Named Insured written notice of cancellation at least 100 days prior to the effective date of cancellation or by June 1, whichever is earlier. Therefore, when cancellation is to become effective between September 9 and November 30, we will mail or deliver to the first Named Insured written notice of cancellation by June 1; or

(4) 120 days before the effective date of cancellation if:

(a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above; and

(b) The first Named Insured's residential structure has been insured by us or an affiliated insurer for at least a five-year period immediately prior to the date of the written notice.

D. The following is added:

Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the specific reason for nonrenewal, at least:

a. 45 days prior to the expiration of the policy if this policy does not cover a residential structure or its contents, or if nonrenewal is for the reason stated in Paragraph **D.5.**; or

b. 100 days prior to the expiration of the policy if this policy covers a residential structure or its contents, unless Subsection **c.** or **d.** applies.

- c. If this policy covers a residential structure or its contents and nonrenewal is to become effective between June 1 and November 30, we will mail or deliver to the first Named Insured written notice of nonrenewal at least 100 days prior to the effective date of nonrenewal or by June 1, whichever is earlier. Therefore, when nonrenewal is to become effective between September 9 and November 30, we will mail or deliver to the first Named Insured written notice of nonrenewal by June 1. If nonrenewal is due to a revision to this policy's coverage for sinkhole losses or catastrophic ground cover collapse, pursuant to section 627.706, Florida Statutes, then this subsection, c., does not apply. Therefore, in such a case, Subsection b. or d. applies.
 - d. 120 days prior to the effective date of nonrenewal if the first Named Insured's residential structure has been insured by us or an affiliated insurer for at least a five-year period immediately prior to the date of the written notice.
2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
 3. We may not refuse to renew this policy:
 - a. On the basis of property insurance claims that are the result of an act of God, unless we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;
 - b. On the basis of filing of claims for sinkhole loss. However, we may refuse to renew this policy if:
 - (1) The total of such property insurance claim payments for this policy equals or exceeds the policy limits in effect on the date of loss for property damage to the covered building; or
 - (2) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based; or
- c. Solely on the basis of a single property insurance claim which is the result of water damage, unless we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.
4. Notwithstanding the provisions of Paragraph D.3., we may refuse to renew this policy if this policy includes Sinkhole Loss coverage. If we nonrenew this policy for purposes of removing Sinkhole Loss coverage, pursuant to section 627.706, Florida Statutes, we will offer you a policy that includes catastrophic ground cover collapse coverage.
 5. Notwithstanding the provisions of Paragraph D.3., we may refuse to renew this policy if nonrenewal of some or all of our policies is necessary to protect the best interests of the public or policyholders and such nonrenewal is approved by the Florida Office of Insurance Regulation.
- E. Limitations On Cancellation And Nonrenewal In The Event Of Hurricane Or Wind Loss – Residential Property**
1. The following provisions apply to a policy covering a residential structure or its contents, if such property has sustained damage as a result of a hurricane or windstorm that is the subject of a declaration of emergency by the Governor and filing of an order by the Commissioner of Insurance Regulation:
 - a. Except as provided in Paragraph E.1.b., we may not cancel or nonrenew the policy until at least 90 days after repairs to the residential structure or its contents have been substantially completed so that it is restored to the extent that it is insurable by another insurer writing policies in Florida. If we elect to not renew the policy, we will provide at least 100 days' notice that we intend to nonrenew 90 days after the substantial completion of repairs.
 - b. We may cancel or nonrenew the policy prior to restoration of the structure or its contents for any of the following reasons:
 - (1) Nonpayment of premium;
 - (2) Material misstatement or fraud related to the claim;
 - (3) We determine that you have unreasonably caused a delay in the repair of the structure; or
 - (4) We have paid the policy limits.

If we cancel or nonrenew for nonpayment of premium, we will give you 10 days' notice. If we cancel or nonrenew for a reason listed in Paragraph **b.(2)**, **b.(3)** or **b.(4)**, we will give you 45 days' notice.

2. With respect to a policy covering a residential structure or its contents, any cancellation or nonrenewal that would otherwise take effect during the duration of a hurricane will not take effect until the end of the duration of such hurricane, unless a replacement policy has been obtained and is in effect for a claim occurring during the duration of the hurricane. We may collect premium for the period of time for which the policy period is extended.

3. With respect to Paragraph **E.2.**, a hurricane is a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service (hereafter referred to as NHC). The hurricane occurrence begins at the time a hurricane watch or hurricane warning is issued for any part of Florida by the NHC and ends 72 hours after the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the NHC.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – LEGAL ACTION AGAINST US

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART

The following replaces the second paragraph of the **Legal Action Against Us** Condition:

LEGAL ACTION AGAINST US

Legal action against us involving direct physical loss or damage to property must be brought within 5 years from the date the loss occurs.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA – SINKHOLE LOSS COVERAGE

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 FARM COVERAGE PART

SCHEDULE

Premises Number	Building Number
ALL	ALL

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

With respect to the location(s) indicated in the Schedule, the following provisions apply:

- A. When this endorsement is attached to Standard Property Policy **CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.
- B. When this endorsement is attached to the Farm Livestock Coverage Form, reference to loss (other than in the term Sinkhole Loss itself) means "loss" as defined in that coverage form.
- C. The following is added to this Coverage Part as a Covered Cause of Loss. In the forms which address "specified causes of loss", the following is also added as a "specified cause of loss". However, as a "specified cause of loss", the following does not apply to the Additional Coverage – Collapse.

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 the requirements of Florida Insurance Law and in accordance with the recommendation of a professional engineer and with notice to you. The professional engineer must be selected or approved by us. However, until you enter into a contract for performance of building stabilization or foundation repair in accordance with the recommendations of the professional engineer as set forth in a report from us:

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 may 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 recommendations, within 90 days after we notify you that there is coverage for your Sinkhole Loss. After you have entered into such 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 professional engineer determines, prior to your entering into the aforementioned contract or prior to the start of repair work, that the repairs will exceed the applicable Limit of Insurance, we must either complete the recommended repairs or pay that Limit of Insurance upon such determination. If the aforementioned determination is made during the course of repair work and we have begun making payments for the work performed, we must either complete the recommended repairs or pay only the remaining portion of the applicable Limit of Insurance upon such determination. 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 on the affected building.

The stabilization and all other repairs to the Covered Property must be completed within 12 months after entering into the contract for the performance of these repairs, unless:

1. There is a mutual agreement between you and us;
2. The claim is involved with the neutral evaluation process;
3. The claim is in litigation; or
4. The claim is under appraisal or mediation.

D. Sinkhole Loss does not include:

1. Sinking or collapse of land into man-made underground cavities; or
2. Earthquake.

E. With respect to coverage provided by this endorsement, the **Earth Movement Exclusion and the **Collapse** Exclusion do not apply.**

F. With respect to a claim for alleged Sinkhole Loss, the following provision is added:

Following receipt by us of a report from a professional engineer or professional geologist on the cause of loss and recommendations for land stabilization and repair of property, or if we deny your claim, we will notify you of your right to participate in a neutral evaluation program administered by the Florida Department of Financial Services (hereinafter referred to as the Department). For alleged Sinkhole Loss to commercial residential or farm residential properties, this program applies instead of any mediation procedure set forth elsewhere in this policy, but does not invalidate the Appraisal Condition.

You or we may file a request with the Department for neutral evaluation; the other party must comply with such request. We will pay reasonable costs associated with the neutral evaluation, regardless of which party makes the request. But if a party chooses to hire a court reporter or stenographer to contemporaneously record and document the neutral evaluation, that party must bear the costs of those services. The neutral evaluator will be selected from a list maintained by the Department. The recommendation of the neutral evaluator will not be binding on you or us.

Participation in the neutral evaluation program does not change your right to file suit against us in accordance with the Legal Action Against Us Condition in this policy, except that the time for filing suit is extended for a period of 60 days following the conclusion of the neutral evaluation process or five years, whichever is later.

G. Coverage for Sinkhole Loss under this endorsement does not increase the applicable Limit of Insurance. Even if loss or damage qualifies under, or includes, both Catastrophic Ground Cover Collapse (addressed elsewhere in this Coverage Part) and Sinkhole Loss, only one Limit of Insurance will apply to such loss or damage.

H. 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 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.

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

1. "Structural damage" means a covered building, regardless of the date of its construction, has experienced the following:

- a. Interior 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 within 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 within the Florida Building Code;
- d. Damage that results in the building, or any portion of the 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 building as defined within 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.

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

3. "Primary structural system" means an assemblage of "primary structural members".

J. If we deny your claim for Sinkhole Loss without performing testing under section 627.702, Florida Statutes, you may demand testing by communicating such demand to us in writing within 60 days after you receive our denial of the claim. You are responsible for 50% of the testing costs, or \$2,500, whichever is less. If our professional engineer or geologist provides written certification, pursuant to section 627.7073, that there is sinkhole loss, we will reimburse you for the testing costs.

K. 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.

L. If we deny your claim for Sinkhole Loss upon receipt of written certification from a professional engineer or geologist, pursuant to section 627.7073, that there is no sinkhole loss or that the cause of the damage was not sinkhole activity, and if the sinkhole claim was submitted without good faith grounds for submitting such claim, you shall reimburse us for 50% of the actual costs of the analyses and services provided under sections 627.7072 and 627.7073, or \$2,500, whichever is less. You are not required to pay such reimbursement unless you requested the analysis and services and we, before ordering the analysis, informed you in writing of the potential for reimbursement and gave you the opportunity to withdraw the claim.

M. As a precondition to accepting payment for sinkhole loss, you must file with the county clerk of court, a copy of any sinkhole report regarding your property which was prepared on behalf or at your request. You will bear the cost of filing and recording the sinkhole report.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. When this endorsement is attached to Standard Property Policy **CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.

B. The following provision applies when a Coinsurance percentage is shown in the Declarations:

Florida law states as follows:

Coinsurance contract: The rate charged in this policy is based upon the use of the coinsurance clause attached to this policy, with the consent of the Insured.

C. The following is added:

If windstorm is a Covered Cause of Loss and loss or damage to Covered Property is caused by or results from windstorm, the following exclusion applies in:

1. Broward County;
2. Dade County;
3. Martin County;
4. Monroe County;
5. Palm Beach County; and
6. All the areas east of the west bank of the Intracoastal Waterway in the counties of:
 - a. Indian River; and
 - b. St. Lucie.

Windstorm Exterior Paint And Waterproofing Exclusion

We will not pay for loss or damage caused by windstorm to:

1. Paint; or
2. 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 in the course of the same storm event. But such coverage applies only if windstorm is a Covered Cause of Loss.

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; or
- b. The value of Covered Property when applying the Coinsurance Condition.

D. The **Loss Payment** Condition dealing with the number of days within which we must pay for covered loss or damage is replaced by the following:

Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage upon the earliest of the following:

- (1) Within 20 days after we receive the sworn proof of loss and reach written agreement with you;
- (2) Within 30 days after we receive the sworn proof of loss and:
 - (a) There is an entry of a final judgment; or
 - (b) There is a filing of an appraisal award with us; or
- (3) Within 90 days of receiving notice of an initial, reopened or supplemental claim, unless we deny the claim during that time or factors beyond our control reasonably prevent such payment. If a portion of the claim is denied, then the 90-day time period for payment of claim relates to the portion of the claim that is not denied.

Paragraph (3) applies only to the following:

- (a) A claim under a policy covering residential property;
- (b) A claim for building or contents coverage if the insured structure is 10,000 square feet or less and the policy covers only locations in Florida; or

- (c) A claim for contents coverage under a tenant's policy if the rented premises are 10,000 square feet or less and the policy covers only locations in Florida.

E. Sinkhole Collapse Coverage Removed

Sinkhole Collapse coverage is removed, as indicated in Paragraphs E.1. through E.4.; and coverage for Catastrophic Ground Cover Collapse is added instead as set forth in Paragraph F.

1. In the Causes Of Loss – Basic Form and in the Standard Property Policy, Sinkhole Collapse is deleted from the Covered Causes of Loss and sinkhole collapse is no longer an exception to the Earth Movement Exclusion.
2. In the Causes Of Loss – Broad Form, Sinkhole Collapse is deleted from the Covered Causes of Loss and from the Additional Coverage – Collapse; and sinkhole collapse is no longer an exception to the Earth Movement Exclusion.
3. In the Causes Of Loss – Special Form, Sinkhole Collapse is deleted from the "specified causes of loss" and is no longer an exception to the Earth Movement Exclusion.
4. In the Mortgageholders Errors And Omissions Coverage Form, Sinkhole Collapse is deleted from the Covered Causes of Loss under Coverage B and from the "specified causes of loss", and is no longer an exception to the Earth Movement Exclusion.

Further, this Coverage Part does not insure against Sinkhole Loss as defined in Florida law unless an endorsement for Sinkhole Loss is made part of this policy. However, if Sinkhole Loss causes Catastrophic Ground Cover Collapse, coverage is provided for the resulting Catastrophic Ground Cover Collapse even if an endorsement for Sinkhole Loss is not made part of this policy.

- F. The following is added to this Coverage Part as a Covered Cause of Loss. In the Causes Of Loss – Special Form and Mortgageholders Errors And Omissions Coverage Form, the following is also added as a "specified cause of loss". However, as a "specified cause of loss", the following does not apply to the Additional Coverage – Collapse.

Catastrophic Ground Cover Collapse

We will pay for direct physical loss or damage to Covered Property caused by or resulting from catastrophic ground cover collapse, meaning geological activity that results in all of the following:

1. The abrupt collapse of the ground cover;
2. A depression in the ground cover clearly visible to the naked eye;
3. "Structural damage" to the building, including the foundation; and
4. The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

However, damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute loss or damage resulting from a catastrophic ground cover collapse.

The **Earth Movement** Exclusion and the **Collapse** Exclusion do not apply to coverage for Catastrophic Ground Cover Collapse.

Coverage for Catastrophic Ground Cover Collapse does not increase the applicable Limit of Insurance. Regardless of whether loss or damage attributable to catastrophic ground cover collapse also qualifies as Sinkhole Loss or Earthquake (if either or both of those causes of loss are covered under this Coverage Part), only one Limit of Insurance will apply to such loss or damage.

- G. The following applies to the **Additional Coverage – Civil Authority** under the Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form and Extra Expense Coverage Form:

1. The Additional Coverage – Civil Authority includes a requirement that the described premises are not more than one mile from the damaged property. With respect to described premises located in Florida, such one-mile radius does not apply.
2. The Additional Coverage – Civil Authority is limited to a coverage period of up to four weeks. With respect to described premises located in Florida, such four-week period is replaced by a three-week period.
3. Civil Authority coverage is subject to all other provisions of that Additional Coverage.

H. The following provisions are added to the Duties In The Event Of Loss Or Damage Loss Condition:

- (1) A claim, supplemental claim or reopened claim for loss or damage caused by hurricane or other windstorm is barred unless notice of claim is given to us in accordance with the terms of this policy within three years after the hurricane first made landfall or a windstorm other than hurricane caused the covered damage. (Supplemental claim or reopened claim means an additional claim for recovery from us for losses from the same hurricane or other windstorm which we have previously adjusted pursuant to the initial claim.)

This provision concerning time for submission of claim, supplemental claim or reopened claim does not affect any limitation for legal action against us as provided in this policy under the Legal Action Against Us Condition, including any amendment to that condition.

- (2) Any inspection or survey by us, or on our behalf, of property that is the subject of a claim, will be conducted with at least 48 hours' notice to you. The 48-hour notice may be waived by you.

I. The following definition of structural damage is added with respect to the coverage provided under this endorsement:

"Structural damage" means a covered building, regardless of the date of its construction, has experienced the following.

1. Interior 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 within the Florida Building Code;

2. 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 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;
3. 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 within the Florida Building Code;
4. Damage that results in the building, or any portion of the 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 building as defined within the Florida Building Code; or
5. Damage occurring on or after October 15, 2005, that qualifies as substantial structural damage as defined in the Florida Building Code.

EXHIBIT 2

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STATE OF FLORIDA

OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NUMBER 20-51

(Establishes COVID-19 Response Protocol and Directs Public Health Emergency)

WHEREAS, Coronavirus Disease 2019 (COVID-19) is a severe acute respiratory illness that can spread among humans through respiratory transmission and presents with symptoms similar to those of influenza; and

WHEREAS, in late 2019, a new and significant outbreak of COVID-19 emerged in China; and

WHEREAS, the World Health Organization declared COVID-19 a Public Health Emergency of International Concern; and

WHEREAS, in response to the recent COVID-19 outbreak in China, Iran, Italy and South Korea, the Centers for Disease Control and Prevention ("CDC") has deemed it necessary to prohibit or restrict non-essential travel to or from those countries; and

WHEREAS, in response to the recent COVID-19 outbreak in Japan, the CDC has advised older travelers and those with chronic medical conditions to avoid nonessential travel and all travelers to exercise enhanced precautions; and

WHEREAS, the CDC currently recommends community preparedness and everyday prevention measures be taken by all individuals and families in the United States, including voluntary home isolation when individuals are sick with respiratory symptoms, covering coughs and sneezes with a tissue and disposal of the tissue immediately thereafter, washing hands often with soap and water for at least 20 seconds, use of alcohol-based hand sanitizers with 60%-95%

alcohol if soap and water are not readily available and routinely cleaning frequently touched surfaces and objects to increase community resilience and readiness for responding to an outbreak; and

WHEREAS, two individuals in the State of Florida tested presumptively positive for COVID-19, including a resident of Manatee County and a resident of Hillsborough County; and

WHEREAS, the CDC currently recommends mitigation measures in communities with COVID-19 cases, including staying at home when sick, keeping away from others who are sick and staying at home when a household member is sick with respiratory disease symptoms or if instructed to do so by public health officials or a health care provider; and

WHEREAS, it is necessary and appropriate to take action to ensure that COVID-19 remains controlled and that residents and visitors in Florida remain safe and secure;

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution, and all other applicable laws, promulgate the following Executive Order to take immediate effect:

Section 1. Because of the foregoing conditions, I direct the State Health Officer and Surgeon General, Dr. Scott Rivkees, to declare a public health emergency in the State of Florida, pursuant to his authority in section 381.00315, Florida Statutes. The State Health Officer is authorized and directed to use his judgment as to the duration of this public health emergency.

Section 2. In accordance with section 381.0011(7), Florida Statutes, I direct the State Health Officer to take any action necessary to protect the public health.

Section 3. I direct the State Health Officer to follow the guidelines established by the CDC in establishing protocols to control the spread of COVID-19 and educate the public on prevention.

Section 4. In accordance with section 381.0011(7), Florida Statutes, I designate the Florida Department of Health as the lead state agency to coordinate emergency response activities among the various state agencies and local governments. The State Health Officer, or his designee, shall advise the Executive Office of the Governor on the implementation of these emergency response activities.

Section 5. All actions taken by the State Health Officer with respect to this emergency before the issuance of this Executive Order are ratified.

Section 6. The Florida Department of Health will actively monitor, at a minimum, all persons meeting the definition of a Person Under Investigation ("PUI") as defined by the CDC for COVID-19 for a period of at least 14 days or until the PUI tests negative for COVID-19. Active monitoring by the Florida Department of Health will include at least the following:

- A. Risk assessment within 24 hours of learning an individual meets the criteria for a PUI.
- B. Twice-daily temperature checks.

Section 7. The Florida Department of Health, pursuant to its authority in section 381.00315, Florida Statutes, will ensure that all individuals meeting the CDC's definition of a PUI are isolated or quarantined for a period of 14 days or until the person tests negative for COVID-19.

Section 8. I hereby direct the Florida Department of Health to make its own determinations as to quarantine, isolation and other necessary public health interventions as permitted under Florida law.

Section 9. I direct all agencies under the direction of the Governor to fully cooperate with the Florida Department of Health, and any representative thereof in furtherance of this Order.

Agencies not under the direction of the Governor are requested to provide such assistance as is required.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 1st day of March, 2020.


RON DESANTIS, GOVERNOR

ATTEST:


SECRETARY OF STATE

NOT A CERTIFIED COPY

2020 MAR - 1 PM 9:31
TALLAHASSEE, FLORIDA

FILED

EXHIBIT 3

NOT A CERTIFIED COPY

STATE OF FLORIDA

OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NUMBER 20-52

(Emergency Management - COVID-19 Public Health Emergency)

WHEREAS, Novel Coronavirus Disease 2019 (COVID-19) is a severe acute respiratory illness that can spread among humans through respiratory transmission and presents with symptoms similar to those of influenza; and

WHEREAS, in late 2019, a new and significant outbreak of COVID-19 emerged in China; and

WHEREAS, the World Health Organization previously declared COVID-19 a Public Health Emergency of International Concern; and

WHEREAS, in response to the recent COVID-19 outbreak in China, Iran, Italy, Japan and South Korea, the Centers for Disease Control and Prevention ("CDC") has deemed it necessary to prohibit or restrict non-essential travel to or from those countries; and

WHEREAS, on March 1, 2020, I issued Executive Order number 20-51 directing the Florida Department of Health to issue a Public Health Emergency; and

WHEREAS, on March 1, 2020, the State Surgeon General and State Health Officer declared a Public Health Emergency exists in the State of Florida as a result of COVID-19; and

WHEREAS, on March 7, 2020, I directed the Director of the Division of Emergency Management to activate the State Emergency Operations Center to Level 2 to provide coordination and response to the COVID-19 emergency; and

WHEREAS, as of March 9, 2020, eight counties in Florida have positive cases for COVID-19, and COVID-19 poses a risk to the entire state of Florida; and

WHEREAS, the CDC currently recommends community preparedness and everyday prevention measures be taken by all individuals and families in the United States, including voluntary home isolation when individuals are sick with respiratory symptoms, covering coughs and sneezes with a tissue and disposal of the tissue immediately thereafter, washing hands often with soap and water for at least 20 seconds, using of alcohol-based hand sanitizers with 60%-95% alcohol if soap and water are not readily available and routinely cleaning frequently touched surfaces and objects to increase community resilience and readiness for responding to an outbreak; and

WHEREAS, the CDC currently recommends mitigation measures for communities experiencing an outbreak including staying at home when sick, keeping away from others who are sick, limiting face-to-face contact with others as much as possible, consulting with your healthcare provider if individuals or members of a household are at high risk for COVID-19 complications, wearing a facemask if advised to do so by a healthcare provider or by a public health official, staying home when a household member is sick with respiratory disease symptoms if instructed to do so by public health officials or a health care provider; and

WHEREAS, as Governor, I am responsible for meeting the dangers presented to this state and its people by this emergency.

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution, Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order to take immediate effect:

Section 1. Because of the foregoing conditions, I declare a state of emergency exists in the State of Florida.

Section 2. I designate the Director of the Division of Emergency Management (“Director”) as the State Coordinating Officer for the duration of this emergency and direct him to execute the State’s Comprehensive Emergency Management Plan and other response, recovery, and mitigation plans necessary to cope with the emergency. Additionally, I designate the State Health Officer and Surgeon General as a Deputy State Coordinating Officer and State Incident Commander.

Pursuant to section 252.36(1)(a), Florida Statutes, I delegate to the State Coordinating Officer the authority to exercise those powers delineated in sections 252.36(5)-(10), Florida Statutes, which he shall exercise as needed to meet this emergency, subject to the limitations of section 252.33, Florida Statutes. In exercising the powers delegated by this Order, the State Coordinating Officer shall confer with the Governor to the fullest extent practicable. The State Coordinating Officer shall also have the authority to:

A. Seek direct assistance and enter into agreements with any and all agencies of the United States Government as may be needed to meet the emergency.

B. Designate additional Deputy State Coordinating Officers, as necessary.

C. Suspend the effect of any statute, rule, or order that would in any way prevent, hinder, or delay any mitigation, response, or recovery action necessary to cope with this emergency.

D. Enter orders as may be needed to implement any of the foregoing powers; however, the requirements of sections 252.46 and 120.54(4), Florida Statutes, do not apply to any such orders issued by the State Coordinating Officer; however, no such order shall remain in effect beyond the expiration of this Executive Order, to include any extension.

Section 3. I order the Adjutant General to activate the Florida National Guard, as needed, to deal with this emergency.

Section 4. I find that the special duties and responsibilities resting upon some State, regional, and local agencies and other governmental bodies in responding to the emergency may require them to suspend the application of the statutes, rules, ordinances, and orders they administer. Therefore, I issue the following authorizations:

A. Pursuant to section 252.36(1)(a), Florida Statutes, the Executive Office of the Governor may suspend all statutes and rules affecting budgeting to the extent necessary to provide budget authority for state agencies to cope with this emergency. The requirements of sections 252.46 and 120.54(4), Florida Statutes, do not apply to any such suspension issued by the Executive Office of the Governor; however, no such suspension shall remain in effect beyond the expiration of this Executive Order, to include any extension.

B. Each State agency may suspend the provisions of any regulatory statute prescribing the procedures for conduct of state business or the orders or rules of that agency, if strict compliance with the provisions of any such statute, order, or rule would in any way prevent, hinder, or delay necessary action in coping with the emergency. This includes, but is not limited to, the authority to suspend any and all statutes, rules, ordinances, or orders which affect leasing, printing, purchasing, travel, and the condition of employment and the compensation of employees. For the purposes of this Executive Order, "necessary action in coping with the emergency" means any emergency mitigation, response, or recovery action: (1) prescribed in the State Comprehensive Emergency Management Plan ("CEMP"); or (2) ordered by the State Coordinating Officer. The requirements of sections 252.46 and 120.54, Florida Statutes, shall not apply to any such suspension issued by a State agency; however, no such suspension shall remain in effect beyond the expiration of this Executive Order, to include any extensions.

C. In accordance with section 465.0275, Florida Statutes, pharmacists may dispense up to a 30-day emergency prescription refill of maintenance medication to persons who reside in an area or county covered under this Executive Order and to emergency personnel who have been activated by their state and local agency but who do not reside in an area or county covered by this Executive Order.

D. In accordance with section 252.38, Florida Statutes, each political subdivision within the State of Florida may waive the procedures and formalities otherwise required of the political subdivision by law pertaining to:

- 1) Performance of public work and taking whatever prudent action is necessary to ensure the health, safety, and welfare of the community;
- 2) Entering into contracts; however, political subdivisions are cautioned against entering into time and materials contracts without ceiling as defined by 2 CFR 200.318(j) or cost plus percentage contracts as defined by 2 CFR 200.323(d);
- 3) Incurring obligations;
- 4) Employment of permanent and temporary workers;
- 5) Utilization of volunteer workers;
- 6) Rental of equipment;
- 7) Acquisition and distribution, with or without compensation, of supplies, materials, and facilities; and,
- 8) Appropriation and expenditure of public funds.

E. All State agencies responsible for the use of State buildings and facilities may close such buildings and facilities in those portions of the State affected by this emergency, to the extent necessary to meet this emergency. I direct each State agency to report the closure of any State

building or facility to the Secretary of the Department of Management Services. Under the authority contained in section 252.36, Florida Statutes, I direct each County to report the closure of any building or facility operated or maintained by the County or any political subdivision therein to the Secretary of the Department of Management Services. Furthermore, I direct the Secretary of the Department of Management Services to:

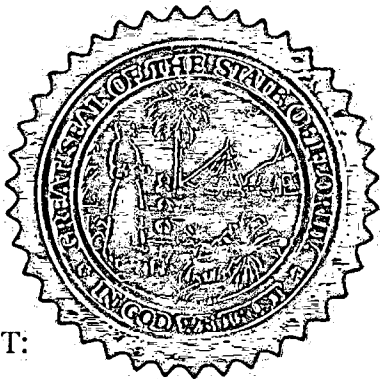
- 1) Maintain an accurate and up-to-date list of all such closures; and,
- 2) Provide that list daily to the State Coordinating Officer.

Section 5. I find that the demands placed upon the funds appropriated to the agencies of the State of Florida and to local agencies are unreasonably great and the funds currently available may be inadequate to pay the costs of coping with this emergency. In accordance with section 252.37(2), Florida Statutes, I direct that sufficient funds be made available, as needed, by transferring and expending moneys appropriated for other purposes, moneys from unappropriated surplus funds, or from the Budget Stabilization Fund.

Section 6. All State agencies entering emergency final orders or other final actions in response to this emergency shall advise the State Coordinating Officer contemporaneously or as soon as practicable.

Section 7. Medical professionals and workers, social workers, and counselors with good and valid professional licenses issued by states other than the State of Florida may render such services in Florida during this emergency for persons affected by this emergency with the condition that such services be rendered to such persons free of charge, and with the further condition that such services be rendered under the auspices of the American Red Cross or the Florida Department of Health.

Section 8. All activities taken by the Director of the Division of Emergency Management and the State Health Officer and Surgeon General with respect to this emergency before the issuance of this Executive Order are ratified. This Executive Order shall expire sixty days from this date unless extended.



ATTEST:

Laurel M. Bee
SECRETARY OF STATE

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 9th day of March, 2020.

Ron DeSantis
RON DESANTIS, GOVERNOR

NOT A CERTIFIED

FILED
2020 MAR -9 PM 5:52
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

EXHIBIT 4

NOT A CERTIFIED COPY

STATE OF FLORIDA

OFFICE OF THE GOVERNOR EXECUTIVE ORDER NUMBER 20-68 (Emergency Management - COVID-19)

WHEREAS, Novel Coronavirus Disease 2019 (COVID-19) is a severe acute respiratory illness that can spread among humans through respiratory transmission and presents with symptoms similar to those of influenza; and

WHEREAS, on March 1, 2020, I issued Executive Order number 20-51 directing the Florida Department of Health to issue a Public Health Emergency; and

WHEREAS, on March 1, 2020, the State Surgeon General and State Health Officer declared a Public Health Emergency exists in the State of Florida as a result of COVID-19; and

WHEREAS, on March 9, 2020, I issued Executive Order 20-52 declaring a state of emergency for the entire State of Florida as a result of COVID-19; and

WHEREAS, on March 16, 2020, President Donald J. Trump and the Centers for Disease Control and Prevention ("CDC") issued the 15 Days to Slow the Spread guidance advising individuals to adopt far-reaching social distancing measures, such as working from home and avoiding gatherings of more than 10 people; and

WHEREAS, as Governor, I am responsible for meeting the dangers presented to this state and its people by this emergency.

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution, Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order to take immediate effect:

Section 1. Bars, Pubs and Nightclubs

A. Pursuant to sections 252.36(5)(g)-(h), Florida Statutes, any licensee authorized to sell alcoholic beverages for consumption on premises that derive more than 50% of its gross revenue from the sale of alcoholic beverages shall suspend all sale of alcoholic beverages for thirty days from the date of this order, effective at 5 p.m. today, March 17, 2020.

B. The Department of Business and Professional Regulation shall utilize its authorities under Florida law to further implement and enforce the provisions of this Section and shall take additional measures with respect to bars, pubs and nightclubs as necessary to protect the public health, safety and welfare.

Section 2. Beaches

Pursuant to section 252.36(5)(k), Florida Statutes, I direct parties accessing public beaches in the State of Florida to follow the CDC guidance by limiting their gatherings to no more than 10 persons, distance themselves from other parties by 6 feet, and support beach closures at the discretion of local authorities.

Section 3. Restaurants

A. Pursuant to section 252.36(5)(g), Florida Statutes, a restaurant shall immediately limit its occupancy to 50% of its current building occupancy.

B. Pursuant to section 252.36(5)(g), Florida Statutes, a restaurant shall follow the CDC guidance by ensuring, at minimum, a 6-foot distance between any group of patrons and limiting parties to no more than 10 individuals.

C. The Department of Business and Professional Regulation shall ensure all restaurants implement employee screening and prohibit any employee from entering the restaurant premises if they meet any of the criteria listed below:

1) Any person infected with COVID-19 who has not had two consecutive negative test results separated by 24 hours;

2) Any person showing, presenting signs or symptoms of, or disclosing the presence of a respiratory infection, including cough, fever, shortness of breath or sore throat;

3) Any person who has been in contact with any person(s) known to be infected with COVID-19, who has not yet tested negative for COVID-19 within the past 14 days;

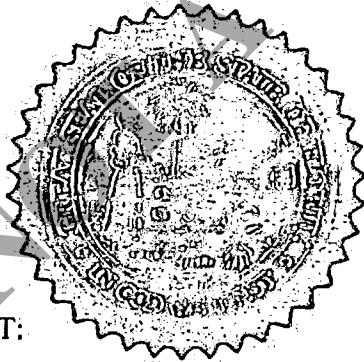
4) Any person who traveled through any airport within the past 14 days; or

5) Any person who traveled on a cruise ship within the past 14 days.

D. The Department of Business and Professional Regulation shall utilize its authorities under Florida law to further implement and enforce the provisions of this Section and shall take additional measures with respect to bars, pubs and nightclubs as necessary to protect the public health, safety and welfare.

For purposes of this section, "restaurant" shall include any Food Service Establishment, licensed under Chapter 500, Florida Statutes, and Public Food Service Establishment, licensed under Chapter 509, Florida Statutes.

Section 4. This Executive Order shall expire thirty days from this date unless extended.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 17th day of March, 2020.

A handwritten signature in black ink, appearing to read "Ron DeSantis".

RON DESANTIS, GOVERNOR

ATTEST:

A handwritten signature in black ink, appearing to read "Laurel M. Lee".
SECRETARY OF STATE

FILED
2020 MAR 17 PM 1:34
TALLAHASSEE, FLORIDA

EXHIBIT 5

NOT A CERTIFIED COPY

STATE OF FLORIDA

OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NUMBER 20-70

(Emergency Management – COVID-19 – Broward and Palm Beach County Closures)

WHEREAS, on March 1, 2020, I issued Executive Order 20-51 directing the Florida Department of Health to issue a Public Health Emergency; and

WHEREAS, on March 1, 2020, the State Surgeon General and State Health Officer declared a Public Health Emergency exists in the State of Florida as a result of COVID-19; and

WHEREAS, on March 9, 2020, I issued Executive Order 20-52 declaring a state of emergency for the entire State of Florida as a result of COVID-19; and

WHEREAS, on March 16, 2020, President Donald J. Trump and the Centers for Disease Control and Prevention (“CDC”) issued the “15 Days to Slow the Spread” guidance advising individuals to adopt far-reaching social distancing measures, such as avoiding gatherings of more than 10 people, and in states with evidence of community spread, bars, restaurants, food courts, and gyms should be closed; and

WHEREAS, my Administration has consulted with Broward County and Palm Beach County authorities, both of which requested application of the CDC recommendations; and

WHEREAS, COVID-19 poses a health risk to Broward County and Palm Beach County residents and minimization of contact is necessary to avoid COVID-19 infection for the residents of the counties; and

WHEREAS, restaurants, bars, taverns, pubs, night clubs, banquet halls, cocktail lounges, cabarets, breweries, cafeterias, movie theaters, concert houses, auditoriums, playhouses, bowling alleys, arcades, gymnasiums, fitness studios and beaches are potential gathering places for the spread of COVID-19; and

WHEREAS, Broward County and Palm Beach County seek to harmonize with Miami-Dade County which has already restricted access to venues and closed its beaches to public access due to the risk of community spread; and

WHEREAS, it is necessary and appropriate to take action to ensure that COVID-19 remains controlled, and that residents and visitors in Florida remain safe and secure;

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution, Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order to take immediate effect:

Section 1. I hereby order all restaurants, bars, taverns, pubs, night clubs, banquet halls, cocktail lounges, cabarets, breweries, cafeterias and any other alcohol and/or food service business establishment with seating for more than ten (10) people within the incorporated and unincorporated areas of Broward County and Palm Beach County to close on-premises service of customers. Notwithstanding the foregoing, such establishments may operate their kitchens for the purpose of providing delivery services, as authorized in Section 3 below, and employees, janitorial personnel, contractors and delivery personnel shall be allowed access to such establishments.

Section 2. This order shall not apply to grocery stores, pharmacies, gas stations and convenience stores, except that those discrete portions of such establishments that provide alcohol and/or food service with seating for more than ten (10) people shall abide by the restrictions in Section 1.

Section 3. This order shall not apply to delivery services, pick-up or take out services provided by any of the establishments listed in Sections 1 or 2.

Section 4. This order shall not apply to restaurants that are ancillary to essential services, including the airports, port facilities, secure facilities and hospitals. Other essential services may be determined by the county administrators.

Section 5. All movie theatres, concert houses, auditoriums, playhouses, bowling alleys, arcades, gymnasiums, fitness studios and beaches shall close. This order shall not apply to gymnasiums or fitness centers which are: (i) amenities of hotels which have a capacity of 10 persons or less, (ii) are an amenity of a residential building, (iii) are interior to any fire or police stations or (iv) are located inside any single-occupant office building.

Section 6. The closures in this order shall remain in effect in accordance with the President's "15 Days to Slow the Spread", initiated on March 16, 2020. These closures shall expire on March 31, 2020, but may be renewed upon the written request of the County Administrator.

Section 7. The Broward County Administrator and the Palm Beach County Administrator shall have the ability to enforce, relax, modify or remove these closures, as warranted, pursuant to the directives and parameters as set forth in Executive Order 20-68.

Section 8. The provisions of this order shall serve as minimum standards. Municipalities may impose more stringent standards within their jurisdictions.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 20th day of March, 2020


RON DESANTIS, GOVERNOR

ATTEST:


SECRETARY OF STATE

TALLAHASSEE, FLORIDA

2020 MAR 20 AM 10:45

FILED

EXHIBIT 6

NOT A CERTIFIED COPY

STATE OF FLORIDA

OFFICE OF THE GOVERNOR EXECUTIVE ORDER NUMBER 20-71

(Emergency Management - COVID-19 – Alcohol Sales, Restaurants, and Gyms)

WHEREAS, on March 1, 2020, I issued Executive Order 20-51 directing the Florida Department of Health to issue a Public Health Emergency; and

WHEREAS, on March 1, 2020, the State Surgeon General and State Health Officer declared a Public Health Emergency exists in the State of Florida as a result of COVID-19; and

WHEREAS, on March 9, 2020, I issued Executive Order 20-52 declaring a state of emergency for the entire State of Florida as a result of COVID-19; and

WHEREAS, on March 16, 2020, President Donald J. Trump and the Centers for Disease Control and Prevention (“CDC”) issued the “15 Days to Slow the Spread” guidance advising individuals to adopt far-reaching social distancing measures, such as avoiding gatherings of more than 10 people, and in states with evidence of community spread, bars, restaurants, food courts, gyms and other indoor and outdoor venues where groups of people congregate should be closed; and

WHEREAS, the State Surgeon General has advised me that gyms and fitness centers are establishments that attract gatherings of more than 10 people and are more susceptible for spreading COVID-19; and

WHEREAS, on March 17, 2020, I issued Executive Order 20-68 restricting bars, pubs, and nightclubs from selling alcohol and ordered every restaurant to limit its occupancy to 50% of its current building occupancy and abide by the CDC’s “social distancing” guidelines; and

WHEREAS, restaurants are increasing sales of orders for take-out and delivery for customers in order to meet demand while adhering to Executive Order 20-68; and

WHEREAS, I am committed to supporting retailers, restaurants and their employees as they pursue creative business practices that safely serve consumers during this temporary period of social distancing; and

WHEREAS, as Governor, I am responsible for meeting the dangers presented to this state and its people by this emergency.

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution, Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order to take immediate effect:

Section 1. Alcohol Sales

A. I hereby order all vendors licensed to sell alcoholic beverages for consumption on the premises to suspend the sale of alcoholic beverages by the drink or in sealed containers for consumption on the premises. Such vendors may continue to sell alcoholic beverages in sealed containers for consumption off-premises.

B. The restriction in section 561.20(2)(a)4., Florida Statutes, prohibiting a specially licensed food service establishment from selling package sales of alcohol for delivery, take-out or consumption off-premises is suspended for restaurants complying with Executive Order 20-68, through the expiration of the state of emergency declared in Executive Order 20-52, including any extensions, so long as the following conditions are met:

1) Any sale of an alcoholic beverage in a sealed container for consumption off-premises is accompanied by the sale of food within the same order; and

2) Any delivery of an alcoholic beverage complies with section 561.57, Florida Statutes.

C. The provisions of section 561.42, Florida Statutes, and Rules 61A-1.010, 61A-1.0107, 61A-1.0108, Florida Administrative Code, are suspended for the limited purpose of allowing licensed vendors of alcoholic beverages to request the return of undamaged alcoholic beverages purchased for events cancelled in response to COVID-19, so long as:

1) The requests are made within 30 days of the expiration of the state of emergency declared in Executive Order 20-52, including any extensions.

2) Vendors shall make and keep records of all events cancelled in response to COVID-19 that comply with section 561.55, Florida Statutes, and Rule 61A-1.01028(2), Florida Administrative code, and also include:

- a. the event name;
- b. the date the event was to be held;
- c. the date the event was cancelled;
- d. the location of the event or gathering that was cancelled; and
- e. the product returned to a distributor as a result of the cancellation of the event.

3) Licensed distributors shall make and keep records of all returns that comply with the record keeping requirements of section 561.55, Florida Statutes, and Rule 61A-1.01028(2), Florida Administrative code, and also include:

- a. the request from the licensed vendors;
- b. the date the request was made;
- c. the identity of the licensed vendor making the request, including the

licensed vendor's business name and address;

- d. the license number of the licensed vendor making the request;
- e. the product returned; and
- f. whether the vendor received cash or credit.

4) Vendors receive cash or a credit against outstanding indebtedness within sixty days from the date the distributor picks up the products.

5) The returned products were not initially purchased, sold, or otherwise obtained with either the privilege of return, or in any other manner that would be considered a violation of Florida's Beverage Law.

D. This Section does not prohibit retail stores and vendors that currently sell sealed containers of alcoholic beverages for off-premises consumption from continuing such sales for off premises consumption.

E. This Section amends and supersedes Executive Order 20-68, Section 1.

Section 2. Restaurants and Bars

I hereby order all restaurants and food establishments licensed under Chapters 500 and 509, Florida Statutes, within the State of Florida to suspend on-premises food consumption for customers. Notwithstanding the foregoing, such establishments may operate their kitchens for the purpose of providing delivery or take-out services. Employees, janitorial personnel, contractors and delivery personnel shall be allowed access to such establishments for the purposes of delivery or take-out services. This Section amends and supersedes Executive Order 20-68, Sections 3(A)-(B).

Section 3. Gyms and Fitness Centers

I hereby order the closure of gymnasiums and fitness centers within the State of Florida.

This order shall not apply to gymnasiums and fitness centers which are: (i) amenities of hotels which have a capacity of 10 persons or less, (ii) are an amenity of a residential building, (iii) are interior to any fire or police stations or (iv) are located inside any single-occupant office building.

Section 4. Enforcement and Implementation


A. The Department of Business and Professional Regulation shall utilize its authorities under Florida law to further implement and enforce the provisions of this Executive Order and shall take additional measures as necessary to protect the public health, safety and welfare.

B. Pursuant to section 252.36(6), Florida Statutes, all state and local law enforcement shall further implement and enforce the provisions of this Executive Order.

Section 5. This Executive Order shall expire upon the expiration of Executive Order 20-52, including any extensions.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 20th day of March, 2020.




RON DESANTIS, GOVERNOR

ATTEST:


SECRETARY OF STATE

2020 MAR 20 PM 1:22
TALLAHASSEE, FLORIDA

FILED

EXHIBIT 7

NOT A CERTIFIED COPY

STATE OF FLORIDA

OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NUMBER 20-112

(Phase 1: Safe. Smart. Step-by-Step. Plan for Florida's Recovery)

WHEREAS, on March 9, 2020, I issued Executive Order 20-52 declaring a state of emergency for the entire State of Florida as a result of COVID-19; and

WHEREAS, on April 3, 2020, I issued Executive Order 20-91 and Executive Order 20-92 directing all persons in Florida to limit their movements and personal interactions outside of their home only to those necessary to obtain or provide essential services or conduct essential activities; and

WHEREAS, my administration has implemented a data-driven strategy devoted to high-volume testing and aggressive contact tracing, as well as strict screening protocols in long-term care facilities to protect vulnerable residents; and

WHEREAS, data collected by the Florida Department of Health indicates the State has achieved several critical benchmarks in flattening the curve, including a downward trajectory of hospital visits for influenza-like illness and COVID-19-like syndromic cases, a decrease in percent positive test results, and a significant increase in hospital capacity since March 1, 2020; and

WHEREAS, during the week of April 20, 2020, I convened the Task Force to Re-Open Florida to evaluate how to safely and strategically re-open the State; and

WHEREAS, the path to re-opening Florida must promote business operation and economic recovery while maintaining focus on core safety principles.

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution and Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order:

Section 1. Phase 1 Recovery

In concert with the efforts of President Donald J. Trump and the White House Coronavirus Task Force, and based on guidance provided by the White House and the Centers for Disease Control and Prevention (CDC), the Occupational Safety and Health Administration (OSHA), and the Florida Surgeon General and State Health Officer, Dr. Scott Rivkees, I hereby adopt the following in response to the recommendations in Phase 1 of the plan published by the Task Force to Re-Open Florida.

Section 2. Responsible Individual Activity

A. All persons in Florida shall continue to limit their personal interactions outside the home; however, as of the effective date of this order, persons in Florida may provide or obtain:

1. All services and activities currently allowed, *i.e.*, those described in Executive Order 20-91 and its attachments, which include activities detailed in Section 3 of Executive Order 20-91, the U.S. Department of Homeland Security in its Guidance on the Essential Critical Infrastructure Workforce and a list propounded by Miami-Dade County in multiple orders (as of April 1, 2020), as well as other services and activities approved by the State Coordinating Officer. Such services should continue to follow safety

guidelines issued by the CDC and OSHA. If necessary, employee screening or use of personal protective equipment should continue.

2. Additional services responsibly provided in accordance with Sections 3 and 4 of this order in counties other than Miami-Dade, Broward and Palm Beach. In Miami-Dade, Broward and Palm Beach counties, allowances for services and activities from Sections 3 and 4 of this order will be considered in consultation with local leadership.

B. Except as provided in Section 2(A)(1) of this order, senior citizens and individuals with a significant underlying medical condition (such as chronic lung disease, moderate-to-severe asthma, serious heart conditions, immunocompromised status, cancer, diabetes, severe obesity, renal failure and liver disease) are strongly encouraged to stay at home and take all measures to limit the risk of exposure to COVID-19.

C. For the duration of this order, all persons in Florida should:

1. Avoid congregating in large groups. Local jurisdictions shall ensure that groups of people greater than ten are not permitted to congregate in any public space that does not readily allow for appropriate physical distancing.
2. Avoid nonessential travel, including to U.S. states and cities outside of Florida with a significant presence of COVID-19.
3. Adhere to guidelines from the CDC regarding isolation for 14 days following travel on a cruise or from any international destination and any area with a significant presence of COVID-19.

D. This order extends Executive Order 20-80 (Airport Screening and Isolation) and Executive Order 20-82 (Isolation of Individuals Traveling to Florida), with exceptions for persons involved in military, emergency, health or infrastructure response or involved in commercial activity. This order extends Sections 1(C) and 1(D) of Executive Order 20-86 (Additional Requirements of Certain Individuals Traveling to Florida), which authorize the Department of Transportation, with assistance from the Florida Highway Patrol and county sheriffs, to continue to implement checkpoints on roadways as necessary.

Section 3. Businesses Restricted by Previous Executive Orders

Unless I direct otherwise, for the duration of this order, the following applies to businesses directly addressed by my previous Executive Orders:

- A. Bars, pubs and nightclubs that derive more than 50 percent of gross revenue from the sale of alcoholic beverages shall continue to suspend the sale of alcoholic beverages for on-premises consumption. This provision extends Executive Order 20-68, Section 1 as modified by Executive Order 20-71, Sections 1 and 2.
- B. Restaurants and food establishments licensed under Chapters 500 or 509, Florida Statutes, may allow on-premises consumption of food and beverage, so long as they adopt appropriate social distancing measures and limit their indoor occupancy to no more than 25 percent of their building occupancy. In addition, outdoor seating is permissible with appropriate social distancing. Appropriate social distancing requires maintaining a minimum of 6 feet between parties, only seating parties of 10 or fewer people and keeping bar counters closed to seating. This provision

extends Executive Order 20-68, Section 3 and supersedes the conflicting provisions of Executive Order 20-71, Section 2 regarding on-premises food consumption.

- C. Gyms and fitness centers closed by Executive Order 20-71 shall remain closed.
- D. The prohibition on vacation rentals in Executive Order 20-87 remains in effect for the duration of this order.
- E. The Department of Business and Professional Regulation shall utilize its authorities under Florida law to implement and enforce the provisions of this order as appropriate.

Section 4. Other Affected Business Services

Unless I direct otherwise, for the duration of this order, the following applies to other business services affected by my previous Executive Orders:

- A. In-store retail sales establishments may open storefronts if they operate at no more than 25 percent of their building occupancy and abide by the safety guidelines issued by the CDC and OSHA.
- B. Museums and libraries may open at no more than 25 percent of their building occupancy, provided, however, that (a) local public museums and local public libraries may operate only if permitted by local government, and (b) any components of museums or libraries that have interactive functions or exhibits, including child play areas, remain closed.

Section 5. Medical Procedures

Subject to the conditions outlined below, elective procedures prohibited by Executive Order 20-72 may resume when this order goes into effect. A hospital ambulatory surgical center, office surgery center, dental office, orthodontic office, endodontic office or other health care

practitioners' office in the State of Florida may perform procedures prohibited by Executive Order 20-72 only if:

- A. The facility has the capacity to immediately convert additional facility-identified surgical and intensive care beds for treatment of COVID-19 patients in a surge capacity situation;
- B. The facility has adequate personal protective equipment (PPE) to complete all medical procedures and respond to COVID-19 treatment needs, without the facility seeking any additional federal or state assistance regarding PPE supplies;
- C. The facility has not sought any additional federal, state, or local government assistance regarding PPE supplies since resuming elective procedures; and
- D. The facility has not refused to provide support to and proactively engage with skilled nursing facilities, assisted living facilities and other long-term care residential providers.

The Agency for Health Care Administration and the Department of Health shall utilize their authority under Florida law to further implement and enforce these requirements. This order supersedes the conflicting provisions of Executive Order 20-72.

Section 6. Previous Executive Orders Extended

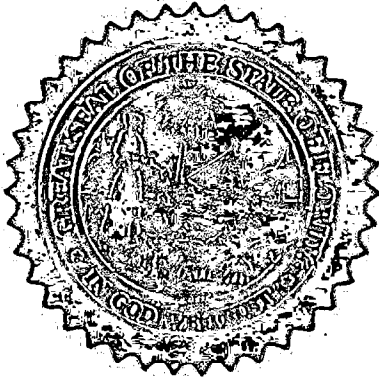
The Executive Order 20-69 (Local Government Public Meetings) is extended for the duration of this order.

Section 7. Enforcement

This order shall be enforced under section 252.47, Florida Statutes. Violation of this order is a second-degree misdemeanor pursuant to section 252.50, Florida Statutes, and is punishable by imprisonment not to exceed 60 days, a fine not to exceed \$500, or both.

Section 8: Effective Date

This order is effective at 12:01 a.m. on May 4, 2020.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 29th day of April, 2020.


RON DESANTIS, GOVERNOR

ATTEST:


SECRETARY OF STATE

NOT A CERTIFIED COPY

FILED
2020 APR 29 PM 4:52
TALLAHASSEE, FLORIDA

EXHIBIT 8

NOT A CERTIFIED COPY

STATE OF FLORIDA

OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NUMBER 20-120

(Expanding Phase 1: Safe. Smart. Step-by-Step. Plan for Florida's Recovery)

WHEREAS, on March 9, 2020, I issued Executive Order 20-52 declaring a state of emergency for the entire State of Florida as a result of COVID-19; and

WHEREAS, on April 29, 2020, based on data showing a downward trajectory of hospital visits for influenza-like illness and COVID-19-like syndromic cases, a decrease in percent positive test results, and a significant increase in hospital capacity, I issued Executive Order 20-112 initiating Phase 1 of the Safe. Smart. Step-by-Step. Plan for Florida's Recovery; and

WHEREAS, data collected by the Florida Department of Health indicates the State continues to flatten the curve; and

WHEREAS, local leadership in Palm Beach County, citing data showing a downward trajectory of influenza-like illness and COVID-like illness and a low percent of new individuals testing positive, has requested that the County proceed to Phase 1.

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution and Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order:

Section 1. Palm Beach County to Phase 1

Executive Order 20-112 is extended, with the following modification:

As of the effective date of this order, the restriction in Section 2(A)(2) of Executive Order 20-112 no longer applies to Palm Beach County.

Section 2. Barbershops, Cosmetology Salons, and Cosmetology Specialty Salons:

In addition to the Phase 1 services authorized under Sections 2, 3 and 4 of Executive Order 20-112, persons in Florida may provide or obtain services at the following establishments in counties I have authorized to proceed to Phase 1:

Barbershops, cosmetology salons, and cosmetology specialty salons that adopt appropriate social distancing and precautionary measures as outlined by the Department of Business and Professional Regulation at the following link: www.myfloridalicense.com/emergency.

Section 3. Effective Date

This order is effective at 12:01 a.m. on May 11, 2020.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 9th day of May, 2020.

RON DESANTIS, GOVERNOR

ATTEST:

SECRETARY OF STATE

DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA
2020 MAY -9 PM 12: 27

FILED