

IN THE CIRCUIT COURT OF THE
THIRTEENTH JUDICIAL CIRCUIT IN
AND FOR HILLSBOROUGH COUNTY,
FLORIDA

CASE NO.

DAB DENTAL PLLC D/B/A SUNSHINE
DENTISTRY, on behalf of itself and
all other similarly-situated persons,

Plaintiffs,

CLASS REPRESENTATION

v.

MAIN STREET AMERICA PROTECTION
INSURANCE COMPANY,

Defendant.

COMPLAINT AND DEMAND FOR JURY TRIAL

Plaintiff DAB Dental PLLC d/b/a Sunshine Dentistry (“Sunshine”), on behalf of itself and all other similarly-situated persons, sues Defendant Main Street America Protection Insurance Company (“MSA”), as follows:

NATURE OF ACTION

1. This is a class action for breach of contract and for declaratory relief arising out of Defendant MSA’s denials of civil authority coverage for claims for losses caused by Executive Order Number 20-91.

PARTIES, JURISDICTION, AND VENUE

2. Plaintiff Sunshine is a Florida professional limited liability company that is authorized to conduct business in Florida.

3. Defendant MSA is a Florida corporation that is authorized by the Florida Office of Insurance Regulation to, and in fact does, transact business and issue insurance coverage in Florida.

4. The Court has subject-matter jurisdiction over this action because Plaintiff's damages exceed \$30,000, exclusive of interest and costs. The Court also has subject-matter jurisdiction over this action pursuant to section 86.011 of the Florida Statutes.

5. Venue is proper in this Court because the causes of action asserted in this complaint arose and accrued in Hillsborough County.

FACTUAL BACKGROUND

MSA's Promise of Coverage

6. Defendant MSA issued an insurance policy with policy no. BPG9306N (the "Policy") to Plaintiff Sunshine effective October 19, 2019 through October 19, 2020. A copy of the Policy is attached as Exhibit A.

7. The Policy is a valid and enforceable contract under Florida law and was in full force and effect at all material times.

8. Under Section A(5)(h) of the Businessowners Coverage Form of the Policy, entitled "Civil Authority," MSA promised to "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." Capitalized terms are defined terms in the Policy.

9. The Policy defines "Covered Causes of Loss" as "[r]isks of direct physical loss unless the loss is **a.** Excluded in Paragraph **B.** Exclusions in Section **I**; or **b.** Limited in Paragraph **A. 4.** Limitations in Section **I**."

The Governor's stay-at-home order

10. On April 1, 2020, Governor Ron DeSantis issued Executive Order Number 20-91,

commonly known as Florida's stay-at-home order. The order became effective at 12:01 a.m. on April 3, 2020, and lasted through April 30, 2020.

11. Pursuant to the order, Sunshine and similarly-situated businesses have been forced to close and remain closed until the order expired.

12. Due to this closure, Sunshine and similarly-situated businesses have lost Business Income and incurred Extra Expenses as those terms are defined in the Policy.

13. Based on Sunshine's business records for April 2019, Sunshine's Net Income (as defined in the Policy) from April 3, 2020 through April 30, 2020 would have been approximately \$25,000 had the stay-at-home order not been issued.

14. Furthermore, Sunshine incurred continuing normal operating expenses during this period, including *inter alia* payroll, payroll taxes, rent, laboratory fees, malpractice insurance, utilities, computer, software, phone, and internet expenses, dues and subscriptions, and payments to vendors for supplies.

15. Sunshine's loss of Business Income and incurrence of Extra Expense fall squarely within the Policy's grant of civil authority coverage.

16. The stay-at-home order is an action of a civil authority, the Office of the Governor for the State of Florida. Further, the stay-at-home order was not entered due to Sunshine's premises sustaining direct physical loss or damage. Rather, the stay-at-home order prohibits access to Sunshine's premises due to *other* property sustaining the direct physical loss or damage of COVID-19 being present.

MSA's breach of the Policy

17. Pursuant to the Policy, Sunshine timely gave MSA notice of its claim for Civil Authority coverage.

18. MSA employed its insurance agents, such as Gracey Backer, Inc., to preemptively send correspondence to its policyholders stating its intent to deny claims for lost income based on a purported exclusion for loss of income due to virus or other bacteria.

19. In doing so, MSA repudiated or anticipatorily breached its obligations under the Policy.

20. By prejudging claims before they were even submitted, MSA also violated section 626.9541(1)(i)(3)(d) of the Florida Statutes, which makes clear that it is an unfair claim settlement practice to “[d]eny[] claims without conducting reasonable investigations based upon available information.”

21. Upon information and belief, MSA has denied and intends to deny similar claims made by other insureds under the same or similar relevant policy provisions.

22. Under the guise of “processing” Plaintiff’s claim, on May 13, 2020, MSA sent Sunshine a list of questions. Sunshine responded on May 18, 2020 answering each question.

23. MSA failed to provide any further communication.

24. Given the lack of communication, Sunshine sent a letter to MSA asking for a decision on whether MSA would cover the claim by June 3, 2020.

25. MSA failed to respond at all.

26. Eventually, MSA sent more questions to Sunshine, many of which were duplicative of prior questions or asked for information already provided.

27. Sunshine responded to the questions and again requested a decision at least as to coverage, even if the amount of the loss was still being determined. Sunshine asked for a coverage decision by June 26, 2020.

28. MSA failed to respond at all.

29. By failing to provide any coverage decision despite being provided all requested information, MSA has also effectively denied the claim or repudiated or anticipatorily breached its obligations under the Policy.

30. No conditions, exclusions, or coverage defenses in the Policy apply to bar coverage for Sunshine's claims for Civil Authority coverage.

General Allegations

31. All conditions precedent to this action have been performed, waived, or are excused.

32. Sunshine has retained legal counsel and is obligated to pay the undersigned counsel a reasonable fee for the services rendered in this action.

CLASS REPRESENTATION ALLEGATIONS

33. Sunshine brings this complaint as a class action pursuant to Florida Rule of Civil Procedure 1.220.

34. Sunshine re-incorporates the allegations in paragraphs 1 through 32 as if fully set forth herein.

Class Definition

35. Sunshine seeks to represent the following classes (including any applicable subclasses):

a. All insureds of MSA whose policies were issued or delivered in Florida and whose policies contain civil authority coverage with the same or similar relevant terms as the Policy (the "Declaratory Relief Class").

b. All insureds of MSA whose policies were issued or delivered in Florida and contain civil authority coverage with the same or similar relevant terms as the Policy and who

submitted claims based on Executive Order Number 20-91 that MSA subsequently denied or intends to deny (the “Damages Class”).

36. Excluded from this class are the judge assigned to this case, the judge’s staff, and the judge’s immediate family members.

37. This class action is brought pursuant to Rule 1.220(b)(2) because MSA has acted or refused to act on grounds generally applicable to all the members of the class, thereby making final injunctive relief or declaratory relief concerning the class appropriate.

38. This class action is also brought pursuant to Rule 1.220(b)(3) because the questions of law or fact common to Sunshine’s claim and the class members’ claims predominate over any question of law or fact affecting only individual class members and class representation is superior to other available methods for fairly and efficiently adjudicating the controversy. The likelihood that individual members of the class will prosecute separate actions, and their interest in so doing, is relatively small due to the extensive time and considerable expense necessary to conduct such litigation.

39. MSA has subjected Sunshine and the members of the class to the same improper conduct and harmed them in the same manner.

A. Numerosity

40. The individual class members are so numerous that joinder of all members in a single action is impracticable. Upon information and belief, both the Declaratory Relief Class and the Damages Class number in at least the thousands.

41. While Sunshine estimates the proposed classes number in the thousands, the exact number of class members, as well as the class members’ names and addresses, can be identified from MSA’s business records.

B. Commonality/Predominance

42. Common questions of law and fact exist as to Sunshine’s and the class members’ claims. These common questions predominate over any questions solely affecting individual class members, including, but not limited to, the following:

- a. Whether Executive Order Number 20-91 is an action of civil authority;
- b. Whether the Florida – Exclusion of Loss Due to Virus or Bacteria (the “Virus Exclusion”) applies to the civil authority coverage claims described herein;
- c. Whether the claims for civil authority coverage described herein are based on loss or damage caused by Executive Order Number 20-91 or instead are based on loss or damage caused by a virus;
- d. Whether MSA could have drafted a broader exclusion if it had used broader “arising from” causation language;
- e. Whether Executive Order Number 20-91 was issued due to direct physical loss of or damage to property, other than at the insured’s premises described in its policy, caused by or resulting from any Covered Cause of Loss.

C. Typicality

43. Sunshine’s claims are typical of the putative class members’ claims because of the similarity and uniformity of the class members’ policies and MSA’s conduct. Sunshine, like all class members, has a policy with MSA’s standard civil authority coverage language. Likewise, Sunshine, like all members of the Damages Class, was wrongfully denied coverage for a civil authority claim based on Executive Order Number 20-91.

44. Each Damage Class member has sustained, and will continue to sustain, damages in the same manner as Sunshine as a result of MSA’s wrongful denials of coverage.

D. Adequacy

45. Sunshine will fairly and adequately protect and represent the interest of each member of the class because it has the same or similar relevant terms in its insurance policy as that of all class members and it suffered the same wrongs as the Damages Class members.

46. Sunshine is fully cognizant of its responsibilities as class representative and has retained León Cosgrove, LLP to prosecute this case. León Cosgrove, LLP is experienced in complex class action litigation, including litigation related to insurance coverage, and has the financial and legal resources to meet the costs of and understand the legal issues associated with this type of litigation.

47. Class action treatment is superior to the alternatives, if any, for the fair and efficient adjudication of the controversy alleged herein because such treatment will permit a large number of similarly-situated persons to prosecute their common claims in a single forum simultaneously, efficiently, and without the unnecessary duplication of evidence, effort, and expense that numerous individual actions would engender.

48. This action will be prosecuted in a fashion to ensure the Court's able management of this case as a class action on behalf of the class. Sunshine knows of no difficulty likely to be encountered in the management of this action that would preclude its maintenance as a class action.

COUNT I – BREACH OF CONTRACT

49. Sunshine incorporates by reference the allegations in paragraphs 1 through 48 of this complaint as if fully set forth herein.

50. This is an action for breach of a contract of insurance.

51. At all material times, Sunshine was an insured under the Policy, which is a binding, valid, and enforceable insurance contract under Florida law.

52. Sunshine's claim for Civil Authority coverage is covered under the Policy.

53. By repudiating its obligations under the Policy, by anticipatorily breaching the Policy, and by failing to pay Sunshine's claim, MSA breached its duties and obligations under the Policy and thus breached the contract.

54. As a direct, foreseeable, and proximate cause of MSA's breach of the Policy, Sunshine has suffered damages, as it has been deprived of the benefits due under the Policy.

55. MSA is accordingly liable to Sunshine in an amount to be determined at trial.

WHEREFORE, Plaintiff Sunshine requests that the Court enter judgment against Defendant MSA granting Plaintiff Sunshine and the class the following relief against MSA:

- a. Certification of the Damages Class.
- b. Contractual and compensatory damages.
- c. Pre- and post-judgment interest.
- d. An award of Plaintiff's and the class's costs in prosecuting this action.
- e. An award of Plaintiff's and the class's reasonable attorneys' fees pursuant to Fla. Stat. § 627.428 or other applicable law.
- f. Any other relief that the Court deems just and proper.

COUNT II – DECLARATORY JUDGMENT

56. Sunshine incorporates by reference the allegations in paragraphs 1 through 48 of this complaint as if fully set forth herein.

57. This is an action for a declaratory judgment under Florida's Declaratory Judgment Act, section 86.011 *et seq.*, Florida Statutes.

58. Sunshine contends that the Civil Authority coverage in the Policy covers losses caused by Executive Order Number 20-91 and that no exclusion in the Policy bars coverage.

59. Defendant MSA contends that the Virus Exclusion applies to claims for Civil Authority coverage for losses caused by Executive Order Number 20-91.

60. Sunshine is in doubt as to its rights under the Policy.

61. There is a bona fide, actual, present practical need for a declaration based on present, ascertainable facts.

62. Sunshine's rights under the Policy are dependent upon the facts or the law applicable to the facts.

63. Plaintiff Sunshine and Defendant MSA have an actual, present, adverse, and antagonistic interest in the subject matter, either in fact or law.

64. All the antagonistic and adverse interests are before the court by proper process or class representation.

65. The relief sought is not merely the giving of legal advice by the courts or the answer to questions propounded from curiosity.

WHEREFORE, Plaintiff Sunshine requests that the Court enter judgment against Defendant MSA granting Plaintiff Sunshine and the class the following relief against Defendant MSA:

- a. Certification of the Declaratory Relief Class.
- b. A declaration that the Civil Authority coverage in the Policy covers losses caused by Executive Order Number 20-91 and that no exclusion in the Policy bars coverage.
- c. An award of Plaintiff's and the class's costs in prosecuting this action.
- d. An award of Plaintiff's and the class's reasonable attorneys' fees pursuant to Fla. Stat. § 627.428 or other applicable law.

e. Any other relief that the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury on all issues so triable.

Dated: July 7, 2020

Respectfully submitted,

s/ John R. Byrne _____

Derek E. León

Florida Bar No. 625507

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Fla. Bar No. 161365

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Counsel for Plaintiff and the Class

EXHIBIT A



**THE
MAIN
STREET
AMERICA
GROUP**

Policy Number: BPG9306N

BUSINESSOWNERS COMMON DECLARATIONS

MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

4601 TOUCHTON ROAD EAST, SUITE 3400, JACKSONVILLE, FL 32246-6000

Item 1. Named Insured and Mailing Address
 DAB DENTAL PLLC
 14953 N FLORIDA AVE
 TAMPA, FL 33613-1612

Agent Name and Address
 GRACEY-BACKER INC
 275 GEORGE BUSH BLVD
 DELRAY BEACH, FL 33444

Agent Phone No. (561)-276-6055
 Agent No. 090178

Item 2. Policy Period **From:** 10-19-2019 **To:** 10-19-2020
 at 12:01 A.M., Standard Time at your mailing address shown above.

Item 3. Form of Business: LIMITED LIABILITY COMPANY

Item 4. In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated. Where no premium is shown, there is no coverage. This premium may be subject to adjustment.

COVERAGE

PREMIUM

Section I – Property	
Section II – Liability	\$1,208.00
Inland Marine	\$496.00
CYBER	NOT APPLICABLE
	\$43.00
TOTAL PREMIUM	
STATE FEES, TAXES	\$1,747.00
(REFER TO TAX-FORM FOR DETAILS)	\$4.00
Total Policy Premium:	
For Coverages subject to premium audit: Annual Audit Applies	\$1,751.00

Item 5. Form(s) and Endorsement(s) made a part of this policy at time of issue:
See Schedule of Forms and Endorsements

Countersigned: _____
 Date: _____ By: _____
 Authorized Representative

THIS BUSINESSOWNERS COMMON DECLARATIONS AND SUPPLEMENTAL DECLARATION(S), TOGETHER WITH SECTION III – COMMON POLICY CONDITIONS, COVERAGE PARTS, COVERAGE FORMS AND ENDORSEMENTS, IF ANY, COMPLETE THE ABOVE NUMBERED POLICY.

BPM D 1 1207



THE
MAIN
STREET
AMERICA
GROUP

Policy Number: BPG9306N

SCHEDULE OF TAXES, SURCHARGES OR FEES

MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

Named Insured	DAB DENTAL PLLC	Effective Date:	10-19-2019
Agent Name	GRACEY-BACKER INC	Agent No.	090178

BPM D 1 (CONT.)

DETAILED BREAKDOWN OF TAXES, SURCHARGES OR FEES :

EMERGENCY MANAGEMENT PREPAREDNESS & ASSISTANCE	\$ 4.00
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TOTAL	----- \$ 4.00
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MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

Policy Number: BPG9306N

Named Insured: DAB DENTAL PLLC

Effective Date: 10-19-2019

Agent Name: GRACEY-BACKER INC

Agent No. 090178

SECTION I – PROPERTY – DECLARATIONS

PREMISES NO. 1 BUILDING NO. 1

Occupancy: DENTISTS AND DENTAL SURGEONS

Address: 14953 N FLORIDA AVE, TAMPA, FL, 33613-1612

COVERAGE	LIMIT	VALUATION	INFLATION GUARD %
CONTENTS	\$ 160,000	REPLACEMENT COST	0%

DEDUCTIBLES:

CONTENTS	WIND/HAIL DEDUCTIBLE %
\$ 1,000	5%

HURRICANE PERCENTAGE	SINKHOLE COVERAGE
	\$ 1,000

Business Income/Extra Expense: INCLUDED

ACTUAL LOSS FOR 6 CONSECUTIVE MONTHS

Business Income 'Period of Restoration': 72 HOURS

Equipment Breakdown Enhancement: INCLUDED

Sinkhole Coverage

INCLUDED

MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

Policy Number: BPG9306N

Named Insured: DAB DENTAL PLLC

Effective Date: 10-19-2019

Agent Name: GRACEY-BACKER INC

Agent No. 090178

OPTIONAL COVERAGES

STATE: FL LOC/BLDG: 1/1

WIND OR HAIL DEDUCTIBLE PERCENTAGES

SEE FORM # BPM 1114

MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

Policy Number: BPG9306N

Named Insured: DAB DENTAL PLLC

Effective Date: 10-19-2019

Agent Name: GRACEY-BACKER INC

Agent No. 090178

OPTIONAL COVERAGES

LOSS PAYABLE PROVISIONS

SEE FORM # BP 12 03

SEE BPM S LP - LOSS PAYABLE SCHEDULE

MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

Policy Number: BPG9306N

Named Insured: DAB DENTAL PLLC

Effective Date: 10-19-2019

Agent Name: GRACEY-BACKER INC

Agent No. 090178

SECTION II – LIABILITY – DECLARATIONS

COVERAGES	LIMITS
Liability & Medical Expenses – Each Occurrence	\$ 1,000,000
Personal & Advertising Injury Limit	\$ 1,000,000
Damage To Premises Rented To You	\$ 500,000
Aggregate Limit- Products-Completed Operations	\$ 2,000,000
Aggregate Limit- Except Products-Completed Operations	\$ 2,000,000
Medical Expense Limit - Per Person	\$ 10,000

LIABILITY -- SCHEDULE

STATE: FL TERRITORY: 177 PREMISES NO: 1/1

CLASS CODE: 62121 DEDUCTIBLE - PROPERTY DAMAGE LIABILITY: NONE

CLASSIFICATION: DENTISTS AND DENTAL SURGEONS

PREMIUM BASIS	EXPOSURE	RATE	ADVANCE PREMIUM
INCLUDED	INCLUDED		INCLUDED

MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

Policy Number: BPG9306N

Named Insured: DAB DENTAL PLLC
Agent Name: GRACEY-BACKER INC

Effective Date: 10-19-2019
Agent No. 090178

LIABILITY – OPTIONAL COVERAGES

ADDITIONAL INSUREDS

SEE FORM # BPM S AI

EMPLOYEE BENEFITS LIABILITY COVERAGE

SEE FORM # BP 04 98

EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE

ENDORSEMENT-SUPPLEMENTAL DECLARATIONS

SEE FORM # BPM D 3107CW

HIRED AUTO AND NON-OWNED AUTO LIABILITY

SEE FORM # BP 04 04

LIMIT: HIRED AUTO INCLUDED

LIMIT: NON-OWNED AUTO INCLUDED



Policy Number: BPG9306N

SCHEDULE OF FORMS AND ENDORSEMENTS

MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

Named Insured: DAB DENTAL PLLC Effective Date: 10-19-2019

Agent Name: GRACEY-BACKER INC Agent No. 090178

COMMON POLICY FORMS AND ENDORSEMENTS

64-8162 01-15 POLICYHOLDER DISCL. NOTICE - TERRORISM
IL N 154 07-07 OPTION TO EXCLUDE WINDSTORM COVERAGE

PROPERTY AND LIABILITY FORMS AND ENDORSEMENTS

64-K306 01-14 IMPORTANT INFORMATION FOR HOLD HARMLESS
BPM N 20 06-13 WEBSITE RESOURCE FOR OUR POLICYHOLDERS
BPM N 36 12-15 IDENTITY RECOVERY SERVICES
BPM N 55 10-18 NOTICE OF CHANGE IN POLICY TERMS
BPM N 79 12-18 PHN CHANGE IN TERMS BUS COV FORM
BPM N 82 03-19 PHN- BUSINESSOWNERS COV FORM-SECT I
BPM D 1 12-07 BUSINESSOWNERS COMMON DECLARATIONS
TAX-FORM 12-07 SCHEDULE OF TAXES, SURCHARGES OR FEES
BPM D PROP FL 12-15 BUSINESSOWNERS PROPERTY DECLARATIONS
BPM D LIAB 12-07 LIABILITY DECLARATIONS
BPM S FORMS 12-07 SCHEDULE OF FORMS AND ENDORSEMENTS
BPM S LOC 12-07 SCHEDULE OF LOCATIONS
BPM S AI 12-07 ADDITIONAL INSURED SCHEDULE
BPM S LP 12-07 LOSS PAYEE SCHEDULE
BPM N 1FL 03-16 QUICK REF GUIDE SECTION I-II-III
BPM P 3 01-09 SECTION III - COMMON POLICY CONDITIONS
BPM 1109FL 03-16 FL - EQUIPMENT BREAKDOWN ENHANCEMENT
BPM 1114 12-07 WINDSTORM OR HAIL PERCENT DED
BPM 1115FL 03-16 FL-EXC OF LOSS DUE TO VIRUS OR BACTERIA
BPM 1123 12-10 AMENDMENT-BUS INC AND EXT EXP-6 MO
BPM 3100FL 03-16 FL-NON-CONTRACTORS BLKT ADD INSD ENDORSE
BPM 3107FL 02-15 EPLI COVERAGE ENDORSMENT - FL
BPM 3112 12-07 AMENDMENT-AGGREGATE LIMITS-PER PREMISES
BPM 5113 02-15 FL CHANGES (EPLI)
BPM N 56 09-17 NOTICE TO POLICYHOLDER - EPLI
BPM D 3144FL 09-17 FL-DATA COMPROMISE COV SUPP DEC
BPM D 3107CW 02-15 EPLI COVERAGE ENDOR - SUPPLEMENTAL DEC
BPM P 1FL 03-19 BUSINESSOWNERS COV FORM - SECT I - PROP
BPM P 2FL 12-18 BUSINESSOWNERS LIABILITY COV FORM
BPM 3143FL 09-17 IDR COVERAGE ENDORSEMENT - FL
BPM 3144FL 09-17 DATA COMPROMISE COVERAGE ENDORSEMENT-FL
BP 01 59 08-08 WATER EXCLUSION ENDORSEMENT
BP 04 02 01-06 AI-MANAGERS OR LESSORS OF PREMISES
BP 04 04 01-06 HIRED AUTO AND NON-OWNED AUTO LIABILITY
BP 04 17 07-02 EMPLOYMENT-RELATED PRACTICES EXCLUSION
BP 04 54 01-06 NEWLY ACQUIRED ORGANIZATIONS
BP 04 97. 01-06 WAIVER OF TRANSFER RIGHTS
BP 04 98 01-06 EMPLOYEE BENEFITS LIABILITY COVERAGE
BP 05 23 01-15 CAP/LOSSES FROM CERTIFIED ACTS OF TERROR
BP 12 03 01-06 LOSS PAYABLE PROVISIONS
BPM 3155 03-16 FUNGI OR BACTERIA EXCLUSION (LIAB)
BPM 5107 03-16 FL CHANGES - CANCELLATION AND NONRENEWAL
BPM 5108 03-16 FLORIDA CHANGES
BPM 5109 03-16 FL - SINKHOLE LOSS COVERAGE

FORM-SCHED 1207

INSURED COPY



**THE
MAIN
STREET
AMERICA
GROUP**

Policy Number: BPG9306N

SCHEDULE OF FORMS AND ENDORSEMENTS

MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

Named Insured: DAB DENTAL PLLC Effective Date: 10-19-2019

Agent Name: GRACEY-BACKER INC Agent No. 090178

60-5248	09-13	PUNITIVE DAMAGES EXCLUSION
64-8375	03-16	RISK MANAGEMENT PROGRAM PHN

POLICYHOLDER NOTICES

64-5960	10-06	PRIVACY NOTICE
61-K450	06-14	MSAPIC SIGNATURE CLAUSE



**THE
MAIN
STREET
AMERICA
GROUP**

Policy Number: BPG9306N

SCHEDULE OF LOCATIONS

MAIN STREET AMERICA PROTECTION INSURANCE COMPANY

Named Insured: DAB DENTAL PLLC Effective Date: 10-19-2019

Agent Name: GRACEY-BACKER INC Agent No. 090178

Prem. No.	Bldg. No.	Premises Address (Address, City, State, Zip Code)
1	1	14953 N FLORIDA AVE, TAMPA, FL, 33613-1612

QUICK REFERENCE GUIDE

Businessowners Coverage Form – Sections I, II, III

SECTION I – PROPERTY

A - COVERAGE

1 – Covered Property

2 – Property Not Covered

3 – Covered Causes of Loss

4 – Limitations

5 – Additional Coverages

- a. Debris Removal
- b. Preservation of Property
- c. Fire Department Service Charge
- d. Collapse
- e. Water Damage, Other Liquids, Powder or Molten Material Damage
- f. Business Income and Extra Expense
 - (1) Business Income
 - (2) Extended Business Income
 - (3) Extra Expense
- g. Pollutant Cleanup and Removal
- h. Civil Authority
- i. Ordinance or Law
- j. Glass Expenses
- k. Forgery Or Alteration
- l. Fire Extinguisher Systems Recharge Expense
- m. Electronic Data and Computers
- n. Interruption of Computer Operations (Business Income and Extra Expense)
- o. Limited Coverage for "Fungi", Wet Rot, Dry Rot and Bacteria
- p. Reward Payment
- q. Claims Expenses
- r. Expediting Expenses
- s. Fine Arts
- t. Business Income and Extra Expense - Newly Acquired Premises
- u. Water Backup and Sump Overflow

6 - Coverage Extensions

- a. Newly Acquired or Constructed Property
 - (1) Buildings
 - (2) Business Personal Property
 - (3) Period Of Coverage
- b. Property Off Premises
- c. Outdoor Property
- d. Outdoor Signs
- e. Personal Effects
- f. Valuable Papers & Records
- g. Accounts Receivable
- h. Lock & Key Replacement
- i. Employee Dishonesty (including ERISA)
- j. Money & Securities

B – EXCLUSIONS

C – LIMITS OF INSURANCE

1. Limit in Section 1 – Property
2. Business Personal Property Limit- Seasonal Increase

D – DEDUCTIBLES

E – PROPERTY LOSS CONDITIONS

1. Abandonment
2. Appraisal
3. Duties In The Event Of Loss Or Damage
4. Legal Action Against Us
5. Loss Payment
6. Recovered Property
7. Resumption Of Operations
8. Vacancy

F – PROPERTY GENERAL CONDITIONS

1. Control of Property
2. Mortgageholders
3. No Benefit to Bailee
4. Policy Period, Coverage Territory
5. Coinsurance

G – OPTIONAL COVERAGE

1. Outdoor Signs

H – PROPERTY DEFINITIONS

SECTION II - LIABILITY

A. COVERAGES

- 1. Business Liability and Supplementary Payments
- 2. Medical Expenses

B. EXCLUSIONS

- 1. Applicable to Business Liability
- 2. Applicable to Medical Expenses
- 3. Applicable to Both Business Liability and Medical Expenses Coverage – Nuclear Energy Liability Exclusion

C. WHO IS AN INSURED

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

SECTION III – COMMON POLICY CONDITIONS

A – CANCELLATION

B – CHANGES

C – CONCEALMENT, MISREPRESENTATION OR FRAUD

D – EXAMINATION OF YOUR BOOKS AND RECORDS

E – INSPECTIONS AND SURVEYS

F – INSURANCE UNDER TWO OR MORE COVERAGES

G – LIBERALIZATION

H – OTHER INSURANCE

I – PREMIUMS

J – PREMIUM AUDIT

K – TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

L – TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

BUSINESSOWNERS COVERAGE FORM

SECTION III – COMMON POLICY CONDITIONS

(APPLICABLE TO SECTION I – PROPERTY,
SECTION II – LIABILITY, AND COMMERCIAL
INLAND MARINE)

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. 5 days before the effective date of cancellation if any one of the following conditions exists at any building that is Covered Property in this policy;
 - (1) The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:
 - (a) Seasonal unoccupancy; or
 - (b) Buildings in the course of construction, renovation or addition.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.
 - (2) After damage by a Covered Cause of Loss, permanent repairs to the building:
 - (a) Have not started, and
 - (b) Have not been contracted for, within 30 days of initial payment of loss.
 - (3) The building has:
 - (a) An outstanding order to vacate;
 - (b) An outstanding demolition order; or
 - (c) Been declared unsafe by governmental authority.
 - (4) Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.
 - (5) Failure to:

(a) Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or

(b) Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

b. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.

c. 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. Concealment, Misrepresentation Or Fraud

This policy is void in any case of fraud by you as it relates to this policy 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 policy;

2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this policy.

D. 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.

E. 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 and 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.

F. 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.

G. Liberalization

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

H. Other Insurance

1. If there is other insurance covering the same loss or damage, 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 of Section I – Property.
2. Business Liability Coverage is excess over:
 - a. Any other insurance that insures for direct physical loss or damage; or
 - b. Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.
3. When this insurance is excess, we will have no duty under Business Liability Coverage to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so; but we will be entitled to the insured's rights against all those other insurers.

I. Premiums

1. The first Named Insured shown in the Declarations:
 - a. Is responsible for the payment of all premiums; and
 - b. Will be the payee for any return premiums we pay.
2. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.
3. With our consent, you may continue this policy in force by paying a continuation premium for each successive one-year period. The premium must be:
 - a. Paid to us prior to the anniversary date; and
 - b. Determined in accordance with Paragraph 2. above.

Our forms then in effect will apply. If you do not pay the continuation premium, this policy will expire on the first anniversary date that we have not received the premium.

4. Undeclared exposures or change in your business operation, acquisition or use of locations may occur during the policy period that are not shown in the Declarations. If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

J. Premium Audit

1. This policy is subject to audit if a premium designated as an advance premium is shown in the Declarations. We will compute the final premium due when we determine your actual exposures.
2. Premium shown in this policy as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
3. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

K. Transfer Of Rights Of Recovery Against Others To Us

1. Applicable to Businessowners Property Coverage:

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

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

You may also accept the usual bills of lading or shipping receipts limiting the liability of carriers.

This will not restrict your insurance.

2. **Applicable to Businessowners Liability Coverage:**

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

L. 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.

FLORIDA – EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

This endorsement changes coverage provided by the **BUSINESSOWNERS COVERAGE FORM – SECTION I – PROPERTY**. Read the entire endorsement carefully to determine rights, duties and what is and is not covered.

A. Coverage

The following **Limitations** are deleted:

4. Limitations

a. We will not pay for loss of or damage to:

- (1) 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.
- (2) 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.

5. Additional Coverages

The following Additional Coverages are hereby deleted and replaced in their entirety as follows:

Pollutant Clean Up and Removal

We will pay for the Pollutant Clean Up and Removal for loss resulting from an "Equipment Breakdown". The most we will pay for the Pollutant Clean Up and Removal is \$250,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

Expediting Expenses

We will pay for the expediting expense loss resulting from an "Equipment Breakdown" with respect to your damaged Covered Property. We will pay the reasonable extra cost to:

- (1) Make temporary repairs;
- (2) Expedite permanent repairs; and
- (3) Expedite permanent replacement

Reasonable extra cost shall mean "the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation." This will be a part of and not an addition to the limit per loss.

The following are added to **5. Additional Coverages**:

Refrigerant Contamination

We will pay the loss from contamination by refrigerant used in refrigerating, cooling or humidity control equipment at the described premises as a result of an "Equipment Breakdown".

Spoilage Coverage

We will pay for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by an "Equipment Breakdown" to types of property covered by this policy, that are:

- (1) located on or within 1,000 feet of your described premises; and
- (2) owned by you, the building owner at your described premises, or owned by a public utility.

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage except water damage resulting from an Equipment Breakdown, earth movement or flood.

Business Income and Extra Expense

This Equipment Breakdown Enhancement Endorsement follows the Additional Coverages of **Business Income** and **Extra Expense** of the Businessowners Coverage Form to which this Endorsement is attached.

CFC Refrigerants

We will pay for the additional cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances.

Additional costs mean those in excess of what would have been required to repair or replace covered property had no CFC refrigerant been involved. We also pay for additional loss as described under the Spoilage or Loss of Income Coverages provided by this endorsement, caused by the presence of a refrigerant containing CFC substances.

We pay no more than the least of the following:

- (1) The cost to repair the damaged property and replace any lost CFC refrigerant;
- (2) The cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or
- (3) The cost to replace the system with one using a non-CFC refrigerant.

“Electronic Data” and “Computers”

We will pay for direct physical loss or damage to "Electronic Data" and "Computers" resulting from an "Equipment Breakdown".

Service Interruption

Any insurance provided for Business Income, Extra Expense or Spoilage is extended to apply to your loss, damage or expense caused by an "Equipment Breakdown" to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of "Equipment Breakdown" except that it is not Covered Property.

Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "Equipment Breakdown".

B. Exclusions

The **Exclusions** are modified as follows:

The following is added to Exclusion **B.1.g.(3)**, Water:

However, when **BPM 1110 Water Back-Up and Sump Overflow** endorsement is attached, if the presence of water, as described, requires the drying out of electrical Covered Property, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and applicable deductible.

The following **Exclusions** are deleted:

B.2.a. Electrical Apparatus

Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by fire.

We will pay for loss or damage to "computer(s)" due to artificially generated electrical current if such loss or damage is caused by or results from:

- (1) An occurrence that took place within 1,000 feet of the described premises; or
- (2) Interruption of electric power supply, power surge, blackout or brownout if the cause of such occurrence took place within 1,000 feet of the described premises.

B.2.d. Steam Apparatus

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.

B.2. I. Other Types of Loss, (6) Equipment breakdown, including rupture or bursting caused by centrifugal force. This exclusion does not apply with respect to the breakdown of "computer(s)";

F. Property General Conditions

The following **Property General Conditions** are added:

Suspension

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the perils covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension / coverage reinstatement to:

- (a) Your last known address; or

- (b) The address where the property is located. If we suspend your insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

Inspections and Surveys

- a. We have the right to:
 - (1) Make inspections and surveys at any time;
 - (2) Give you reports on the conditions we find; and
 - (3) Recommend changes.
- b. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions 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:
 - (1) Are safe or healthful; or
 - (2) Comply with laws, regulations, codes or standards.
- c. Paragraphs a. and b. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
- d. Paragraph b. 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

Environmental, Safety and Efficiency Improvements

If Covered Property requires replacement due to an "Equipment Breakdown", we will pay your additional cost to replace with equipment that is better for the environment, safer, or more efficient than the equipment being replaced.

However, we will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This

G. Optional Coverages

With regards to coverage provided by this endorsement, Paragraph G.1.e. of the **Outdoor Signs Optional Coverage** does not apply.

H. Property Definitions

"Specified Causes of Loss" also includes "Equipment Breakdown".

"Equipment Breakdown" as used herein means:

- a. Physical loss or damage both originating within:
 - (1) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:
 - a. waste disposal piping;
 - b. any piping forming part of a fire protective system;
 - c. furnaces; and
 - d. any water piping other than:
 - i. boiler feed water piping between the feed pump and the boiler;
 - ii. boiler condensate return piping; or
 - iii. water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.
 - (2) All mechanical, electrical, electronic or fiber optic equipment; and
- b. Caused by, resulting from, or consisting of:
 - (1) Mechanical breakdown;
 - (2) Electrical or electronic breakdown; or
 - (3) Rupture, bursting, bulging, implosion, or steam explosion.

However, "Equipment Breakdown" will not mean:

Physical loss or damage caused by or resulting from any of the following; however if loss or damage not otherwise excluded results, then we will pay for such resulting damage:

Condition does not apply to any property to which Actual Cash Value applies.

- (1) Wear and Tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other 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 birds, rodents or other animals;
- (6) Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any "computer" system including any hardware, programs or software;
- (7) Scratching or marring;
- (8) Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage except water damage resulting from an Equipment Breakdown, earth movement or flood.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Windstorm Or Hail Deductible Percentage
	See Form BPM D Prop

The following provisions apply to **Section I – Property:**

The Windstorm or Hail Deductible, as shown in the Schedule, applies to loss or damage to Covered Property 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. If loss or damage from a covered weather condition other than Windstorm or Hail occurs, and that loss or damage would not have occurred but for Windstorm or Hail, such loss or damage shall be considered to be caused by Windstorm or Hail and therefore part of a Windstorm or Hail occurrence.

With respect to Covered Property at a premises identified in the Schedule, no other deductible applies to Windstorm or Hail.

The Windstorm or Hail Deductible applies whenever there is an occurrence of Windstorm or Hail.

WINDSTORM OR HAIL DEDUCTIBLE CLAUSE

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage. This Deductible is calculated separately for, and applies separately to:

1. Each building, if two or more buildings sustain loss or damage;
2. The building and to personal property in that building, if both sustain loss or damage;

3. Personal property at each building, if personal property at two or more buildings sustains loss or damage; and

4. Personal property in the open.

We will not pay for loss or damage until the amount of loss or damage exceeds the Deductible. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit(s) of Insurance.

When property is covered under the Coverage Extension for Newly Acquired Property: In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to a percentage of the value(s) of the property at the time of loss. The applicable percentage for Newly Acquired Property is the highest percentage shown in the Schedule for any described premises.

EXAMPLE – APPLICATION OF DEDUCTIBLE:

The amounts of loss to the damaged property are \$60,000 (building) and \$40,000 (business personal property in building).

The actual Limits of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the business personal property.

The Deductible is 2%.

Building

Step (1): $\$80,000 \times 2\% = \$1,600$

Step (2): $\$60,000 - \$1,600 = \$58,400$

Business Personal Property

Step (1): $\$64,000 \times 2\% = \$1,280$

Step (2): $\$40,000 - \$1,280 = \$38,720$

The most we will pay is $\$97,120$ ($\$58,400 + \$38,720$).
The portion of the total loss that is not covered due to the application of the Deductible is $\$2,880$ ($\$1,600 + \$1,280$).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under **Section I – Property** in all forms and endorsements that comprise this Businessowners Policy, except as provided in Paragraph **C.** This includes but is not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- C.** However, the exclusion in Paragraph **B.** does not apply to the following:
 - 1.** Loss or damage caused by or resulting from "fungi", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Businessowners Policy; or
 - 2.** Coverage otherwise provided under **Florida – Food Contamination Endorsement BPM 1112FL** (if that endorsement is attached to this Businessowners Policy); or
 - 3.** Coverage otherwise provided under the Food Contamination Additional Coverage in **Restaurants Endorsement BP 07 78** (if that endorsement is attached to this Businessowners Policy).
- D.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- E.** The following provisions in the Businessowners Coverage Form–Section I-Property are hereby amended to remove reference to bacteria:
 - 1.** Exclusion **B.(i)** - "Fungi", Wet Rot, Dry Rot And Bacteria; and
 - 2.** **Additional Coverage A.5.** – Limited Coverage For "Fungi", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- F.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Businessowners Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDMENT – BUSINESS INCOME AND EXTRA EXPENSE –
LIMITS OF INSURANCE**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM – SECTION I - PROPERTY

A. Paragraph **A.5.f.(4)** is replaced by the following:

(4) If the Declarations show for Business Income and Extra Expense:

Actual loss for 6 consecutive months, then we will pay for the loss of Business Income and Extra Expense that occurs within 6 consecutive months following the date of direct physical loss or damage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**FLORIDA – NON-CONTRACTORS BLANKET
ADDITIONAL INSURED ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE

A. Additional Insureds

Each of the following is added to Paragraph C. **Who Is An Insured of BPM P 2 – Section II – Liability** but only as specifically described by the following:

1. Any person or organization for whom you are performing operations is also an additional insured, when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be included as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage", "personal and advertising injury" caused in whole or part, by:

- a. Your acts or omissions; or
- b. The acts or omissions of those acting on your behalf;

In the performance of your ongoing operations or "your work" included within the "products-completed operations" hazard for the additional insured at the location designated and described in the written contract or agreement.

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- a. The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- b. Supervisory, inspection, architectural or engineering activities.

2. Any state or political subdivision, subject to the following additional provisions:

a. This insurance applies only with respect to the following hazards for which a state or political subdivision has issued a permit in connection with premises you own, rent, or control and to which this insurance applies:

- (1) The existence, maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decorations and similar exposure;
- (2) The construction, erection or removal of elevators; or
- (3) The ownership, maintenance or use of any elevators covered by this insurance.

b. This insurance applies only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit. This insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality;
- (2) "Bodily injury" or "property damage" included within the products-completed operations hazard; or

3. Any person(s) or organization(s) with a controlling interest in you but only with respect to their liability arising out of;

- a. Their financial control of you; or
- b. Premises they own maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for such additional insured.

4. Any manager or lessor of premises to whom you are obligated by virtue of a written "Insured Contract" to provide insurance such as afforded by this policy, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you. This insurance does not apply to:

- a. Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- b. Structural alterations, new construction or demolition operations performed by or for such additional insured.

5. Any person or organization as mortgagee, assignee or receiver but only with respect to their liability as mortgagee, assignee or receiver and arising out of the ownership, maintenance or use of the premises by you.

This insurance does not apply:

- a. Any "occurrence" that takes place after you cease to be a tenant in that premises; or
- b. Structural alterations, new construction or demolition operations performed by or for such additional insured.

6. Any person or organization arising out of the ownership, maintenance or use of that part of the land leased to you and subject to the following additional exclusions.

This insurance does not apply to:

- a. Any "occurrence" which takes place after you cease to lease that land; or
- b. Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

7. A co-owner of a premises and covered under this insurance but only with respect to liability as co-owner of such premises.

8. Any person(s) or organization(s) who is the lessor of leased equipment to you, and required by the lease to be included as an additional insured but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by your maintenance, operation or use by you of equipment leased to you by such person(s) or organization(s).

With respect to the insurance afforded these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

B. The following is added to Paragraph H. Other Insurance of BPM P 3 –Section III - Common Policy Conditions:

Primary Additional Insured – If a written contract or agreement or permit requires this insurance to be primary for any person or organization with whom you agree to include in paragraph C. **Who Is An Insured** of BPM P 2 – Section II – Liability, this Other Insurance provision is applicable. This insurance is primary. This insurance is also non-contributory which means we will not seek contribution from other insurance available to the person or organization with whom you agree to include in **Who Is An Insured**.

THIS IS A CLAIMS-MADE AND REPORTED COVERAGE ENDORSEMENT. PLEASE NOTE THAT DEFENSE COSTS ARE CONTAINED WITHIN THE LIMIT OF LIABILITY AND THE DEDUCTIBLE. PLEASE READ THE ENTIRE EMPLOYMENT PRACTICES LIABILITY COVERAGE ENDORSEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE ENDORSEMENT – FLORIDA

Throughout this Coverage Endorsement (hereinafter referred to as “EPL Coverage”), the words “you” and “your” refer to the “named insured(s)” shown in the Supplemental Declarations of this EPL Coverage and any other person(s) or organization(s) qualifying as a “named insured” under this EPL Coverage. The words “we”, “us” and “our” refer to the company providing this insurance.

The word “insured” means any person or organization qualifying as such under SECTION III. WHO IS AN INSURED.

Other words and phrases that appear in “quotations” have special meaning. Refer to SECTION VII. DEFINITIONS.

The terms and conditions of the Cancellation Clause of the Common Policy Conditions and any amendment to such terms incorporated by endorsement are hereby incorporated herein and shall apply to coverage as is afforded by this EPL Coverage, unless specifically stated otherwise in an endorsement(s) attached hereto.

SECTION I. WHAT IS COVERED

A. Insuring Agreement

1. “We” shall pay those “losses” arising out of an “insured’s” “wrongful employment act” (other than a “third party violation”) against “your” “employees”, “recognized volunteers” and applicants for employment to which this insurance applies.
2. If coverage for “third party violations” is shown on the Supplemental Declarations, then “we” shall pay those “losses” arising out of an “insured’s” “third party violation”.
3. For coverage to apply under this EPL Coverage, the “wrongful employment act” must commence or take place after the Retroactive Date, but before the end of the “EPL coverage period”. If no Retroactive Date appears on the Supplemental Declarations then the Retroactive Date shall be the date of organization of the “named insured.” A “claim” or “suit” for a “wrongful employment act” must be first made against “you” during the “EPL coverage period” or Extended Reporting Periods (if applicable) and reported to “us” pursuant to the terms of this EPL Coverage.
4. A “claim” or “suit” by a person or organization seeking damages will be deemed to have been made at the earlier of the following times:
 - a. When written notice of such “claim” or “suit” is received and recorded by any “insured” or by “us”, whichever comes first; or

- b. When “we” make any settlement in accordance with the terms of this EPL Coverage.

B. Defense

1. “We” have the right and duty to defend and appoint an attorney to defend any “claim” or “suit” brought against any “insured” for a “wrongful employment act” to which this insurance applies, even if the “claim” or “suit” is groundless or fraudulent.

At the time a “claim” or “suit” is first reported to “us”, “you” may request that “we” appoint a defense attorney of “your” choice. “We” will give full consideration to any such request.

2. “We” have the right to investigate and settle any “claim” or “suit” that “we” believe is proper. “You” shall be entitled to consent to such settlement, provided “your” consent is not unreasonably withheld and is provided as soon as practicable.

If “you” refuse to consent to any settlement that “we” recommend and that is acceptable to the claimant, then “our” liability under this EPL Coverage for such “claim” or “suit” shall not exceed the amount for which we could have settled had “your” consent not been withheld at the time of “our” recommendation. “You” shall thereafter negotiate and defend that “claim” or “suit” at “your” own cost and without “our” involvement.

3. "We" shall pay all reasonable costs "we" ask the "insured" to incur while helping "us" investigate or defend a "claim" or "suit". "We", however, will not pay more than \$250 per day for earnings lost by the "insured" because of time taken off from work.
4. "We" shall pay premiums for appeal bonds, or bonds to release property being used to secure a legal obligation, for a covered "suit". "We" shall only pay, however, for bonds valued up to "our" EPL Aggregate Limit of Liability. "We" shall have no obligation to appeal or to obtain these bonds.
5. Payments for "defense costs" are included within the EPL Aggregate Limit of Liability. They are not in addition to the EPL Aggregate Limit of Liability. "Our" duty to defend or to make payment of any "claim" or "suit" pursuant to Paragraphs 1. through 4. of this Clause B., ends after the EPL Aggregate Limit of Liability has been exhausted by payment of "loss", including "defense costs".
6. "We" shall pay all interest on that amount of any judgment within the EPL Aggregate Limit of Liability:
 - a. Which accrues after entry of judgment; and
 - b. Before "we" pay, offer to pay, or deposit in court that part of the judgment within the EPL Aggregate Limit of Liability.

These interest payments shall be in addition to and not part of the EPL Aggregate Limit of Liability.

C. Transfer of Control

1. "You" may take over control of any outstanding "claim" or "suit" previously reported to "us", but only if "we", in "our" sole discretion, decide that you should, or if a court orders "you" to do so.
2. Notwithstanding Paragraph 1. of this Clause C., in all events, if the EPL Aggregate Limit of Liability is exhausted, "we" will notify "you" of all outstanding "claims" or "suits" and "you" will take over control of the defense. "We" will help transfer control of the "claims" and "suits" to "you".
3. We" shall take whatever steps are necessary to continue the defense of any outstanding "claim" or "suit" and avoid a default judgment during the transfer of control to "you". If "we" do so, "we" shall not waive or give up any of "our" rights. "You" shall pay all reasonable expenses "we" incur for taking such steps after the EPL Aggregate Limit of Liability is exhausted.

SECTION II. EXCLUSIONS—WHAT IS NOT COVERED

This insurance does not apply to:

A. Criminal Acts

Any liability arising out of any dishonest, fraudulent, criminal, or malicious act by or at the direction of any "insured". However, to the extent that a "claim" or "suit" is otherwise covered under this EPL Coverage "we" will defend a "claim" or "suit" asserting a dishonest, fraudulent, criminal or malicious act until such time as the "insured" is determined to have committed such dishonest, fraudulent, criminal or malicious act;

The "wrongful employment act(s)" of an "insured" shall not be imputed to any other "insured" for the purpose of determining the applicability of this Exclusion A.;

B. "Property Damage"

Any liability arising out of "property damage";

C. "Bodily Injury"

Any liability arising out of "bodily injury";

D. Worker's Compensation, Social Security and Unemployment, Disability and Retirement Benefits

Any liability arising out of any obligation pursuant to any worker's compensation, disability benefits, unemployment compensation, unemployment insurance, retirement benefits, social security benefits or similar law. This exclusion, however, shall not apply to "loss" arising from a "claim" or "suit" for "retaliation";

E. Contractual Liability

Any liability arising out of any actual or alleged contractual liability of any "insured" under any express contract or agreement. This exclusion, however, shall not apply to any liability the "insured" would have in the absence of such express contract or agreement;

F. ERISA, FLSA, NLRA, WARN, COBRA, and OSHA

Any liability for violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law.

It is acknowledged that "claims" and "suits" for violation(s) of any of the responsibilities, obligations or duties imposed by "similar federal, state, local or foreign statutory law or common law," as such quoted language is used in the immediately- preceding paragraph, include, without limitation, any and all "claims" and "suits" which in whole or in part allege, arise out of, are based upon, are attributable to, or are in any way related to any of the circumstances described in any of the following:

1. The refusal, failure or inability of any "insured(s)" to pay wages or overtime pay (or amounts representing such wages or overtime pay) for services rendered or time spent in connection with work related activities (as opposed to tort- based back pay or front pay damages for torts other than conversion);
2. Improper deductions from pay taken by any "insured(s)" from any "employee(s)" or purported employee(s); or
3. Failure to provide or enforce legally required meal or rest break periods;

Notwithstanding the foregoing, this Exclusion F. shall not apply to the extent that a "claim" or "suit" is for "retaliation";

G. Prior Knowledge

Any liability arising out of incidents, circumstances or "wrongful employment acts", which an "insured"

1. Had knowledge of; or
2. Could have reasonably foreseen might result in a "claim" or "suit"

and which were known to the "insured" prior to the effective date of this EPL Coverage or the first EPL Coverage issued by "us" of which this EPL Coverage is an uninterrupted renewal;

H. Prior Notice

Any liability arising out of the facts alleged, or to the same or "related wrongful employment acts" alleged or contained in any "claim" or "suit" which has been reported, or in any circumstances of which notice has been given, under any policy of which this EPL Coverage is a renewal or replacement or which it may succeed in time;

I. Prior Litigation

Any liability arising out of any prior

1. Litigation; or
2. Administrative or regulatory proceeding or investigation

of which an "insured" had notice, or alleging the same or "related wrongful employment acts" alleged or contained in such pending or prior litigation or administrative or regulatory proceeding or investigation which the "insured" had knowledge of prior to the effective date of this EPL Coverage or the first EPL Coverage issued by "us" of which this EPL Coverage is an uninterrupted renewal.

SECTION III. WHO IS AN INSURED

A. Individual

If "you" are shown in the Supplemental Declarations of this EPL Coverage as an individual, "you" and "your" spouse or "Domestic Partner" are "insureds", only for the conduct of a business of which "you" are the sole owner.

B. Corporation

If "you" are shown in the Supplemental Declarations of this EPL Coverage as a corporation or organization other than a partnership, joint venture, or limited liability company, "you" and "your" "subsidiaries" are "insureds".

C. Partnership or Joint Venture

If "you" are shown in the Supplemental Declarations of this EPL Coverage as a partnership or joint venture, "you" are an "insured". "Your" members, partners or co-venturers and their spouses or "Domestic Partners" are also "insureds", but only for the conduct of "your" business.

D. Limited Liability Company

If "you" are shown in the Supplemental Declarations of this EPL Coverage as a limited liability company, "you" are an "insured." "Your" members are also "insureds", but only with respect to the conduct of "your" business. "Your" managers are "insureds", but only with respect to their duties as "your" managers.

E. Trusts

If "you" are shown in the Supplemental Declarations of this EPL Coverage as a trust, "you" are an "insured". "Your" trustees are also "insureds", but only with respect to their duties as trustees.

F. "Employees"

"Your" "employees", executive officers and directors are "insureds", only for the conduct of "your" business within the scope of their employment or their duties as executive officers or directors.

G. Extensions

1. Subject otherwise to the terms hereof, this EPL Coverage shall cover "loss" arising from any "claims" or "suits" made against the estates, heirs, or legal representative of deceased individual "insureds", and the legal representatives of individual "insureds", in the event of incompetency, who were individual "insureds" at the time the "wrongful employment acts", upon which such "claims" or "suits" are based, were committed.
2. Subject otherwise to the terms hereof, this EPL Coverage shall cover "loss" arising from all "claims" and "suits" made against the lawful spouse (whether such status is derived by reason of statutory law, common law or otherwise of any applicable jurisdiction in the world) or "Domestic Partner" of an individual "insured", including a "claim" or "suit" that seeks damages recoverable from marital community property, property jointly held by the individual "insured" and the spouse or "Domestic Partner", or property transferred from the individual "insured" to the spouse or "Domestic Partner"; provided, however, that this extension shall not afford coverage for a "claim" or "suit" arising out of any "wrongful employment acts" of an individual "insured", subject to this EPL Coverage's terms, conditions and exclusions.

SECTION IV. LIMIT OF LIABILITY (including "defense costs")

- A. The EPL Aggregate Limit of Liability shown in the Supplemental Declarations of this EPL Coverage and the information contained in this section limits the most "we" shall pay for all "loss" (other than post-judgment interest described in Section I., Clause B., Paragraph 6.) arising out of "claims" and "suits" first made against "insureds" during the "EPL coverage period" or Extended Reporting Periods (if applicable), regardless of:
1. The number of persons or organizations covered by this EPL Coverage; or
 2. The number of "claims" made or "suits" brought; or
 3. The length of the "EPL coverage period".
- B. The EPL Aggregate Limit of Liability is the most "we" shall pay for all "losses" (other than post-judgment interest described in Section I., Clause B., Paragraph 6.), including amounts incurred for "defense costs".

- C. The EPL Aggregate Limit of Liability for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to the EPL Aggregate Limit of Liability for the "EPL coverage period".
- D. All "claims" and "suits" arising from the same or "related wrongful employment acts" shall be treated as arising out of a single "wrongful employment act".
- E. All "claims" or "suits" arising out of one "wrongful employment act" shall be deemed to be made on the date that the first such "claim" is made or "suit" is brought. All "claims" asserted in a "class action suit" will be treated as arising out of a single "wrongful employment act".
- F. Any "claim" or "suit" which is made subsequent to the "EPL coverage period" or Extended Reporting Periods (if applicable) which, pursuant to Section VI., Clause D., Paragraphs 3. and 4. is considered made during the "EPL coverage period" or Extended Reporting Periods (if applicable) shall also be subject to the one EPL Aggregate Limit of Liability stated in the Supplemental Declarations of this EPL Coverage.

SECTION V. DEDUCTIBLE

"You" shall be responsible for the deductible amount shown in the Supplemental Declarations of this EPL Coverage with respect to each "claim" and "suit" and "you" may not insure against it. A single deductible amount shall apply to "loss" arising from all "claims" and "suits" alleging the same "wrongful employment act" or "related wrongful employment acts". Expenses "we" incur in investigating, defending and settling "claims" and "suits" are included in the deductible. The deductible is not included within the EPL Aggregate Limit of Liability.

At our option, "we" may pay any part or all of the EPL Deductible Amount to effect settlement of any "claim" or "suit" and upon notification of the action taken, "you" shall promptly reimburse "us" for such part of the deductible that has been paid by "us".

SECTION VI. CONDITIONS

"We" have no duty to provide coverage under this EPL Coverage, unless there has been full compliance with all the Conditions contained in this EPL Coverage.

A. Bankruptcy or Insolvency

"Your" bankruptcy, insolvency or inability to pay, will not relieve "us" from the payment of any "claim" or "suit" covered by this EPL Coverage.

Under no circumstances will "your" bankruptcy, insolvency, or inability to pay require "us" to drop down, in any way replace, or assume any of "your" obligations with respect to the Deductible provisions of this EPL Coverage.

B. Coverage Territory

"We" cover "wrongful employment acts" anywhere in the world, but only if the "claim" is made and the "suit" is brought for such "wrongful employment act" in the United States of America, its territories and possessions, Puerto Rico, or Canada.

C. Duties in the Event of an Incident, "Claim" or "Suit"

1. If, during the "EPL coverage period", incidents or events occur which "you" reasonably believe may give rise to a "claim" or "suit" for which coverage may be provided hereunder, such belief being based upon either written notice from the potential claimant or the potential claimant's representative; or notice of a complaint filed with EEOC, DOL or OFCCP (or similar federal, state or local agency); or upon an oral "claim", allegation or threat, "you" shall give written notice to "us" as soon as practicable and either:

- a. Anytime during the "EPL coverage period"; or
- b. Anytime during the Extended Reporting Periods (if applicable).

2. If a "claim" is made or a "suit" is brought against any "insured", "you" must:

- a. Immediately record the specifics of the "claim" or "suit" and the date received; and
- b. Provide "us" with written notice, as described in Paragraph 3. of this Clause D., as soon as practicable.

3. Such written notice of "claim" or "suit" shall contain:

- a. The identity of the person(s) alleging a "wrongful employment act";
- b. The identity of the "insured(s)" who allegedly were involved in the incidents or events;
- c. The date the alleged incidents or events took place; and
- d. The written notice or a memorandum of the oral "claim", allegation or threat referred to above.

If written notice is given to "us" during the "EPL coverage period" or Extended Reporting Periods (if applicable), pursuant to the above requirements, then any "claim" or "suit" which is subsequently made against any "insureds" and reported to "us" alleging, arising out of, based upon or attributable to such circumstances or alleging any "related wrongful employment act" to such circumstances, shall be considered made at the time such notice of such circumstances was first given.

4. If "you" submit written notice of a "claim" or "suit", pursuant to this Clause D., then any "claim" or "suit" that may subsequently be made against an "insured" and reported to "us" alleging the same or a "related wrongful employment act" to the "claim" or "suit" for which such notice has been given shall be deemed, for the purpose of this insurance, to have been first made during the "EPL coverage period" or Extended Reporting Period (if applicable) in effect at the time such written notice was first submitted to "us".
5. "You" and any other "insured" must:
 - a. Immediately send "us" copies of any demands, notices, summonses or legal papers received in connection with any "claim" or "suit";
 - b. Authorize "us" to obtain records and other information;
 - c. Cooperate with "us" in the investigation, settlement or defense of the "claim" or "suit";
 - d. Assist "us", upon "our" request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury or damage to which this insurance may also apply;
 - e. Not take any action, nor fail to take any required action, that prejudices the rights of the "insureds" or "us" with respect to such "claim" or "suit".
6. No "insureds" will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without "our" prior written consent.

D. Transfer of Rights of Recovery Against Others to "Us"

"You" may be able to recover all or part of a "loss" from someone other than "us". "You", therefore, shall do all that is possible after a "loss" to preserve any such right of recovery. If "we" make a payment under this EPL Coverage, that right of recovery shall belong to "us". "You" shall do whatever is necessary, including signing documents, to help "us" obtain that recovery.

E. Extended Reporting Periods

1. "You" shall have the right to the Extended Reporting Periods described in Paragraph 2. of this Clause F., in the event that:
 - a. "You" or "we" shall cancel this EPL Coverage;
 - b. "You" or "we" shall refuse to renew this EPL Coverage; or
 - c. "We" renew this EPL Coverage on an other than a claims-made basis or with a Retroactive Date later than the Retroactive Date shown on the Supplemental Declarations of this EPL Coverage;
2. If an event as specified in Paragraph 1. of this Clause F. has occurred, "you" shall have the right to the following:
 - a. An Automatic Extended Reporting Period of thirty (30) days after the effective date of cancellation or nonrenewal at no additional premium in which to give to "us" written notice of "claims" first made or "suits" first brought against the "insureds" during said Automatic Extended Reporting Period for any "wrongful employment acts" occurring before the end of the "EPL coverage period" and are otherwise covered by this EPL Coverage; and
 - b. Upon payment of an additional premium of 100% of the full annual premium applicable to this EPL Coverage, a Supplemental Extended Reporting Period of one (1) year immediately following the effective date of cancellation or nonrenewal in which to give to "us" written notice of "claims" first made or "suits" first brought against the "insureds" during said Supplemental Extended Reporting Period for any "wrongful employment acts" occurring before the end of the "EPL coverage period" and are otherwise covered by this EPL Coverage.

To obtain the Supplemental Extended Reporting period, "you" must request it in writing and pay the additional premium due, within thirty (30) days of the effective date of cancellation or nonrenewal. The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If "we" do not receive the written request as required, "you" may not exercise this right at a later date.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

F. Change in Control of "Named Insured"

In the event of a "Transaction" then this EPL Coverage shall continue in full force and effect as to "wrongful employment acts" occurring prior to the effective time of the "Transaction", but there shall be no coverage afforded by any provision of this EPL Coverage for any actual or alleged "wrongful employment acts" occurring after the effective time of the "Transaction". This EPL Coverage may not be cancelled after the effective time of the "Transaction" and the entire premium for this EPL Coverage shall be deemed earned as of such time. "You" shall also have the right to the Extended Reporting Periods described in Clause F. of this Section VI.

"You" shall give "us" written notice of the "Transaction" as soon as practicable, but not later than thirty (30) days after the effective date of the "Transaction".

G. Legal Action Against "Us"

No person or organization has the right to join "us" as a party or otherwise bring "us" into a "suit" asking for damages from an "insured".

H. Other Insurance

Unless expressly written to be excess over other applicable insurance, it is intended that the insurance provided by this EPL Coverage shall be primary.

I. EPL Coverage Changes

This EPL Coverage contains all the agreements between "you" and "us" concerning this insurance. The first "named insured" in the Supplemental Declarations of this EPL Coverage is authorized to request changes in this EPL Coverage. This EPL Coverage can only be changed by a written endorsement "we" issue and make part of this EPL Coverage.

J. Representations

Any and all relevant provisions of this EPL Coverage may be voidable by "us" in any case of fraud, intentional concealment, or misrepresentation of material fact by any "insured".

K. Special Rights and Duties of the First "Named Insured"

"You" agree that when there is more than one person and/or entity covered under this EPL Coverage, the first "named insured" in the Supplemental Declarations of this EPL Coverage shall act on behalf of all "insureds" as to:

1. Giving of notice of a "claim" or "suit";
2. Giving and receiving notice of cancellation or nonrenewal;
3. Payment of premiums and receipt of return premiums;
4. Acceptance of any endorsements issued to form a part of this EPL Coverage; or
5. Purchasing or deciding not to purchase the Supplemental Extended Reporting Period.

L. Separation of Insureds

Except with respect to the EPL Aggregate Limit of Liability and any rights or duties specifically assigned to the first "named insured" in Clause L. of this Section VI, this insurance applies:

1. As if each "named insured" were the only "named insured"; and
2. Separately to each insured against whom a "claim" or "suit" is made.

M. Tie-In of Limits

As respects any "claim" or "suit" in which at least one person/entity claimed against is an "insured" under this EPL Coverage and at least one person/entity claimed against is an insured under any other EPL Coverage issued to "you" by "us" (the "Other Policy"), the combined EPL Aggregate Limit of Liability under both this EPL Coverage and the Other Policy for all "losses" arising from such "claims" or "suits" combined shall not exceed the highest applicable limit of insurance under either this EPL Coverage or the Other Policy. This limitation shall apply even if both this EPL Coverage and the Other Policy have been triggered due to a "claim" or "suit" made against the same person/entity but alleging "wrongful employment acts" both in his, her or its capacity as an insured under the "Other policy" and as an "insured" under this EPL Coverage.

N. Headings

The descriptions in the headings of this EPL Coverage are solely for convenience, and form no part of the terms and conditions of coverage.

SECTION VII. DEFINITIONS

- A. "Bodily injury" means physical injury, sickness, or disease, including death resulting therefrom.
- B. "Claim" means a written demand for monetary and non-monetary relief (including any request to toll or waive any statute of limitations). The term "claim" shall also mean an Equal Employment Opportunity Commission (EEOC), Department of Labor (DOL) or Office of Federal Contract Compliance Program (OFCCP) (or similar federal, state or local agency) proceeding or investigation commenced by the filing of a notice of charges, service of a complaint or similar document of which notice has been given to "you". However, in no event, shall the term "claim" include any labor or grievance proceeding, which is subject to a collective bargaining agreement.
- C. "Class action suit" means any suit seeking certification or certified as a class action by a federal or state court.
- D. "Defense costs" means reasonable and necessary fees, costs and expenses consented to by "us" resulting solely from the investigation, adjustment, defense and appeal of a "claim" or "suit" against "you". In no event shall "Defense Costs" include "your" or "our" routine on-going expenses, including, without limitation, the salaries of "your" or "our" "employees", officers or staff attorneys.

- E. "Domestic partner" means any natural person legally recognized as a domestic or civil union partner under:
1. The provisions of any applicable federal, state or local law; or
 2. The provisions of any formal program established by "you".
- F. "Employee" means an individual whose labor or service is engaged by and directed by "you" for remuneration, whether such individual is in a supervisory, co-worker or subordinate position or otherwise, including any part-time, seasonal, and temporary "employees".
- An individual who is an independent contractor or leased to "you" shall also be an "employee". Independent contractors who do not provide ongoing and routine services solely for "you" shall not be considered "employees", including but not limited to independent trade contractors (e.g. plumber, electrician).
- G. "EPL coverage period" means the period commencing on the effective date shown in the Supplemental Declarations of this EPL Coverage. This period ends on the earlier of the expiration date or the effective date of cancellation of this EPL Coverage. If "you" became an "insured" under this EPL Coverage after the effective date, the "EPL coverage period" begins on the date "you" became an "insured".
- H. "Loss(es)" means monetary amounts to which this insurance applies and which "you" are legally obligated to pay (including front pay and back pay), judgments, settlements, pre- and post-judgment interest on that part of any judgment paid by "us", statutory attorney fees, and "defense costs"; however, "loss" shall not include:
1. Civil or criminal fines or penalties imposed by law;
 2. Taxes;
 3. Employment related benefits, stock options, perquisites, deferred compensation or any other type of compensation other than salary, wages or bonus compensation;
 4. Any liability or costs incurred by any "insured" to modify any building or property in order to make said building or property more accessible or accommodating to any disabled person, or any liability or costs incurred in connection with any educational, sensitivity or other corporate program, policy or seminar; or
 5. Matters which may be deemed uninsurable under the law pursuant to which this EPL Coverage shall be construed.

Where permitted by law, "loss" shall include punitive or exemplary damages imposed upon any "insured" (subject to the policy's other terms, conditions and exclusions).

- I. "Named insured" means the person or organization designated in the Supplemental Declarations page of this EPL Coverage.
- J. "Property damage" means physical injury to, or destruction of, tangible property including the loss of use thereof, or loss of use of tangible property, which has not been physically injured or destroyed.
- K. "Recognized volunteer" means an uncompensated individual who volunteers labor or services to "you", but only when performing such labor or services at the request of and under the direction of "you".
- L. "Related wrongful employment act(s)" means "wrongful employment acts" which are the same, related or continuous, or "wrongful employment acts" which arise from a common nucleus of facts. "Claims" or "suits" can allege "related wrongful employment acts", regardless of whether such "claims" or "suits" involve the same or different claimants, "insureds" or legal causes of actions.
- M. "Retaliation" means a "wrongful employment act" of an "insured" alleged to be in response to, the actual or attempted exercise by an "employee" of any right that such "employee" has under the law. Provided, however, "retaliation" shall not include the "wrongful employment act" of an "insured" alleged to be in response to the threat of or the actual filing of any claim or suit under the Federal False Claims Act or any other federal, state, local or foreign "whistleblower law".
- N. "Subsidiary" means:
 1. Any for-profit organization which, on or before the inception of the "EPL coverage period", is more than fifty (50%) percent owned by the "named insured", either directly or indirectly through one or more of its "subsidiaries"; or
 2. A for-profit organization which becomes a "subsidiary" during the "EPL coverage period", but only upon the condition that within ninety (90) days of its becoming a "subsidiary", the "named insured" shall have provided "us" with full particulars of the new "subsidiary" and agreed to any additional premium or amendment of the provisions of this EPL Coverage required by "us" relating to such new "subsidiary". Further, coverage as shall be afforded to the new "subsidiary" is conditioned upon the "named insured" paying when due any additional premium required by "us" relating to such new "subsidiary".

An organization becomes a "subsidiary" when the "named insured" owns more than fifty (50%) percent ownership interest in such "subsidiary", either directly, or indirectly through one or more of its "subsidiaries". An organization ceases to be a "subsidiary" when the "named insured" ceases to own more than a fifty (50%) percent ownership in such "subsidiary", either directly, or indirectly through one or more of its "subsidiaries".

In all events, coverage as is afforded under this EPL Coverage with respect to a "claim" made or "suit" brought against any "subsidiary" or an "insured" of any "subsidiary", shall only apply to "wrongful employment act(s)" commenced or allegedly commenced after the effective time that such "subsidiary" became a "subsidiary", and prior to the time that such "subsidiary" ceased to be a "subsidiary".

- O. "Suit" means a civil proceeding or an administrative proceeding seeking money damages, and includes an arbitration, mediation or any other alternative dispute resolution procedure seeking such damages, to which the "insured" must submit or may submit with "our" consent. "Suit" shall not include any civil proceeding or administrative proceeding arising from any labor or grievance dispute which is subject to a collective bargaining agreement.
- P. "Third party violation" means any actual or alleged discrimination or sexual harassment against "your" customers, vendors or clients. "Third party violation" shall also include any of the following as it relates to such discrimination or sexual harassment:
1. Violation of an individual's civil rights;
 2. Libel;
 3. Slander;
 4. Humiliation;
 5. Mental anguish;
 6. Infliction of emotional distress;
 7. Defamation; or
 8. Invasion of privacy;
- Q. "Transaction" means any of the following that occur during the "EPL coverage period":
1. The "named insured" shall consolidate with or merge into, or sell all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert; or
 2. Any person or entity or group of persons or entities acting in concert shall acquire an amount of the outstanding securities representing more than fifty (50%) percent of the voting power for the election of directors or General Partners of the "named insured" (in the event the "named insured" is a Partnership), or acquires the voting rights of such an amount of such securities; or

A General Partner of the "named insured" (in the event the "named insured" is a partnership) withdraws, resigns or is terminated;

- R. "Whistleblower law" means a statute, rule or regulation, which protects an employee against discrimination from his or her employer, if the employee discloses or threatens to disclose to a superior or any governmental agency; or who gives testimony relating to, any action with respect to the employer's operations, which may be a violation of public policy as reflected in legislation, administrative rules, regulations or decisions, judicial decisions, and professional codes of ethics.
- S. "Wrongful employment act(s)" means any actual or alleged:
1. Wrongful dismissal, discharge or termination (either actual or constructive), including breach of an implied contract;
 2. Harassment or coercion (including sexual harassment, whether quid pro quo, hostile work environment or otherwise);
 3. Discrimination (including but not limited to discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy or disability);
 4. "Retaliation" (including lockouts);
 5. Employment-related misrepresentation(s) to "your" "employee" or applicant for employment with "you";
 6. Employment-related libel, slander, humiliation, mental anguish, infliction of emotional distress, defamation, or invasion of privacy;
 7. Wrongful failure to employ or promote;
 8. Wrongful deprivation of career opportunity, wrongful demotion or negligent "employee" evaluation, including the giving of negative or defamatory statements in connection with an "employee" reference;
 9. Wrongful discipline;
 10. Failure to provide or enforce adequate or consistent corporate policies and procedures relating to any "wrongful employment act";
 11. Negligent supervision or hiring by an "insured", relating to any of the above;
 12. Violation of an individual's civil rights relating to any of the above; or
 13. "Third party violations", but only if coverage for "third party violations" is shown on the Supplemental Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT – AGGREGATE LIMITS OF INSURANCE (PER PREMISES)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

Under **Paragraph D.4.b Liability And Medical Expenses Limits Of Insurance**, the aggregate limit for all "bodily injury" and "property damage" other than "bodily injury" or "property damage" included in the "products-completed operations hazard" applies separately to each of the premises owned by or rented to you.

Florida Changes

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE

SECTION VI. CONDITIONS, Clause F. Extended Reporting Periods, Paragraph 2.b. is replaced by the following:

- b. Upon payment of an additional premium of 100% of the full annual premium applicable to this EPL Coverage, a Supplemental Extended Reporting Period of one (1) year immediately following the effective date of cancellation or nonrenewal in which to give to "us" written notice of "claims" first made or "suits" first brought against the "insureds" during said Supplemental Extended Reporting Period for any "wrongful employment acts" occurring before the end of the "EPL coverage period" and are otherwise covered by this EPL Coverage.

To obtain the Supplemental Extended Reporting Period, "you" must request it in writing and pay the additional premium due, within thirty (30) days of the effective date of cancellation or nonrenewal. If "we" do not receive the written request as required, "you" may not exercise this right at a later date.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

NOTICE TO POLICYHOLDERS

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

EMPLOYMENT PRACTICES LIABILITY COVERAGE

Your insurance policy with us includes Employment Practices Liability coverage. A basic coverage limit of \$10,000 is automatically provided to you at no additional cost. Higher coverage limits are available for a premium charge.

This coverage provides protection to you from allegations of wrongful employment acts by you against your employees. Among others, these actions include such things as wrongful termination or discipline; harassment or coercion; discrimination; retaliation; wrongful failure to employ or promote; and humiliation, defamation, and infliction of emotional distress.

Additionally, this particular coverage goes further by providing:

- **THIRD PARTY VIOLATIONS** – defined to be actual or alleged wrongful acts of discrimination or sexual harassment committed against your customers, vendors or clients by you or your employees. Included as they relate to such acts of discrimination or sexual harassment are:
 - Violation of individual civil rights;
 - Libel;
 - Slander;
 - Humiliation;
 - Mental Anguish;
 - Infliction of Emotional Distress;
 - Defamation; or
 - Invasion of Privacy
- **NO RETROACTIVE DATE** – unless specifically requested, your Employment Practices Liability supplemental coverage Declarations Page will not contain a "Retroactive Date". This is because the lack of an inserted date with this particular coverage means that the employment practices liability protection will extend backwards in time to the date of the organization of your insured business under this policy.

Your agent will be happy to explain this NOTICE to you, and provide you with a cost for the level of protection that is best suited for you and your business.

Policy Number BPG9306N

FLORIDA – DATA COMPROMISE COVERAGE SUPPLEMENTAL DECLARATIONS

Named Insured: DAB DENTAL PLLC

Effective Date: 10/19/2019

12:01 AM Standard Time

Agent Name: GRACEY-BACKER INC

Agent No.: 090178

**Data Compromise
Coverage Period:**

From: 10/19/2019
To: 10/19/2020

At 12:01 A.M. Standard Time at your mailing address
shown on the Declarations page of this policy.

SECTION 1 – RESPONSE EXPENSES

Data Compromise			
Response Expenses Limit:		\$25,000	Annual Aggregate
Sublimits			
Named Malware (Section 1):		\$25,000	Any One "Personal Data Compromise"
Forensic IT Review:		\$5,000	Any One "Personal Data Compromise"
Legal Review:		\$5,000	Any One "Personal Data Compromise"
PR Services:		\$5,000	Any One "Personal Data Compromise"
Response Expense Deductible:		\$1,000	Any One "Personal Data Compromise"

SECTION 2 – DEFENSE AND LIABILITY

Data Compromise			
Defense Limit:		\$12,500	Annual Aggregate
Liability Limit:		\$12,500	Annual Aggregate
Sublimits			
Named Malware (Section 2):		\$25,000	Any One "Personal Data Compromise"
Defense and Liability Deductible:		\$1,000	per any one "Data Compromise Suit"

TOTAL DATA COMPROMISE COVERAGE PREMIUM \$43

See Schedule of Forms and Endorsements for form(s) and endorsement(s) made a part of this policy at time of issue.

Named Insured: DAB DENTAL PLLC
Agent Name: GRACEY-BACKER INC
Agent No. 090178

Policy Number: BPG9306N
Effective Date: 10-19-19

**EMPLOYMENT PRACTICES LIABILITY INSURANCE
 COVERAGE ENDORSEMENT - SUPPLEMENTAL DECLARATIONS**

NOTICE

- **THIS IS A CLAIMS-MADE AND REPORTED COVERAGE. EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THIS EPL COVERAGE IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS OR SUITS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE EPL COVERAGE PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. VARIOUS PROVISIONS IN THIS EPL COVERAGE RESTRICT COVERAGE. PLEASE READ THE ENTIRE EPL COVERAGE ENDORSEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.**
- **THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS UNDER THIS EPL COVERAGE SHALL BE REDUCED BY AMOUNTS INCURRED FOR DEFENSE COSTS. AMOUNTS INCURRED FOR DEFENSE COSTS SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.**

EPL Coverage Period:	From: 10-19-2019 To: 10-19-2020	At 12:01 A.M. Standard Time at your mailing address shown on the Declarations page of this policy
EPL Aggregate Limit of Liability:	\$ 10,000	Annual aggregate for all "loss" combined, including "defense costs".
EPL Deductible Amount:	\$ 5,000	For "loss" arising from claims or suits alleging the same "wrongful employment act" or "related wrongful employment acts".
EPL Retroactive Date:		If no date is shown, "we" will consider the EPL Retroactive Date to be the date of organization of the "named insured". The EPL Retroactive Date will remain the same through all subsequent renewals. No change will be made to the EPL Retroactive Date unless at the sole request of the insured.
EPL Coverage Premium:	\$ Included	EPL Premium for the EPL Coverage Period
Third Party Violations Premium:	\$ Included	If coverage for "third party violations" has been paid for, the premium will be shown and coverage is in force. Otherwise, there is no coverage available for "third party violations".
TOTAL EPL COVERAGE PREMIUM:		\$ Included

This insurance does not apply to "loss" arising out of a "wrongful employment act" that arises out of incidents or circumstances of which "you" had knowledge prior to the effective date of this EPL Coverage or the first EPL Coverage Form issued by "us" of which this EPL Coverage is an uninterrupted renewal.

BUSINESSOWNERS COVERAGE FORM

SECTION I – PROPERTY

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 Coverage Form 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 Paragraph H. Property Definitions in **Section I – Property**.

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 includes Buildings as described under Paragraph a. below, Business Personal Property as described under Paragraph b. below, or both, depending on whether a Limit of Insurance is shown in the Declarations for that type of property. Regardless of whether coverage is shown in the Declarations for Buildings, Business Personal Property, or both, there is no coverage for property described under Paragraph 2. Property Not Covered.

a. Buildings, meaning the buildings and structures at the premises described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
- (4) Your personal property in apartments, rooms or common areas furnished by you as landlord;
- (5) Personal property owned by you that is used to maintain or service the buildings or structures or the premises, including:
 - (a) Fire extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
 - (e) Alarm systems.

(6) If not covered by other insurance:

- (a) Additions under construction, alterations and repairs to the buildings or structures;
- (b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises, used for making additions, alterations or repairs to the buildings or structures.

b. Business Personal Property located in or on the buildings at the described premises or in the open (or in a vehicle) within 1,000 feet of the described premises, including:

- (1) Property you own that is used in your business;
- (2) Property of others that is in your care, custody or control, except as otherwise provided in Loss Payment Property Loss Condition Paragraph E.5.d.(3)(b);
- (3) Tenant's 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 cannot legally remove, but have either an owned interest in or are legally responsible to include as Covered Property at the described premises by virtue of a written lease agreement or other written contractual obligation with the building owner, lessor or property manager;
- (4) Leased personal property which you have a contractual responsibility to insure, unless otherwise provided for under Paragraph 1.b.(2); and
- (5) Exterior building glass, if you are a tenant and no Limit of Insurance is shown in the Declarations for Building property. The glass must be owned by you or in your care, custody or control.

2. Property Not Covered

Covered Property does not include:

- a. Aircraft, automobiles, motortrucks and other vehicles subject to motor vehicle registration;
- b. "Money" or "securities" except as provided in the:
 - (1) Money and Securities Coverage Extension; or
 - (2) Employee Dishonesty Coverage Extension;
- c. Contraband, or property in the course of illegal transportation or trade;
- d. Land (including land on which the property is located), water or growing crops ;
- e. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts, towers , bridges, walks, roadways, patios and other paved surfaces, signs, trees, shrubs, or lawns, (other than "stock"), except as provided in the:
 - (1) Outdoor Property Coverage Extension;
 - (2) Outdoor Signs Coverage Extension; or
 - (3) Outdoor Signs Optional Coverage.
- f. Watercraft (including motors, equipment and accessories) while afloat;
- g. Accounts, bills, food stamps, other evidences of debt, accounts receivable or "valuable papers and records"; except as otherwise provided in this policy;
- h. Computer(s)" which are permanently installed or designed to be permanently installed in any aircraft, watercraft, motortruck or other vehicle subject to motor vehicle registration. This paragraph does not apply to "computer(s)" while held as "stock";
- i. "Electronic Data", except as provided under Additional Coverages – Electronic Data and Computers. This Paragraph i. does not apply to your "stock" of prepackaged software
- j. Outdoor swimming pools.
- k. "Fine Arts" except as provided in the Fine Arts Additional Coverage.

3. Covered Causes Of Loss

Risks of direct physical loss unless the loss is:

- a. Excluded in Paragraph B. Exclusions in Section I; or
- b. Limited in Paragraph A. 4. Limitations in Section I.

4. Limitations

- a. We will not pay for loss of or damage to:
 - (1) 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.
 - (2) 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.
 - (3) 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. This limitation does not apply to the Coverage Extension for Money and Securities.
 - (4) Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
 - (5) The interior of any building or structure caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (a) 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
 - (b) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- b. We will not pay for loss of or damage to fragile articles such as glassware, statuary, marble, chinaware and porcelain, if broken, unless caused by the "specified causes of loss" or building glass breakage. This restriction does not apply to:
 - (1) Glass that is part of the exterior or interior of a building or structure;
 - (2) Containers of property held for sale; or

- (3) Photographic or scientific instrument lenses.
- c. For loss or damage by theft, the following types of property are covered only up to the limits shown:
 - (1) \$10,000 for furs, fur garments and garments trimmed with fur.
 - (2) \$10,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$500 or less per item.

5. Additional Coverages

Unless otherwise stated or excluded in the Declarations, the following Additional Coverages apply and are in addition to the applicable Limits of Insurance.

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 that we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to Paragraph (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 Paragraphs (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

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:	\$10,000
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.

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 of 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 \$10,000 for your liability for fire department service charges:

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

d. Collapse

- (1) With respect to buildings:
 - (a) 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;
 - (b) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse;
 - (c) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building; and
 - (d) A building that is standing or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (2) We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building that is insured under this policy or that contains Covered Property insured under this policy, if the collapse is caused by one or more of the following:
 - (a) The "specified causes of loss" or breakage of building glass, all only as insured against in this policy;
 - (b) Decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - (c) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
 - (d) Weight of people or personal property;
 - (e) Weight of rain that collects on a roof; or

- (f) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in Paragraphs (a) through (e), we will pay for the loss or damage even if use of defective material or methods in construction, remodeling or renovation, contributes to the collapse.

The criteria set forth in Paragraphs (1)(a) through (1)(d) do not limit the coverage otherwise provided under this Additional Coverage for the causes of loss listed in Paragraphs (2)(a), (2)(d) and (2)(e).

- (3) With respect to the following property:
 - (a) Awnings;
 - (b) Gutters and downspouts;
 - (c) Yard fixtures;
 - (d) Outdoor swimming pools;
 - (e) Piers, wharves and docks;
 - (f) Beach or diving platforms or appurtenances;
 - (g) Retaining walls; and
 - (h) Walks, roadways and other paved surfaces;

if the collapse is caused by a cause of loss listed in Paragraphs (2)(b) through (2)(f), we will pay for loss or damage to that property only if such loss or damage is a direct result of the collapse of a building insured under this policy and the property is Covered Property under this policy.

- (4) If personal property abruptly falls down or caves in and such collapse is not the result of 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 was caused by a cause of loss listed in Paragraphs (2)(a) through (2)(f) of this Additional Coverage;
 - (b) The personal property which collapses is inside a building; and

- (c) The property which collapses is not of a kind listed in Paragraph (3) above, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph (4) does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

Collapse of personal property does not mean cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

- (5) This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this policy.

e. 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 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.

We will not pay the cost to repair any defect that caused the loss or damage; but we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:

- (1) Results in discharge of any substance from an automatic fire protection system; or
- (2) Is directly caused by freezing.

f. Business Income And Extra Expense

When the Declarations show that you have coverage for Business Income and Extra Expense, the following Additional Coverage applies:

(1) Business Income

- (a) 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 the described premises. 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 1,000 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:

- (i) The portion of the building which you rent, lease or occupy; and
 - (ii) 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.
- (b) Business Income means the:
- (i) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred 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; and
 - (ii) Continuing normal operating expenses incurred, including payroll.

(2) Extended Business Income

- (a) If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:
- (i) Begins on the date property except finished stock is actually repaired, rebuilt or replaced and "operations" are resumed; and
 - (ii) Ends on the earlier of:
 - 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 Paragraph (a)(i) above, unless a greater number of consecutive days is shown in the Declarations.

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.

- (b) 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.

(3) Extra Expense

- (a)** We will pay the necessary Extra Expense you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property at the described premises. 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 1,000 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:

- (i)** The portion of the building which you rent, lease or occupy; and
 - (ii)** 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.
- (b)** Extra Expense means expense incurred:
- (i)** To avoid or minimize the "suspension" of business and to continue "operations":
 - i.** At the described premises; or
 - ii.** At replacement premises or at temporary locations, including relocation expenses, and costs to equip and operate the replacement or temporary locations.
 - (ii)** To minimize the "suspension" of business if you cannot continue "operations".

(iii) To:

- i.** Repair or replace any property; or
- ii.** Research, replace or restore the lost information on damaged "valuable papers and records"

to the extent it reduces the amount of loss that otherwise would have been payable under Additional Coverage f. Business Income and Extra Expense.

(4) If the Declarations show for Business Income and Extra Expense:

- (a)** Actual loss for 12 consecutive months, then we will pay for the loss of Business Income and Extra Expense that occurs within 12 consecutive months following the date of direct physical loss or damage; or
- (b)** Actual loss for 6 consecutive months, then we will pay for the loss of Business Income and Extra Expense that occurs within 6 consecutive months following the date of direct physical loss or damage; or
- (c)** Actual loss up to 12 consecutive months subject to a maximum dollar limit, then we will pay for loss of Business Income and Extra Expense that occurs within 12 consecutive months following the date of direct physical loss or damage, subject to the limit shown in any one occurrence; or
- (d)** Monthly limit of indemnity, then the most we will pay for loss of Business Income and Extra Expense in each period of 30 consecutive days after the beginning of the "period of restoration" is:
 - (i)** The Limit of Insurance, multiplied by
 - (ii)** The percentage shown in the Declarations for this coverage.

g. 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 for each location under this Additional Coverage is \$10,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

h. Civil Authority

When the Declarations show you have coverage for Business Income and Extra Expense, 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 immediately after the time of that action and will apply for a period of up to thirty consecutive days after coverage begins.

The coverage for necessary Extra Expense will begin 72 hours after the time of that action and ends:

- (1) 21 consecutive days after the time of that action; or
- (2) When your Business Income coverage ends;

whichever is later.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverage also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance of **Section I – Property**.

i. Ordinance Or Law

In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay for:

Increased Cost Of Construction

(1) The increased cost to:

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

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

However:

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

(i) 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 is the increased cost of construction at the same premises,

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

(3) We will not pay:

(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.

(4) The increased cost to repair, rebuild, or reconstruct tenant's improvements and betterments caused by enforcement of building, zoning or land use requirements at the described premises

Paragraph E.5.d. Property Loss Conditions, Loss Payment does not apply this Additional Coverage.

(5) The most we will pay for loss or damage under this Additional Coverage in any one occurrence is \$50,000, unless a higher limit for ordinance or law – increased cost of construction is shown in the Declarations. The above limit applies to each Building that is Covered Property. Paragraph B.1.a. Ordinance Or Law Exclusion does not apply to this Additional Coverage

(6) We will not pay under **Increased Cost of Construction** for:

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

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

(c) Loss due to any ordinance or law that:

(i) You were required to comply with before the loss, even if the building was undamaged; and

(ii) You failed to comply with.

(7) Application Of Coverages

The Coverages provided apply only if the following conditions are satisfied, and are then subject to the qualifications set forth in (4)(c):

(a) The ordinance or law:

(i) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and

(ii) Is in force at the time of loss.

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

(b) The building sustains direct physical damage:

(i) That is covered under this policy and such damage results in enforcement of the ordinance or law; or

(ii) That is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.

(iii) But if the damage is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage

(c) We will not pay the full amount of loss otherwise payable under the terms of this Additional Coverage. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Paragraph) 5. of this Additional Coverage provides an example of this procedure.)

However, if the covered direct physical damage alone would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of this Additional Coverage.

(8) Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses (procedure as set forth in Section 4(c) of this Additional Coverage.

Assume:

- Wind is a Covered Cause of Loss. Flood is an excluded Cause of Loss;
- The building has a value of \$200,000;
- Total direct physical damage to building: \$100,000;
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value;
- Portion of direct physical damage that is covered (caused by wind): \$30,000;
- Portion of direct physical damage that is not covered (caused by flood): \$70,000; and
- Loss under Ordinance or Law Coverage 3 of this endorsement: \$60,000.

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

\$30,000 divided by \$100,000 = .30

Step 2: Apply that proportion to the Ordinance or Law loss.

$\$60,000 \times .30 = \$18,000$

In this example, the most we will pay under this endorsement for the Coverage 3 loss is \$18,000, subject to the applicable Combined Limit of Insurance and any other applicable provisions.

j. Glass Expenses

- (1) We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- (2) 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.

k. Forgery Or Alteration

- (1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money" that you or your agent has issued, or that was issued by someone who impersonates you or your agent.

- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (3) For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.
- (4) The most we will pay for any loss, including legal expenses, under this Additional Coverage is \$10,000 unless a higher Limit of Insurance is shown in the Declarations.

l. Fire Extinguisher Systems Recharge Expense

- (1) We will pay:
 - (a) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and
 - (b) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.
- (2) No coverage will apply if the fire extinguishing system is discharged during installation or testing.
- (3) The most we will pay under this Additional Coverage is \$10,000 in any one occurrence.

m. Electronic Data And Computers

- (1) We will pay for direct physical loss or damage to "Electronic Data" and "Computers" at the described premises resulting from a Covered Cause of Loss including "electronic vandalism". The most we will pay under this Additional Coverage for "Electronic Data" and "Computers" is \$35,000 unless a higher Limit of Insurance is shown in the Declarations.

(2) The most we will pay under this Additional Coverage for loss of or damage to duplicates of your "electronic data" while stored at a separate premises from where your original "electronic data" are kept, in any one occurrence, is the Electronic Data and Computers limit of insurance.

(3) The most we will pay under this Additional Coverage for loss or damage to "electronic data" or "computers" you newly acquire in any one occurrence is \$35,000.

(4) The most we will pay under this Additional Coverage for loss or damage to "electronic data" or "computers" at a newly acquired location is \$35,000.

With respect to Paragraphs (3) and (4) above, the insurance under the Additional Coverage will end when any of the following first occurs:

(a) This Policy expires;

(b) 180 days expire after you acquire the "electronic data", "computers" or premises;

(c) Report values to us.

You agree to pay an additional premium, if required, from the date you acquired the property or location.

(5) The most we will pay under this Additional Coverage for loss or damage to "electronic data" or "computers" while in transit or off premises at a temporary location anywhere in the world for up to ninety days is \$35,000. Paragraph F.4.b., Coverage Territory does not apply.

(6) The following exclusions do not apply to this Additional Coverage;

(a) Paragraph B.2.a., Electrical Apparatus;

(b) Paragraphs B.2.I.(6), B.2.I.(7).(a) and B.2.I.(7).(b).

(7) The following additional exclusions apply to this Additional Coverage:

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

(i) Programming errors, omissions or incorrect instructions to a "computer". But if programming errors, omissions or incorrect instructions to a "computer" results in a "specified cause of loss" of "computers", we will pay for the loss or damage caused by that "specified cause of loss" of "computers".

(ii) Unauthorized viewing, copying or use of "electronic data" (or any proprietary or confidential information or intellectual property) by any person, even if such activity is characterized as theft;

(iii) Unexplained or indeterminable failure, malfunction or slow down of a computer system, including electronic data or the inability to access or properly manipulate data;

(iv) Computer fraud and Electronic Funds transfer fraud.

n. Interruption Of Computer Operations

When the Declarations show that you have coverage for Business Income and Extra Expense and subject to all provisions of that 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 including "electronic vandalism".

Payments made under this coverage are included in and not in addition to any limits of insurance applying to Business Income and Extra Expense.

o. Limited Coverage For "Fungi", Wet Rot, Dry Rot And Bacteria

(1) The coverage described in Paragraphs o.(2) and o.(6) only applies when the "fungi", wet or dry rot or bacteria are the result of a "specified cause of loss" other than fire or lightning that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

- (2) We will pay for loss or damage by "fungi", 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 "fungi", wet or dry rot or bacteria, including the cost of removal of the "fungi", 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 "fungi", 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 "fungi", wet or dry rot or bacteria are present.
- (3) The coverage described under 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) 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 "fungi", wet or dry rot or bacteria, we will not pay more than the total of \$15,000 even if the "fungi", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.
- (4) The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungi", 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 "fungi", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungi", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

- (5) The terms of this Limited Coverage do not increase or reduce the coverage provided under the Water Damage, Other Liquids, Powder Or Molten Material Damage or Collapse Additional Coverages.
- (6) The following applies only if Business Income and Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all the terms and conditions of the applicable Business Income and Extra Expense Additional Coverage.
 - (a) If the loss which resulted in "fungi", 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 "fungi", wet or dry rot or bacteria, then our payment under the Business Income and 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 "fungi", wet or dry rot or bacteria, but remediation of "fungi", 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.

p. Reward Payment

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

(a) Up to \$10,000 to an eligible person for information leading to the arrest and conviction of any person or persons committing a crime resulting in loss of or damage to Covered Property from a Covered Cause of Loss. However, we will pay no more than the lesser of the following amounts:

- (i) Actual cash value of the Covered Property at the time of loss or damage, but no more than the amount required to repair or replace it; or
- (ii) The amount determined by the loss settlement procedure applicable to the Covered Property under the Loss Payment Condition.

(b) Up to \$10,000 to an eligible person for the return of stolen Covered Property, when the loss is caused by theft. However, we will pay no more than the lesser of the following amounts:

- (i) Actual cash value based on the condition of the Covered Property at the time it is returned, but no more than the amount required to repair or replace it or;
- (ii) The amount determined by the loss settlement procedure applicable to the returned Covered Property under the Loss Payment Condition.

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

(a) An eligible person means that person designated by a law enforcement agency as being the first to voluntarily provide the information leading to the arrest and conviction or return of the stolen Covered Property, and who is not:

- (i) You or any family member;
- (ii) Your employee or any of his or her family members;

(iii) An employee of a law enforcement agency;

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

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

(vi) Any person involved in the crime.

(b) No reward will be reimbursed unless and until the person(s) committing the crime is (are) convicted or the Covered Property is returned.

(c) The lesser of the amount of the reward or \$10,000 is the most we will reimburse for loss under this Additional Coverage in any one occurrence.

q. Claim Expenses

(1) We will pay for all reasonable expense you incur at our request to assist us in:

- (a) The investigation of a claim; or
- (b) The determination of the amount of loss, such as taking inventory.

(2) We will not pay for:

- (a) Expenses to prove that loss or damage is covered;
- (b) Expenses incurred under Section E. Property Loss Conditions, Paragraph 2. Appraisal;
- (c) Expenses incurred for examinations under oath; or
- (d) Expenses or percentages billed by and payable to attorneys, or independent or public adjusters.
- (e) The most we will pay for expenses you incur under this Additional Coverage is \$5,000 regardless of the number of premises involved.

r. Expediting Expenses

- (1) In the event of direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss, we will pay for the reasonable and necessary additional expenses you incur to make temporary repairs, or expedite permanent replacement, at the premises sustaining loss or damage. Expediting expenses include overtime wages and the extra cost of express or other rapid means of transportation. Expediting expenses do not include expenses you incur for the temporary rental of property or temporary replacement of damaged property.
- (2) With respect to this Additional Coverage, equipment breakdown to covered equipment will not be considered a Covered Cause of Loss, even if otherwise covered elsewhere in this Coverage Form.
- (3) The most we will pay under this Additional Coverage in any one occurrence is \$25,000, regardless of the number of premises involved.

s. Fine Arts

- (1) We will pay for direct physical loss of or damage to "fine arts" which are owned by:
 - (a) You; or
 - (b) Others and in your care, custody or control;caused by or resulting from a Covered Cause of Loss, including while on exhibit, anywhere within the Coverage Territory.
- (2) The breakage limitation under Paragraph A.4.b does not apply to this Additional Coverage.
- (3) Paragraph B. Exclusions, in Section I - Property does not apply to this Additional Coverage except for:
 - (a) Paragraph B.1.b. Earth Movement;
 - (b) Paragraph B.1.c. Governmental Action;
 - (c) Paragraph B.1.d. Nuclear Hazard;
 - (d) Paragraph B.1.f., War and Military Action;
 - (e) Paragraph B.1.g., Water;

(f) Paragraph B.2.e., Frozen Plumbing; and

(g) Paragraph B.2.k., Neglect.

- (4) The following exclusions are added to this Additional Coverage:

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

(a) Wear and tear, any quality in the property that causes it to damage or destroy itself, gradual deterioration, insects, birds, rodents or other animals;

(b) Dampness or dryness of atmosphere, or changes in or extremes of temperature;

(c) Any repairing, restoration or retouching process; or

(d) Faulty packaging.

- (5) The most we will pay for loss or damage under this Additional Coverage in any one occurrence is \$10,000, unless a higher limit for "fine arts" is shown in the Declarations.

t. Business Income And Extra Expense – Newly Acquired Premises

- (1) When the Declarations show that you have coverage for Business Income and Extra Expense, we will pay for the actual loss of Business Income you sustain and reasonable and necessary Extra Expense you incur due to the "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by or resulting from a Covered Cause of Loss at any premises you newly acquire by purchase or lease (other than at fairs, trade shows or exhibitions).
- (2) The most we will pay for this Additional Coverage for the sum of Business Income and Extra Expense you incur in any one occurrence is \$100,000 at each newly acquired premises.
- (3) Insurance under this Additional Coverage for each newly acquired premises will end when any of the following first occurs:
 - (a) This policy expires;
 - (b) 90 days expire after you acquire that premises;
 - (c) You report that premises to us; or

- (d) The Business Income and Extra Expense is more specifically insured.

We will charge you additional premium for premises reported from the date you acquire that premises.

- (4) Payments made under this Additional Coverage are in addition to the applicable Limits of Insurance.

u. Water Backup And Sump Overflow

- (1) We will pay for physical loss or damage to Covered Property, caused by or resulting from:

- (a) Water which backs up through or overflows from a sewer or drain; or
- (b) Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph (1)(b) above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

- (2) The coverage described in Paragraph (1) of this endorsement does not apply to loss or damage resulting from an insured's failure to:

- (a) Keep a sump pump or its related equipment in proper working condition; or
- (b) Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

- (3) We will pay up to \$25,000 in any one occurrence as a Limit of Insurance to cover physical loss or damage to Covered Property caused by or resulting from water back-up and sump overflow.

- (4) With respect to the coverage provided under this endorsement, Exclusion B.1.g., Water is replaced by the following exclusion:

g. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

- (2) Mudslide or mudflow; or
- (3) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;
- (b) Basements, whether paved or not; or
- (c) Doors, windows or other openings.

But if Water, as described in g.(1) through g.(3), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

6. Coverage Extensions

In addition to the Limits of Insurance of Section I – Property, you may extend the insurance provided by this policy as provided below.

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 1,000 feet of the described premises.

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Buildings, 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 premises other than the one described, 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) Business Personal Property

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

- (a) Business Personal Property, including such property that you newly acquire, at any location you acquire;

(b) 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

(c) 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.

(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. Property Off Premises

You may extend the insurance provided by this policy to apply to your Covered Property while:

- (1) In the course of transit;
- (2) Temporarily at a premises you do not own, lease or operate;
- (3) At any fair, trade show or exhibition, or
- (4) In the care, custody or control of your salespersons.
- (5) This Coverage Extension does not apply to:
 - (a) "money" and "securities";
 - (b) "valuable papers and records";
 - (c) "computers";
 - (d) "electronic data";
 - (e) "fine arts";
 - (f) accounts receivable;
 - (g) personal effects; or
 - (h) property temporarily at a premises for more than 90 consecutive days.

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

c. Outdoor Property

You may extend the insurance provided by this policy to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are part of a vegetated roof), including debris removal expense. Loss or damage must be caused by or result from any of the following 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 \$10,000, unless a higher Limit Of Insurance for Outdoor Property is shown in the Declarations, but not more than \$1,000 for any one tree, shrub or plant.

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

d. Outdoor Signs

- (1) If:
- (a) You are the building owner; and
 - (b) A Limit of Insurance is shown in the Declarations for Building;

At the described premises, you may extend that insurance to apply to direct physical loss of or damage to outdoor signs attached to the building, or on or within 1,000 feet of the described premises, caused by or resulting from a Covered Cause of Loss.

The deductible applicable to this coverage is identical to (but separate from) the applicable Building Covered Property deductible at the described premises.

- (2) If:
- (a) You are a tenant; and
 - (b) A Limit of Insurance is shown in the Declarations for Business Personal Property; and
 - (c) You own or are contractually obligated to repair or replace outdoor signs;

At the described premises, you may extend that insurance to apply to direct physical loss of or damage to outdoor signs attached to the building on or within 1,000 feet of the described premises, caused by or resulting from a Covered Cause of Loss.

The deductible applicable to this coverage is identical to (but separate from) the applicable Business Personal Property Covered Property deductible at the described premises.

- (3) Debris removal, because of a covered loss of or damage to outdoor signs, is included in the Limit of Insurance as described in Paragraphs (1) and (2) above.

e. Personal Effects

You may extend the insurance that applies to Business Personal Property at the described premises to apply to personal effects owned by you, your officers, your partners or "members", your "managers" or your employees. The most we will pay for theft of your employee's tools or equipment used in your business is \$5,000 per person.

The most we will pay for loss or damage under this Extension is \$5,000 at each described premises.

f. Valuable Papers And Records

- (1) You may extend the insurance that applies to either Buildings or to Business Personal Property to apply to direct physical loss or damage to "valuable papers and records" that you own, or that are in your care, custody or control caused by or resulting from a Covered Cause of Loss. This Coverage Extension includes the cost to research, replace or restore the lost information on "valuable papers and records" for which duplicates do not exist.

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

- (a) Property held as samples or for delivery after sale; and
- (b) Property in storage away from the premises shown in the Declarations.

- (3) The most we will pay under this Coverage Extension for loss or damage to "valuable papers and records" in any one occurrence at the described premises is \$25,000, unless a higher Limit of Insurance for "valuable papers and records" is shown in the Declarations.

For "valuable papers and records" not at the described premises, the most we will pay is \$25,000.

- (4) Loss or damage to "valuable papers and records" will be valued at the cost of restoration or replacement of the lost or damaged information. To the extent that the contents of the "valuable papers and records" are not restored, the "valuable papers and records" will be valued at the cost of replacement with blank materials of substantially identical type.

- (5) Paragraph B., Exclusions in Section I – Property does not apply to this Coverage Extension except for:

- (a) Paragraph B.1.c., Governmental Action;
- (b) Paragraph B.1.d., Nuclear Hazard;
- (c) Paragraph B.1.f., War And Military Action;
- (d) Paragraph B.2.f., Dishonesty;
- (e) Paragraph B.2.g., False Pretense;
- (f) Paragraph B.2.m.(2), Errors Or Omissions; and
- (g) Paragraph B.3.

g. Accounts Receivable

- (1) You may extend the insurance that applies to either Buildings or to Business Personal Property to apply to accounts receivable. We will pay:
 - (a) All amounts due from your customers that you are unable to collect;
 - (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;

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

(d) Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result from direct physical loss or damage by any Covered Cause of Loss to your records of accounts receivable.

(2) The most we will pay under this Coverage Extension for loss or damage in any one occurrence at the described premises is \$25,000, unless a higher Limit of Insurance for accounts receivable is shown in the Declarations.

For accounts receivable not at the described premises the most we will pay is \$25,000.

(3) Paragraph B. Exclusions in Section I – Property does not apply to this Coverage Extension except for:

(a) Paragraph B.1.c., Governmental Action;

(b) Paragraph B.1.d., Nuclear Hazard;

(c) Paragraph B.1.f., War And Military Action;

(d) Paragraph B.2.f., Dishonesty;

(e) Paragraph B.2.g., False Pretense;

(f) Paragraph B.3.; and

(g) Paragraph B.5., Accounts Receivable Exclusion.

h. Lock And Key Replacement

(1) You may extend the coverage that applies to either Buildings or to Business Personal Property to apply to the costs of replacing locks on insured premises made necessary by a lost or stolen key or master key.

(2) The most we will pay for this Coverage Extension is \$1,000.

i. Employee Dishonesty

(1) You may extend the coverage that applies to either Buildings or to Business Personal Property to apply to direct loss of or damage to "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:

(a) Cause you to sustain loss or damage; and also

(b) 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.

(2) Additional Coverage:

Welfare and Pension Plan ERISA Compliance.

In compliance with certain provisions of the Employment Retirement Income Security Act (ERISA):

(a) For the purpose of this insurance, the following are added as Named Insureds under this Employee Dishonesty Coverage:

(i) Any Employee Welfare Benefit Plan, or

(ii) Any Employee Benefit Pension Plan (hereafter called Plan) owned, controlled or operated by you and which you provide solely for the benefit of your employees.

(b) If any Plan is insured jointly with any entity under this insurance, you or the Plan Administrator must select a Limit of Insurance under this Employee Dishonesty Coverage Extension that is sufficient to provide an amount of insurance for each Plan that is at least equal to what is required if each Plan were separately insured.

- (c) If the insured first named in the Declarations is an entity other than a Plan, any payment we make to that insured for loss sustained by any Plan will be held by that insured for the use and benefit of the Plan(s) sustaining the loss.
- (d) If two or more Plans are insured under this insurance, any payment we make for loss:
- (i) Sustained by two or more plans or
 - (ii) Of commingled funds or other property of two more Plans that arises out of one occurrence, is to be shared by each Plan sustaining loss in the proportion that the amount of insurance required for each such Plan under ERISA provisions bears to these total amounts.
- (e) The deductible provision does not apply to loss sustained by any Plan subject to ERISA which is insured under this insurance.
- (3) We will not pay for loss or damage:**
- (a) Resulting from any dishonest or criminal act that you or any of your partners or "members" commit whether acting alone or in collusion with other persons.
 - (b) Resulting from any dishonest act committed by any of your employees (except as provided in Paragraph (1)), "managers" or directors:
 - (i) Whether acting alone or in collusion with other persons; or
 - (ii) While performing services for you or otherwise.
 - (c) The only proof of which as to its existence or amount is:
 - (i) An inventory computation; or
 - (ii) A profit and loss computation.
- (4) The most we will pay for loss or damage in any one occurrence is \$10,000, unless another Limit of Insurance for Employee Dishonesty is shown in the Declarations.
- (5) All loss or damage:**
- (a) Caused by one or more persons; or
 - (b) Involving a single act or series of acts; is considered one occurrence.
- (6) If any loss is covered:**
- (a) Partly by this insurance; and
 - (b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;
- the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.
- 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.
- (7) This Coverage Extension is cancelled as to any employee immediately upon discovery by:**
- (a) You; or
 - (b) Any of your partners, "members", "managers", officers or directors not in collusion with the employee;
- of any dishonest act committed by that employee before or after being hired by you.
- (8) We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the policy period.**
- (9) If you (or any predecessor in interest) sustained loss or damage during the policy 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 Extension, provided:**
- (a) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and

- (b) The loss or damage would have been covered by this Coverage Extension had it been in effect when the acts or events causing the loss or damage were committed or occurred.
- (10) The insurance under Paragraph (9) above is part of, not in addition to, the Limit of Insurance applying to this Coverage Extension and is limited to the lesser of the amount recoverable under:
- (a) This Coverage Extension as of its effective date; or
 - (b) The prior insurance had it remained in effect.
- (11) With respect to the Employee Dishonesty Coverage Extension in Paragraph 6.i.:
- (a) Employee means:
 - (i) Any natural person:
 - i. While in your service or for 30 days after termination of service;
 - ii. Who you compensate directly by salary, wages or commissions; and
 - iii. Who you have the right to direct and control while performing services for you:
 - (ii) Any natural person who is furnished temporarily to you:
 - i. To substitute for a permanent employee as defined in Paragraph (i) above, who is on leave; or
 - ii. To meet seasonal or short-term work load conditions:
 - (iii) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph (ii) above;
 - (iv) Any natural person who is a former employee, director, partner, member, "manager", representative or trustee retained as a consultant while performing services for you; or
 - (v) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business.
 - (vi) A trustee, officer, employee, administrator or "manager", except an administrator or a "manager" who is an independent contractor, of any Employee Welfare or Pension Benefit Plan (hereafter called Plan) insured under this insurance; and
 - (vii) Your director or trustee while that person is handling funds or other property of any Plan insured under this insurance.
- (b) But employee does not mean:
- (i) Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (ii) Any "manager", director or trustee except while performing acts coming within the usual duties of an employee or as provided in Paragraph (11) (a) above.

j. Money And Securities

- (1) We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:
 - (a) Theft, meaning any act of stealing;
 - (b) Disappearance; or
 - (c) Destruction.
- (2) In addition to the Limitations and Exclusions applicable to **Section I – Property**, we will not pay for loss:
 - (a) Resulting from accounting or arithmetical errors or omissions;
 - (b) Due to the giving or surrendering of property in any exchange or purchase; or
 - (c) 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.
- (3) The most we will pay for loss under this Extension in any one occurrence is \$10,000.
- (4) All loss:
 - (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;is considered one occurrence.
- (5) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.

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. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

a. Ordinance Or Law

- (1) The enforcement of any ordinance or law:
 - (a) Regulating the construction, use or repair of any property; or
 - (b) Requiring the tearing down of any property, including the cost of removing its debris.
- (2) This exclusion, Ordinance Or Law, applies whether the loss results from:
 - (a) An ordinance or law that is enforced even if the property has not been damaged; or
 - (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property or removal of its debris, following a physical loss to that property.

b. Earth Movement

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

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

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

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

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

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

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss of or damage to Covered Property.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

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. Power Failure

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of power 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.

This exclusion does not apply to loss or damage to "computer(s)" and "electronic data".

f. War And Military Action

- (1) War, including undeclared or civil war;

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

g. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows from a sewer, drain or sump; or
- (4) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings.

But if Water, as described in Paragraphs (1) through (4), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

h. Certain Computer-Related Losses

- (1) The failure, malfunction or inadequacy of:
 - (a) Any of the following, whether belonging to any insured or to others:
 - (i) "Computer" hardware, including microprocessors or other electronic data processing equipment as may be described elsewhere in this policy;
 - (ii) "Computer" application software or other electronic media and records as may be described elsewhere in this policy;
 - (iii) "Computer" operating systems and related software;

- (iv) "Computer" networks;
- (v) Microprocessors ("computer" chips) not part of any "computer" system; or
- (vi) Any other computerized or electronic equipment or components; or

(b) Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph (a) above;

due to the inability to correctly recognize, 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 (1) above.

However, if excluded loss or damage, as described in Paragraph (1) above results in a "specified cause of loss" under **Section I – Property**, we will pay only for the loss or damage caused by such "specified cause of loss".

We will not pay for repair, replacement or modification of any items in Paragraph (1)(a) or (1)(b) to correct any deficiencies or change any features.

i. "Fungi", Wet Rot, Dry Rot And Bacteria

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

But if "fungi", 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 "fungi", 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 "Fungi", Wet Rot, Dry Rot And Bacteria (contained in the Limited Fungi or Bacteria Coverage) if any, with respect to loss or damage by a cause of loss other than fire or lightning.

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

a. Electrical Apparatus

Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by fire.

We will pay for loss or damage to "computer(s)" due to artificially generated electrical current if such loss or damage is caused by or results from:

- (1) An occurrence that took place within 1,000 feet of the described premises; or
- (2) Interruption of electric power supply, power surge, blackout or brownout if the cause of such occurrence took place within 1,000 feet of the described premises.

b. Consequential Losses

Delay, loss of use or loss of market.

c. Smoke, Vapor, Gas

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

d. Steam Apparatus

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.

e. Frozen Plumbing

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.

f. Dishonesty

Dishonest or criminal acts by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

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

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

With respect to accounts receivable and "valuable papers and records", this exclusion does not apply to carriers for hire.

This exclusion does not apply to coverage that is provided under the Employee Dishonesty – Coverage Extension.

g. False Pretense

Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

h. Exposed Property

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

i. Collapse

Collapse, except as provided in the Additional Coverage for Collapse. But if collapse results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

j. Pollution

We will not pay for loss or damage caused by or resulting from the 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".

k. Neglect

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

l. Other Types Of Loss

- (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) Equipment breakdown including rupture or bursting caused by centrifugal force.

This exclusion does not apply with respect to the breakdown of "computer(s)";

- (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 Paragraphs (1) through (7) above 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.

m. Errors Or Omissions

Errors or omissions in:

(1) Programming, processing or storing data, as described under "electronic data" or in any "computer" operations; or

(2) Processing or copying "valuable papers and records".

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

n. Installation, Testing, Repair

Errors or deficiency in design, installation, testing, maintenance, modification or repair of your "computer" system including "electronic data".

However, we will pay for direct physical loss or damage caused by resulting "specified causes of loss" if these causes of loss would be covered by this coverage form.

o. Continuous Or Repeated Seepage Or Leakage Of Water

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.

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

Weather Conditions

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

p. Acts Or Decisions

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

q. Negligent Work

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. Business Income And Extra Expense Exclusions

a. We will not pay for:

(1) Any Extra Expense, or increase of Business Income 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;

(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";

(c) Damage or destruction of finished "stock" you manufacture or wholesale; or

(d) The time required to reproduce finished "stock" you manufacture or wholesale.

(2) Any other consequential loss.

With respect to this exclusion, "suspension" means:

(1) The partial slowdown or complete cessation of your business activities; and

(2) That a part or all of the described premises is rendered untenable, if coverage for Business Income applies.

5. Accounts Receivable Exclusion

The following additional exclusion applies to the Accounts Receivable Coverage Extension:

We will not pay for:

- a. Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.

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

- b. Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions.
- c. Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

C. Limits Of Insurance

- 1. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance of **Section I – Property** shown in the Declarations.

2. Business Personal Property Limit – Seasonal Increase

- a. The Limit of Insurance for Business Personal Property will automatically increase by 25% to provide for seasonal variations.
- b. This increase will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 100% of your average monthly values during the lesser of:
 - (1) The 12 months immediately preceding the date the loss or damage occurs; or
 - (2) The period of time you have been in business as of the date the loss or damage occurs.

D. Deductibles

- 1. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance of **Section I – Property**.
- 2. Regardless of the amount of the Deductible, the most we will deduct from any loss or damage for Outdoor Signs covered under **Optional Coverage, G.**, in any one occurrence is the Outdoor Signs optional coverage Deductible shown in the Declarations:

But this Outdoor Signs optional coverage Deductible or will not increase the Deductible shown in the Declarations. This Deductible will be used to satisfy the requirements of the Deductible in the Declaration.

- 3. No deductible applies to the following Additional Coverages:
 - a. Fire Department Service Charge;
 - b. Business Income and Extra Expense;
 - c. Civil Authority;
 - d. Fire Extinguisher Systems Recharge Expense
 - e. Interruption Of Computer Operations;
 - f. Reward Payment;
 - g. Lock And Key Replacement; and
 - h. Preservation Of Property.

E. Property Loss Conditions

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on 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 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 Limits of Insurance of **Section I – Property**. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

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

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

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

(8) Cooperate with us in the investigation or settlement of the claim.

(9) Resume all or part of your "operations" as quickly as possible.

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

4. Legal Action Against Us

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

a. There has been full compliance with all of the terms of this insurance; and

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

5. Loss Payment

In the event of loss or damage covered by this policy:

a. 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;

(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 Paragraph **d.(1)(d)** below.

b. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

c. We will not pay you more than your financial interest in the Covered Property.

d. Except as provided in Paragraphs (2) through (10) below, we will determine the value of Covered Property as follows:

(1) At replacement cost without deduction for depreciation, subject to the following:

(a) 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 on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.

(b) We will not pay on a replacement cost basis for any loss or damage:

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

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

(c) We will not pay more for loss or damage on a replacement cost basis than the least of the following paragraphs (i), (ii) or (iii) subject to paragraph (d) below;

- (i) The Limit of Insurance under **Section I – Property** that applies to the lost or damaged property;
 - (ii) The cost to replace, on the same premises, the lost or damaged property with other property:
 - i. Of comparable material and quality; and
 - ii. Used for the same purpose; or
 - (iii) The amount that you actually spend that is necessary to repair or replace the lost or damaged property.
If a building is rebuilt at a new premises, the cost is limited to the cost which would have been incurred had the building been built at the original premises.
 - (d) 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.
- (2) If the Actual Cash Value option applies, as shown in the Declarations, Paragraph (1) above does not apply. Instead, we will determine the value at actual cash value.
- (3) The following property at actual cash value:
- (a) Used or second-hand merchandise held in storage or for sale;
 - (b) Personal Property of others at the amount for which you are liable plus the cost of labor, materials or services furnished or arranged by you on personal property of others, not to exceed the replacement cost.
 - (c) Household contents, except personal property in apartments or rooms furnished by you as landlord; and
 - (d) Manuscripts.
- (4) Glass at the cost of replacement with safety glazing material if required by law.
- (5) Tenants' Improvements and Betterments at:
- (a) Replacement cost if you make repairs promptly.
 - (b) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (ii) Divide the amount determined in (i) 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.
- (c) Nothing if others pay for repairs or replacement.
- (6) Applicable only to the Coverage Extensions:
- (a) "Money" at its face value; and
 - (b) "Securities" at their value at the close of business on the day the loss is discovered.
- (7) Applicable only to Accounts Receivable:
- (a) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage:
 - (i) We will determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
 - (ii) We will adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

- (b) The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - (i) The amount of the accounts for which there is no loss or damage;
 - (ii) The amount of the accounts that you are able to re-establish or collect;
 - (iii) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (iv) All unearned interest and service charges.
- (8) "Fine Arts" as follows:
 - (a) If there is a schedule of "fine arts" on file which includes a description and value of the lost or damaged item, we will pay the value as stated in the schedule for that item if there is a total loss to that item. If there is a partial loss to an item, we will pay the cost of reasonably restoring or repairing that item.
 - (b) For "fine arts" without a schedule on file as described in Paragraph (a) above, the value of "fine arts" will be the least of the following amounts:
 - (i) Market value of the lost or damaged item at the time and place of loss;
 - (ii) The cost of reasonably restoring the lost or damaged item; or
 - (iii) The cost of replacing that lost or damaged item with property substantially the same; or
 - (iv) \$5,000 or less per unscheduled item.
 - (c) In case of loss to any part of a pair or set we will:
 - (i) Repair or replace any part to restore the pair or set to its value before the loss; or
 - (ii) Pay the difference between the value of the pair or set before and after the loss.
- (9) For "electronic data" and media for which duplicates do not exist will be valued as follows:
 - (a) The cost of blank media; and
 - (b) Your cost to research, replace or restore the lost "electronic data" on lost, damaged or destroyed media, but only if the "electronic data" is actually replaced or restored.
- (10) For duplicate "electronic data" and media at the cost of:
 - (a) Blank media; and
 - (b) Labor to copy the "electronic data", but only if the "electronic data" is actually copied.
- e. Our payment for loss of or damage to personal property of others will only be for the account of the owners of the property. 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, provided you have complied with all of the terms of this policy, and
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.
- h. Finished "stock" you manufacture or wholesale at selling price less discounts and expenses you otherwise would have had.

6. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may retain the property. But then you must 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 Limits of Insurance of **Section I – Property**.

You must arrange for fine arts to be packed and unpacked by competent packers.

7. Resumption Of Operations

We will reduce the amount of your:

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

8. 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 Paragraphs (a) and (b) below:

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

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

(i) Rented to a lessee or 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 Paragraphs (1)(a) through (1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

F. Property General Conditions

1. 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 Form 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.

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 policy, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

(1) Pays any premium due under this policy at our request if you have failed to do so;

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

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

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

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

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

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

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

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

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

3. No Benefit To Bailee

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

4. Policy Period, Coverage Territory

Under **Section I – Property**:

- a. We cover loss or damage commencing:
- (1) During the policy period shown in the Declarations; and
 - (2) Within the coverage territory or, with respect to property in transit, while it is between points in the coverage territory.
- b. The coverage territory is:
- (1) The United States of America (including its territories and possessions);
 - (2) Puerto Rico; and
 - (3) Canada.

5. Coinsurance

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

- a. The following provision applies:

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.

- b. We will not pay the full amount of any loss if the value of the Covered Property at the time of the loss multiplied by the coinsurance percentage shown in the Declarations is greater than the Limit of Insurance for the property.

We will determine the most we will pay using the following method:

- (1) Multiply the value of the Covered Property at the time of the loss by the coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the amount determined in (1) above.
- (3) Multiply the total amount of the covered loss, before applying any deductible, by the amount determined in (2) above.
- (4) Subtract the deductible from the amount determined in (3) above.

We will pay the amount determined in (4) above, or the Limit of Insurance, whichever is less.

For any outstanding amount, you will either have to rely on other insurance or absorb the loss yourself.

- c. Coinsurance does not apply to:

- (1) "Money" and "Securities";
- (2) Additional Coverages;
- (3) Coverage Extensions;
- (4) Loss or damage in any one occurrence totaling less than \$2,500.

G. Optional Coverage

If shown as applicable in the Declarations, the following Optional Coverage also applies. The coverage is subject to the terms and conditions applicable to property coverage in this policy, except as provided below.

1. Outdoor Signs

- a. We will pay for direct physical loss of or damage to all outdoor signs at the described premises:
- (1) Owned by you; or
 - (2) Owned by others but in your care, custody or control.

b. Paragraph **A.3.**, Covered Causes Of Loss, and Paragraph **B.**, Exclusions in **Section I – Property**, do not apply to this Optional Coverage, except for:

- (1) Paragraph **B.1.c.**, Governmental Action;
- (2) Paragraph **B.1.d.**, Nuclear Hazard; and
- (3) Paragraph **B.1.f.**, War And Military Action.

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

- (1) Wear and tear;
- (2) Hidden or latent defect;
- (3) Rust;
- (4) Corrosion; or
- (5) Equipment breakdown.

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

If no Limit of Insurance appears in the Declarations, the applicable limit for Outdoor Signs in Coverage Extension **6.c.** applies.

e. The provisions of this Optional Coverage supersede all other references to outdoor signs in this policy.

2. Inflation Guard

a. The Limit of Insurance will automatically increase by the annual percentage shown in the Declarations.

b. The amount of increase will be:

- (1) The limit that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the limit, 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, divided by 365.

Example:

If: The applicable Building limit 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

$$\$100,000 \times .08 \times 146 \div 365 = \$3,200.$$

H. Property Definitions

1. "Computer" means:

- a. Programmable electronic equipment that is used to store, retrieve and process data; and
- b. Associated peripheral equipment that provides communication, including input and output functions such as printing and auxiliary functions such as data transmission.

"Computer" does not include those used to operate production type machinery or equipment.

2. "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.

3. "Electronic Vandalism" means any acts by persons involving any of the following:

- a. Willful or malicious destruction of computer programs, content, instructions or other electronic or digital data stored within "computers" or computer systems or net works to which it is introduced;
- b. Unauthorized computer code or programming that:

- (1) Deletes, distorts corrupts or manipulates computer programs, contents, instructions or other electronic or digital data, or otherwise results in damage to "computers" or computer systems or networks to which it is introduced;

- (2) Replicates itself, impairing the performance of "computers" or computer systems or networks; or

- (3) Gains remote control access to data and programming within "computers" or computer systems or networks to which it is introduced, for uses other than those intended for authorized users of the computers or computer systems or networks.
4. "Fine Arts"
 - a. Means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, porcelains, rare glass, bric-a-brac and similar property with historical value, or artistic merit; and
 - b. Does not mean any glass that is part of a building or structure.
 5. "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
 6. "Manager" means a person serving in a directorial capacity for a limited liability company.
 7. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
 8. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
 9. "Operations" means your business activities occurring at the described premises.
 10. "Period of restoration":
 - a. Means the period of time that:
 - (1) Begins:
 - (a) For Business Income coverage:
 - (i) With the date of direct physical loss or damage, if the Declarations show immediately for Period of Restoration – Time Period; or
 - (ii) 72 hours after the time of direct physical loss or damage, if the Declarations show 72 hours for Period of Restoration – Time Period;
 - (b) For Extra Expense coverage immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and

- (2) Ends on the earlier of:
 - (a) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (b) The date when business is resumed at a new permanent location.
- b. Does not include any increased period required due to the enforcement of any ordinance or law that:
 - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

11. "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.
12. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money".
13. "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 of or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.
14. "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.
15. "Suspension" means;
- a. The partial slowdown or complete cessation of your business activities; or
 - b. That a part of all of the described premises is rendered untenable, if coverage for Business Income and Extra Expense applies.
16. "Valuable papers and records" means inscribed, printed or written:
- a. Documents;
 - b. Manuscripts; and
 - c. Records;
- including abstracts, books, deeds, drawings, films, maps or mortgages.
- But "valuable papers and records" does not mean "money" or "securities" or "electronic data".

BUSINESSOWNERS COVERAGE FORM

SECTION II – LIABILITY

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 Coverage Form 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.

In Section II – Liability, the word "insured" means any person or organization qualifying as such under Paragraph C. Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to I – Paragraph F. Liability And Medical Expenses Definitions in Section II – Liability.

A. Coverages

1. Business Liability

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

(1) The amount we will pay for damages is limited as described in Paragraph D. – Liability And Medical Expenses Limits Of Insurance in Section II – Liability; and

(2) Our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of judgments or settlements or medical expenses.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph f. Coverage Extension – Supplementary Payments.

b. This insurance applies:

(1) To "bodily injury" and "property damage" only if:

(a) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(b) The "bodily injury" or "property damage" occurs during the policy period; and

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

(2) To "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph C.1. Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of "bodily injury" or "property damage" after the end of the policy period.

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

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

f. Coverage Extension – Supplementary Payments

- (1) We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - (a) All expenses we incur.
 - (b) Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.
 - (c) The cost of bonds to release attachments, but only for bond amounts within our Limit of Insurance. We do not have to furnish these bonds.
 - (d) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - (e) All costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - (f) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - (g) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the limit of liability.

- (2) If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - (a) The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - (b) This insurance applies to such liability assumed by the insured;
 - (c) The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - (d) The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - (e) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - (f) The indemnitee:
 - (i) Agrees in writing to:
 - i. Cooperate with us in the investigation, settlement or defense of the "suit";
 - ii. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - iii. Notify any other insurer whose coverage is available to the indemnitee; and
 - iv. Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (ii) Provides us with written authorization to:
 - i. Obtain records and other information related to the "suit"; and

- ii. Conduct and control the defense of the indemnitee in such "suit".
- (3) So long as the conditions in Paragraph (2) are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph B.1.b.(2) Exclusions in Section II – Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- (a) We have used up the applicable Limit of Insurance in the payment of judgments or settlements; or
- (b) The conditions set forth above, or the terms of the agreement described in Paragraph (2)(f) above are no longer met.

2. Medical Expenses

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations; provided that:
 - (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the Limits of Insurance of Section II – Liability. We will pay reasonable expenses for:

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

B. Exclusions

1. Applicable To Business Liability Coverage

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

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

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

c. Liquor Liability

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

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

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

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

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

- (i) Any insured; or

- (ii) Any person or organization for whom you may be legally responsible; or

- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:

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

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

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

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged; or
 - (b) The operation of any of the following machinery or equipment:
 - (i) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (ii) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition or stunting activity.

i. War

"Bodily injury", "property damage" or "personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared 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 government authority in hindering or defending against any of these.

j. Professional Services

"Bodily injury", "property damage" or "personal and advertising injury" caused by the rendering or failure to render any professional service. This includes but is not limited to:

- (1) Legal, accounting or advertising services;
- (2) Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications;
- (3) Supervisory, inspection or engineering services;
- (4) Medical, surgical, dental, x-ray or nursing services treatment, advice or instruction;
- (5) Any health or therapeutic service treatment, advice or instruction;
- (6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;
- (7) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (8) Body piercing services; and
- (9) Services in the practice of pharmacy.

k. Damage To Property

"Property damage" to:

- (1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate Limit of Insurance applies to Damage To Premises Rented To You as described in Paragraph D. Liability And Medical Expenses Limit Of Insurance in Section II – Liability.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

I. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

m. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

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

n. Damage To Impaired Property Or Property Not Physically Injured

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

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

o. Recall Of Products, Work Or Impaired Property

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

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. Personal And Advertising Injury

"Personal and advertising injury":

- (1) Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
- (2) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (3) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (4) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
- (5) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";

- (6) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- (7) Arising out of the wrong description of the price of goods, products or services stated in your "advertisement";
- (8) Committed by an insured whose business is:
 - (a) Advertising, broadcasting, publishing or telecasting;
 - (b) Designing or determining content of web-sites for others; or
 - (c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under Paragraph F. Liability And Medical Expenses Definitions.

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

- (9) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time;
- (10) With respect to any loss, cost or expense arising out of any:
 - (a) Request, demand or order that any insured or others test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to, or assessing the effects of, "pollutants".
- (11) Arising out of an electronic chatroom or bulletin board the insured hosts, owns or over which the insured exercises control;
- (12) Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

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

- (13) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers.
- (14) Arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

q. Electronic Data

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

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

r. Criminal Acts

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

s. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

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

Exclusions **c., d., e., f., g., h., i., k., l., m., n.** and **o.** in Section II – Liability do not apply to damage by fire to premises while rented to you, or temporarily occupied by you with permission of the owner. A separate Damage To Premises Rented To You Limit of Insurance applies to this coverage as described in Paragraph D. Liability And Medical Expenses Limits of Insurance in Section II – Liability.

t. Asbestos

- (1) "Bodily injury", "property damage", and "personal and advertising injury" which related to the actual, claimed but not proven, or threatened presence of, or exposure to asbestos in any form; or to harmful substances coming from "asbestos". This includes ingestion, inhalation, absorption, contact with, presence of, or exposure to "asbestos". Such injury from or exposure to "asbestos" also includes, but is not limited to:
 - (a) The existence, installation, storage, handling or transportation of "asbestos"; or
 - (b) The removal, suppression or making less of, or containment of "asbestos" from any structure, materials, goods, products, or production process; or
 - (c) The disposal of "asbestos"; or
 - (d) Any structures, production processes, or products which contain "asbestos"; or
 - (e) Any duty to share damages with someone else or repay someone else who must pay damages because of such injury or damage; or
 - (f) Any supervision, instructions, recommendations, warnings or advice given, or which should have been given, in connection with the above.

- (2) Any loss, cost or expense including, but not limited to, payment for investigation or defense, fines, penalties and other costs or expenses, arising out of any:
 - (a) Claim, "suit", demand, judgment, duty, order, request, settlement, or statutory or regulatory requirement that any insured or any other person or entity test for, keep an eye on, clean up, remove, contain, mitigate, treat, make ineffective, correction of, or dispose of, or in any way respond to, or assess the actual or suspected effects of "asbestos"; or
 - (b) Claim, "suit", demand, judgment, obligation, request, or settlement due to any actual, alleged, or threatened injury or damage from "asbestos"; or testing for, keeping an eye on, cleaning up, removing, containing, treating, mitigating, correcting of, or disposing of, or in any way responding to or determining the amount of the actual or claimed but not proven effects of "asbestos" by any insured or by any other person or entity; or
 - (c) Claim, "suit", demand, judgment, obligation, or request to investigate which would not have occurred, in whole or in part, but for the actual or alleged presence of or exposure to "asbestos".

u. Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

- (1) Damages, other than damages because of "personal and advertising injury", arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or 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.

2. Applicable To Medical Expenses Coverage

We will not pay expenses for "bodily injury":

- a. To any insured, except "volunteer workers".
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.
- f. Included within the "products-completed operations hazard".
- g. Excluded under Business Liability Coverage.

3. Applicable To Both Business Liability Coverage And Medical Expenses Coverage – Nuclear Energy Liability Exclusion

This insurance does not apply:

- a. Under Business 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 the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, 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 Medical Expenses 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 Business Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of the "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.
- d. As used in this exclusion:
- (1) "By-product material" has the meaning given it in the Atomic Energy Act of 1954 or in any law amendatory thereof;
- (2) "Hazardous properties" include radioactive, toxic or explosive properties;
- (3) "Nuclear facility" means:
- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for:
- (i) Separating the isotopes of uranium or plutonium;
- (ii) Processing or utilizing "spent fuel"; or
- (iii) 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;
- (4) "Nuclear material" means "source material", "special nuclear material" or "by-product material";
- (5) "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;
- (6) "Property damage" includes all forms of radioactive contamination of property;
- (7) "Source material" has the meaning given it in the Atomic Energy Act of 1954 or in any law amendatory thereof;
- (8) "Special nuclear material" has the meaning given it in the Atomic Energy Act of 1954 or in any law amendatory thereof;
- (9) "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";
- (10) "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 Paragraphs (a) and (b) of the definition of "nuclear facility".

C. Who Is An Insured

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph (a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (a) or (b); or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this policy.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. Liability And Medical Expenses Limits Of Insurance

1. The Limits of Insurance of Section II – Liability shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. The most we will pay for the sum of all damages because of all:

- a. "Bodily injury", "property damage" and medical expenses arising out of any one "occurrence"; and
- b. "Personal and advertising injury" sustained by any one person or organization;

is the Liability and Medical Expenses limit shown in the Declarations. But the most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses limit shown in the Declarations.

3. The most we will pay under Business Liability Coverage for damages because of "property damage" to a premises while rented to you or in the case of fire while rented to you or temporarily occupied by you with permission of the owner is the applicable Damage To Premises Rented To You limit shown for that premises in the Declarations. For a premises temporarily occupied by you, the applicable limit will be the highest Damage To Premises Rented To You limit shown in the Declarations.

4. Aggregate Limits

The most we will pay for:

- a. All "bodily injury" and "property damage" that is included in the "products-completed operations hazard" is twice the Liability and Medical Expenses limit.

b. All:

- (1) "Bodily injury" and "property damage" except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
 - (2) Plus medical expenses;
 - (3) Plus all "personal and advertising injury" caused by offenses committed;
- is twice the Liability and Medical Expenses limit.

Subject to Paragraph **a.** or **b.** above, whichever applies, the Damage To Premises Rented To You Limit is the most we will pay for damages because of "property damage" to any one premises, while rented to you, or in the case of fire, while rented to you or temporarily occupied by you with permission of the owner.

The Limits of Insurance of Section II – Liability apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. Liability And Medical Expenses General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this policy.

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

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this policy:

- a.** To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b.** To sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Separation Of Insureds

Except with respect to the Limits of Insurance of Section II – Liability, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

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

F. Liability And Medical Expenses Definitions

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Asbestos" means any type or form of asbestos, asbestos fibers, asbestos products, or asbestos materials; including any products, goods, or materials containing asbestos or asbestos fibers, products or materials and any gases, vapors, scents or by-products produced or released by asbestos.
3. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.However, "auto" does not include "mobile equipment".
4. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
5. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or

- (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

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

6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
7. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
8. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
9. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;if such property can be restored to use by:
 - (1) The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - (2) Your fulfilling the terms of the contract or agreement.
10. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;

- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing;
 - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.
11. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
12. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or

- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

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

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

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

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

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (3)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

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

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

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

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

The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.

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

- (1)** The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
- (2)** The existence of tools, uninstalled equipment or abandoned or unused materials.

- 18.** "Property damage" means:

- a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

19. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
20. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
21. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
22. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
 - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
23. "Your work":
- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

Identity Recovery Coverage Endorsement - Florida Identity Theft Case Management Service And Expense Reimbursement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

Throughout this Coverage Endorsement (hereinafter referred to as "Identity Recovery Coverage") the words "you" and "your" refer to the Named Insured shown in the Businessowners Common Declarations, to which this endorsement attaches. The words "we", "us" and "our" refer to the Company providing this insurance.

Some words and phrases that appear in bold face or quotation marks have special meaning. Refer to Definitions.

A. COVERAGE

We will provide the Case Management Service and Expense Reimbursement Coverage indicated below if all of the following requirements are met:

1. There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this policy; and
2. Such "identity theft" is first discovered by the "identity recovery insured" during the policy period for which this Identity Recovery coverage is applicable; and
3. Such "identity theft" is reported to us within 60 days after it is first discovered by the "identity recovery insured."

If all three of the requirements listed above have been met, then we will provide the following to the "identity recovery insured":

1. Case Management Service

Services of an "identity recovery case manager" as needed to respond to the "identity theft"; and

2. Expense Reimbursement

Reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft."

This coverage is additional insurance.

B. EXCLUSIONS

We will not pay for costs arising from the following:

1. The theft of a professional or business identity.
2. Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any authorized representative of an "identity recovery insured", whether acting alone or in collusion with others. However, this exclusion shall not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act.
3. An "identity theft" that is not reported in writing to the police.
4. Seizure or destruction of property by order of governmental authority.
5. Nuclear reaction or radiation or radioactive contamination, however caused.
6. War and military action including any of the following and any consequence of any of the following:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

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

C. LIMITS OF INSURANCE

Case Management Service is available as needed for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Service do not reduce the amount of limit available for Expense Reimbursement coverage.

Expense Reimbursement coverage is subject to a limit of \$25,000 annual aggregate per "identity recovery insured." Regardless of the number of claims, this limit is the most we will pay for the total of all loss or expense arising out of all "identity thefts" to any one "identity recovery insured" which are first discovered by the "identity recovery insured" during a 12-month period starting with the beginning of the present annual policy period. If an "identity theft" is first discovered in one policy period and continues into other policy periods, all loss and expense arising from such "identity theft" will be subject to the aggregate limit applicable to the policy period when the "identity theft" was first discovered.

Legal costs as provided under item d. of the definition of "identity recovery expenses" are part of, and not in addition to, the Expense Reimbursement coverage limit.

Item e. (Lost Wages) and item f. (Child and Elder Care Expenses) of the definition of "identity recovery expenses" are jointly subject to a sublimit of \$5,000. This sublimit is part of, and not in addition to, the Expense Reimbursement coverage limit. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured."

Item g. (Mental Health Counseling) of the definition of "identity recovery expenses" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Expense Reimbursement coverage limit. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured."

Item h. (Miscellaneous Unnamed Costs) of the definition of "identity recovery expenses" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Expenses Reimbursement coverage limit. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured."

D. DEDUCTIBLES

Case Management Service and Expense Reimbursement coverage are not subject to a deductible.

E. CONDITIONS

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

1. Abandonment

There can be no abandonment of any property to us.

2. Concealment or Fraud

This endorsement is void if you have intentionally concealed or misrepresented any material fact or circumstance relating to this insurance.

3. Coverage Territory

Subject to its terms, conditions and exclusions, this endorsement applies to an "identity theft" occurring anywhere in the world, but we shall only pay for loss incurred by an "identity recovery insured" in the United States, Puerto Rico or Canada.

4. Help Line

For assistance, the "identity recovery insured" should call the **Identity Recovery Help Line** at **1-866-219-9525**.

The **Identity Recovery Help Line** can provide the "identity recovery insured" with:

- a. Information and advice for how to respond to a possible "identity theft"; and
- b. Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

In some cases, we may provide Case Management services at our expense to an "identity recovery insured" prior to a determination that a covered "identity theft" has occurred. Our provision of such services is not an admission of liability under the endorsement. We reserve the right to deny further coverage or service if, after investigation, we determine that a covered "identity theft" has not occurred.

As respects Expense Reimbursement Coverage, the "identity recovery insured" must send to us, within 60 days after our request, receipts, bills or other records that support his or her claim for "identity recovery expenses."

5. Legal Action Against Us

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

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within 5 years after the date the "personal data compromise" is first discovered by you.

6. Legal Advice

We are not your legal advisor and do not provide legal counsel to you. None of the services we provide under this coverage constitute legal advice to you. Our determination of what is or is not covered under this Identity Recovery Coverage does not represent advice or counsel from us about what you should or should not do.

7. Endorsement Period

This endorsement applies only to "personal data compromises" that are first discovered by you during the policy period shown in the General Declarations. The policy period begins and ends at 12:01 a.m., Standard Time, at your address shown in the General Declarations.

8. Services

The following conditions apply as respects any services provided by us or our designees to any "identity recovery insured" under this endorsement:

- a. Our ability to provide helpful services in the event of an "identity theft" depends on the cooperation, permission and assistance of the "identity recovery insured."
- b. All services may not be available or applicable to all individuals. For example, "identity recovery insureds" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
- c. We do not warrant or guarantee that our services will end or eliminate all problems associated with an "identity theft" or prevent future "identity thefts."

F. DEFINITIONS

With respect to the provisions of this Identity Recovery Coverage only, the following definitions are added:

1. **"Identity Recovery Case Manager"** means one or more individuals assigned by us to assist an "identity recovery insured" with communications we deem necessary for re-establishing the integrity of the personal identity of the "identity recovery insured." This includes, with the permission and cooperation of the "identity recovery insured," written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.
2. **"Identity Recovery Expenses"** means the following when they are reasonable and necessary expenses that are incurred as a direct result of an "identity theft":
 - a. Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an "identity theft."
 - b. Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of your efforts to report an "identity theft" or amend or rectify records as to your true name or identity as a result of an "identity theft."
 - c. Costs for credit reports from established credit bureaus.
 - d. Fees and expenses for an attorney approved by us for the following:
 - (1) The defense of any civil suit brought against an "identity recovery insured."
 - (2) The removal of any civil judgment wrongfully entered against an "identity recovery insured."
 - (3) Legal assistance for an "identity recovery insured" at an audit or hearing by a governmental agency.
 - (4) Legal assistance in challenging the accuracy of the "identity recovery insured's" consumer credit report.
 - (5) The defense of any criminal charges brought against an "identity recovery insured" arising from the actions of a third party using the personal identity of the "identity recovery insured."

- e. Actual lost wages of the “identity recovery insured” for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours.
- f. Actual costs for supervision of children or elderly or infirm relatives or dependents of the “identity recovery insured” during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the “identity recovery insured.”
- g. Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the “identity recovery insured.”
- h. Any other reasonable costs necessarily incurred by an “identity recovery insured” as a direct result of the “identity theft.”
 - (1) Such costs include:
 - (a) Costs by the “identity recovery insured” to recover control over his or her personal identity.
 - (b) Deductibles or service fees from financial institutions.
 - (2) Such costs do not include:
 - (a) Costs to avoid, prevent or detect “identity theft” or other loss.
 - (b) Money lost or stolen.
 - (c) Costs that are restricted or excluded elsewhere in this endorsement or policy.

3. **“Identity Recovery Insured”** means the following:

- a. When the entity insured under this policy is a sole proprietorship, the “identity recovery insured” is the individual person who is the sole proprietor of the insured entity.
- b. When the entity insured under this policy is a partnership, the “identity recovery insureds” are the current partners.
- c. When the entity insured under this policy is a corporation or other organization, the “identity recovery insureds” are all individuals having an ownership position of 20% or more of the insured entity. However, if and only if there is no one who has such an ownership position, then the “identity recovery insured” shall be:
 - (1) The chief executive of the insured entity; or
 - (2) As respects a religious institution, the senior ministerial employee.

An “identity recovery insured” must always be an individual person. The entity insured under this policy is not an “identity recovery insured.”

4. **“Identity Theft”** means the fraudulent use of the social security number or other method of identifying an “identity recovery insured.” This includes fraudulently using the personal identity of an “identity recovery insured” to establish credit accounts, secure loans, enter into contracts or commit crimes.

“Identity theft” does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

Data Compromise Coverage Endorsement – Florida

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

Throughout this Coverage Endorsement (herein referred to as “Data Compromise Coverage”) 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 the Definitions section.

SECTION 1 – RESPONSE EXPENSES

A. DATA COMPROMISE COVERED CAUSE OF LOSS

Coverage under this Data Compromise Coverage Endorsement applies only if all of the following conditions are met:

1. There has been a “personal data compromise”; and
2. Such “personal data compromise” is first discovered by you during the policy period for which this Data Compromise Coverage is applicable; and
3. Such “personal data compromise” is reported to us within 60 days after the date it is first discovered by you.

B. COVERAGE – SECTION 1

If all three of the conditions listed above in DATA COMPROMISE – COVERED CAUSE OF LOSS have been met, then we will provide coverage for the following expenses when they arise directly from the covered cause of loss and are necessary and reasonable. Coverages 4 and 5 apply only if there has been a notification of the “personal data compromise” to “affected individuals” as covered under coverage 3.

1. Forensic IT Review

Professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the “personal data compromise” and the number and identities of the “affected individuals”.

This does not include costs to analyze, research or determine any of the following:

- a. Vulnerabilities in systems, procedures or physical security;

- b. Compliance with PCI or other industry security standards; or
- c. The nature or extent of loss or damage to data that is not “personally identifying information” or “personally sensitive information”.

If there is reasonable cause to suspect that a covered “personal data compromise” may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered “personal data compromise”. However, once it is determined that there was no covered “personal data compromise”, we will not pay for any further costs.

2. Legal Review

Professional legal counsel review of the “personal data compromise” and how you should best respond to it.

If there is reasonable cause to suspect that a covered “personal data compromise” may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered “personal data compromise”. However, once it is determined that there was no covered “personal data compromise”, we will not pay for any further costs.

3. Notification to Affected Individuals

We will pay your necessary and reasonable costs to provide notification of the “personal data compromise” to “affected individuals”.

4. Services to Affected Individuals

We will pay your necessary and reasonable costs to provide the following services to “affected individuals”.

- a. The following services apply to any “personal data compromise”.

(1) Informational Materials

A packet of loss prevention and customer support information.

(2) Help Line

A toll-free telephone line for "affected individuals" with questions about the "personal data compromise". Where applicable, the line can also be used to request additional services as listed in **b. (1)** and **(2)**.

b. The following additional services apply to "personal data compromise" events involving "personally identifying information".

(1) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the "affected individual" enrolling for this service with the designated service provider.

(2) Identity Restoration Case Management

As respects any "affected individual" who is or appears to be a victim of "identity theft" that may reasonably have arisen from the "personal data compromise", the services of an identity restoration professional who will assist that "affected individual" through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

5. PR Services

Professional public relations firm review of and response to the potential impact of the "personal data compromise" on your business relationships.

This includes costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with "affected individuals". However, we will not pay for promotions:

- a.** Provided to any of your directors or employees; or;
- b.** Costing more than \$25 per "affected individual".

C. LIMITS – SECTION 1

The most we will pay under Response Expenses coverage is the Data Compromise Response Expenses Limit indicated in the Data Compromise Supplemental Declarations.

The Data Compromise Response Expenses Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under SECTION 1 arising out of all "personal data compromise" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.

A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "personal data compromise" will be subject to the Data Compromise Response Expenses Limit applicable to the policy period when the "personal data compromise" was first discovered by you.

The most we will pay under Response Expenses coverage for loss arising from any "malware-related compromise" is the Named Malware (SECTION 1) sublimit indicated in the Data Compromise Supplemental Declarations. For the purpose of the Named Malware (SECTION 1) sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise". This sublimit is part of, and not in addition to the Response Expenses Limit.

The most we will pay under Forensic IT Review, Legal Review and PR Services coverages for loss arising from any one "personal data compromise" is the applicable sublimit for each of those coverages indicated in the Data Compromise Supplemental Declarations. These sublimits are part of, and not in addition to, the Data Compromise Response Expenses Limit. PR Services coverage is also subject to a limit per "affected individual" as described in 5. PR Services.

Coverage for Services to “affected individuals” is limited to costs to provide such services for a period of up to one year from the date of the notification to the “affected individuals”. Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

D. DEDUCTIBLE – SECTION 1

Response Expenses coverage is subject to the Response Expenses Deductible indicated in the Data Compromise Supplemental Declarations. You shall be responsible for such deductible amount as respects each “personal data compromise” covered under this Data Compromise Coverage.

The following is added as an Additional Coverage:

SECTION 2 – DEFENSE AND LIABILITY

A. DEFENSE AND LIABILITY COVERED CAUSE OF LOSS

Coverage under this Data Compromise Coverage Endorsement applies only if all three of the conditions in DATA COMPROMISE – COVERED CAUSE OF LOSS are met.

Only with regard to SECTION 2 – Defense and Liability coverage, the following conditions must also be met:

1. You have provided notifications and services to “affected individuals” in consultation with us pursuant to Response Expenses coverage; and
2. You receive notice of a “data compromise suit” brought by one or more “affected individuals” or by a governmental entity on behalf of one or more “affected individuals”; and
3. Notice of such “data compromise suit” is received by you within two years of the date that the “affected individuals” are notified of the “personal data compromise”; and
4. Such “data compromise suit” is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

B. COVERAGE – SECTION 2

If all of the conditions listed above in DEFENSE AND LIABILITY – COVERED CAUSE OF LOSS have been met, then we will provide coverage for “data compromise defense costs” and “data compromise liability” directly arising from the covered cause of loss.

C. LIMITS – SECTION 2

The most we will pay for “data compromise defense costs” under Defense and Liability coverage (other than post-judgment interest) is the Data Compromise Defense Limit indicated in the Supplemental Declarations.

The most we will pay for “data compromise liability” under Defense and Liability coverage (other than post-judgment interest) is the Data Compromise Liability Limit indicated in the Supplemental Declarations.

The Data Compromise Defense Limit and Data Compromise Liability Limit are annual aggregate limits and are the most we will pay for all loss covered under SECTION 2 (other than post-judgment interest) arising out of all “personal data compromise” events which are first discovered by you during the present annual policy period. These limits apply regardless of the number of “personal data compromise” events occurring during that period.

A “personal data compromise” may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such “personal data compromise” (other than post-judgment interest) will be subject to the Data Compromise Defense Limit and the Data Compromise Liability Limit applicable to the policy period when the “personal data compromise” was first discovered by you.

The most we will pay under Defense and Liability coverage for loss arising from any “malware-related compromise” is the Named Malware (SECTION 2) sublimit indicated for this Data Compromise Coverage. For the purpose of the Named Malware (SECTION 2) sublimit, all “malware-related compromises” that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single “personal data compromise”. This sublimit is part of, and not in addition to, the Defense Limit and the Liability Limit.

D. DEDUCTIBLE – SECTION 2

Defense and Liability coverage is subject to the Defense and Liability Deductible indicated in the Supplemental Declarations. You shall be responsible for such deductible amount as respects each “data compromise suit” covered under this Data Compromise Coverage.

SECTION 3 -- EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO BOTH SECTION 1 AND SECTION 2

A. EXCLUSIONS

The following additional exclusions apply to this coverage:

We will not pay for costs arising from the following:

1. Your intentional or willful complicity in a “personal data compromise.”
2. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
3. Any “personal data compromise” occurring prior to the first inception of this Data Compromise Coverage or any coverage substantially similar to that described in this Data Compromise Coverage Endorsement.
4. Costs to research or correct any deficiency. This includes, but is not limited to, any deficiency in your systems, procedures or physical security that may have contributed to a “personal data compromise”.
5. Any fines or penalties. This includes, but is not limited to, fees or surcharges from affected financial institutions.
6. Any criminal investigations or proceedings.
7. Any extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance.
8. Any “personal data compromise” involving data that is being transmitted electronically, unless such data is encrypted to protect the security of the transmission.
9. Your reckless disregard for the security of “personally identifying information” or “personally sensitive information” in your care, custody or control.
10. That part of any “data compromise suit” seeking any non-monetary relief.

11. Seizure or destruction of property by order of governmental authority.
12. Nuclear reaction or radiation or radioactive contamination, however caused.
13. War and military action including any of the following and any consequence of any of the following:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

B. ADDITIONAL CONDITIONS

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

1. Abandonment

There can be no abandonment of any property to us.

2. Concealment or Fraud

This endorsement is void if you have intentionally concealed or misrepresented any material fact or circumstance relating to this insurance.

3. Coverage Territory

The First Named Insured with their primary office located in the United States of America or Puerto Rico.

4. Data Compromise Liability Defense

- a. We shall have the right and the duty to assume the defense of any applicable “data compromise suit” against you. You shall give us such information and cooperation as we may reasonably require.
- b. You shall not admit liability for or settle any “data compromise suit” or incur any defense costs without our prior written consent.

c. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such "data compromise suit" independently of us. Our liability shall not exceed the amount for which the claim or suit could have been settled if such recommendation was consented to, plus defense costs incurred by us, and defense costs incurred by you with our written consent, prior to the date of such refusal.

d. We shall not be obligated to pay any defense costs, or to defend or continue to defend any "data compromise suit", after the Data Compromise Defense Limit has been exhausted.

We shall not be obligated to pay any damages after the Data Compromise Liability Limit has been exhausted.

e. We shall pay all interest on that amount of any judgment within the Data Compromise Liability Limit which accrues:

(1) after entry of judgment; and

(2) before we pay, offer to pay or deposit in court that part of the judgment within the Data Compromise Liability Limit or, in any case, before we pay or offer to pay the entire Data Compromise Liability Limit.

These interest payments shall be in addition to and not part of the Data Compromise Liability Limit.

5. Due Diligence

You agree to use due diligence to prevent and mitigate costs covered under this Data Compromise Coverage. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, computer systems and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and

e. Appropriate disposal of files containing "personally identifying information," or "personally sensitive information", including shredding hard copy files and destroying physical media used to store electronic data.

6. Duties in the Event of a "Data Compromise Suit"

a. If a "data compromise suit" is brought against you, you must:

(1) Immediately record the specifics of the "data compromise suit" and the date received; and

(2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "data compromise suit" is first received by you.

(3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "data compromise suit";

(4) Authorize us to obtain records and other information;

(5) Cooperate with us in the investigation, settlement or defense of the "data compromise suit";

(6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of loss to which this insurance may also apply; and

(7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "data compromise suit".

b. You may not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

c. If you become aware of a claim or complaint that may become a "data compromise suit," you shall promptly inform us of such claim or complaint.

7. Duties in the Event of a "Personal Data Compromise"

You must see that the following are done in the event of a "personal data compromise":

a. Notify the police if a law may have been broken.

- b. Give us prompt notice of the “personal data compromise”. You must report the “personal data compromise” to us within 60 days of the date you first discover it.
- c. As soon as possible, give us a description of how, when and where the “personal data compromise” occurred.
- d. Take all reasonable steps to protect “personally identifying information” or “personally sensitive information” remaining in your care, custody or control. If feasible, preserve evidence of the “personal data compromise”.
- e. Permit us to inspect the property and records proving the “personal data compromise”.
- f. If requested, permit us to question you under oath at such times as may be reasonably required about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.
- g. Send us a signed, sworn statement 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.
- h. Cooperate with us in the investigation or settlement of the claim.

8. Legal Action Against Us

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

- a. There has been full compliance with all of the terms of this insurance; and
- b. The actions is brought within 5 years after the date the “personal data compromise” is first discovered by you.

9. Legal Advice

We are not your legal advisor. Our determination of what is or is not covered under this Data Compromise Coverage does not represent advice or counsel from us about what you should or should not do.

10. Other Insurance

If there is other insurance that applies to the same loss, damage or expense, this Data Compromise Coverage shall apply only as excess insurance after all other applicable insurance has been exhausted.

11. Endorsement Period

This endorsement applies only to “personal data compromises” that are first discovered by you during the policy period shown in the General Declarations. The policy period begins and ends at 12:01 a.m., Standard Time, at your address shown in the General Declarations.

12. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to “affected individuals.” We assume no responsibility under this Data Compromise Coverage for any services promised to “affected individuals” without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under Condition 13. Service Providers. You must provide the following at our pre-notification consultation with you:

- a. The exact list of “affected individuals” to be notified, including contact information.
- b. Information about the “personal data compromise” that may appropriately be communicated with “affected individuals.”
- c. The scope of services that you desire for the “affected individuals.” For example, coverage may be structured to provide fewer services in order to make those services available to more “affected individuals” without exceeding the available Response Expenses Limit.

13. Service Providers

- a. We will only pay under this Data Compromise Coverage for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Data Compromise Coverage. We will not unreasonably withhold such approval.
- b. Prior to the Pre-Notification Consultation described in Additional Condition 12. above, you must come to agreement with us regarding the service provider(s) to be used for the Notification to Affected Individuals and Services to Affected Individuals. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:

- (1) Such alternate service provider must be approved by us;
- (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
- (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

14. Services

The following conditions apply as respects any services provided to you or any "affected individual" by us, our designees or any service firm paid for in whole or in part under this Data Compromise coverage:

- a. The effectiveness of such services depends on your cooperation and assistance.
- b. All services may not be available or applicable to all individuals. For example, "affected individuals" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
- c. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.
- d. You will have a direct relationship with the professional service firms paid for in whole or in part under this coverage. Those firms work for you.

C. DEFINITIONS

With respect to the provisions of this Data Compromise Coverage only, the following definitions are added:

1. "Affected Individual" means any person who is your current, former or prospective customer, client, member, owner, director or employee and whose "personally identifying information" or "personally sensitive information" is lost, stolen, accidentally released or accidentally published by a "personal data compromise" covered under this Data Compromise Coverage. This definition is subject to the following provisions:

- a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual."

- b. An "affected individual" must have a direct relationship with your interests as insured under this policy. The following are examples of individuals who would not meet this requirement:

- (1) If you aggregate or sell information about individuals as part of your business, the individuals about whom you keep such information do not qualify as "affected individuals." However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours.

- (2) If you store, process, transmit or transport records, the individuals whose "personally identifying information" or "personally sensitive information" you are storing, processing, transmitting or transporting for another entity do not qualify as "affected individuals." However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours.

- (3) You may have operations, interests or properties that are not insured under this policy. Individuals who have a relationship with you through such other operations, interests or properties do not qualify as "affected individuals." However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of the operation insured under this policy.

- c. An "affected individual" may reside anywhere in the world.

2. "Data Compromise Defense Costs" means expenses resulting solely from the investigation, defense and appeal of any "data compromise suit" against you. Such expenses must be reasonable and necessary. They will be incurred by us. They do not include your salaries or your loss of earnings. They do include premiums for any appeal bond, attachment bond or similar bond, but without any obligation to apply for or furnish any such bond.

3. "Data Compromise Liability"

a. "Data compromise liability" means the following, when they arise from a "data compromise suit":

- (1) Damages, judgments or settlements to "affected individuals";
- (2) Defense costs added to that part of any judgment paid by us, when such defense costs are awarded by law or court order; and
- (3) Pre-judgment interest on that part of any judgment paid by us.

b. "Data compromise liability" does not mean:

- (1) Damages, judgments or settlements to anyone who is not an "affected individual";
- (2) Civil or criminal fines or penalties imposed by law;
- (3) Punitive or exemplary damages;
- (4) The multiplied portion of multiplied damages;
- (5) Taxes; or
- (6) Matters which may be deemed uninsurable under the applicable law.

4. "Data Compromise Suit"

a. "Data Compromise Suit" means a civil proceeding in which damages to one or more "affected individuals" arising from a "personal data compromise" or the violation of a governmental statute or regulation are alleged. Such proceeding must be brought in the United States of America, Puerto Rico or Canada. "Data compromise suit" includes:

- (1) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent;
- (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent; or
- (3) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.

b. "Data compromise suit" does not mean any demand or action brought by or on behalf of someone who is:

- (1) Your director or officer;

- (2) Your owner or part-owner; or

- (3) A holder of your securities;

in their capacity as such, whether directly, derivatively, or by class action. "Data compromise suit" will include proceedings brought by such individuals in their capacity as "affected individuals," but only to the extent that the damages claimed are the same as would apply to any other "affected individual."

c. "Data compromise suit" does not mean any demand or action brought by or on behalf of an organization, business, institution or any other party that is not an "affected individual" or governmental entity.

5. "Identity Theft" means the fraudulent use of "personally identifying information." This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes.

"Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

6. "Malware-Related Compromise" means a "personal data compromise" that is caused, enabled or abetted by a virus or other malicious code that, at the time of the "personal data compromise", is named and recognized by the CERT® Coordination Center, McAfee®, Secunia, Symantec or other comparable third party monitors of malicious code activity.

7. "Personal Data Compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss, theft, accidental release or accidental publication involves "personally identifying information", such loss, theft, accidental release or accidental publication must result in or have the reasonable possibility of resulting in the fraudulent use of such information. This definition is subject to the following provisions:

a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in the direct care, custody or control of:

- (1) You; or
 - (2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.
- b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, subject to the following provisions:
- (1) The failure to use appropriate safeguards must be accidental and not reckless or deliberate; and
 - (2) Such disposal or abandonment must take place during the time period for which this Data Compromise Coverage is effective.
- c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.
- d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be considered one "personal data compromise".
8. "Personally Identifying Information" means information, including health information, that could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an "affected individual". This includes, but is not limited to, Social Security numbers or account numbers.
- "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.
9. "Personally Sensitive Information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.
- "Personally sensitive information" does not mean or include "personally identifying information".

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

A. The exclusion in Paragraph **B.** replaces the **Water Exclusion** under **Section I – Property.**

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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

<p>A. Designation Of Premises (Part Leased To You):</p> <p>See BPM S AI</p>
<p>B. Name Of Person Or Organization (Additional Insured):</p> <p>See BPM S AI</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

A. The following is added to Paragraph **C. Who Is An Insured** in **Section II – Liability**:

- 3. The person or organization shown in the Schedule is also an insured, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule.

B. The following exclusions are added to **Section II – Liability**:

This insurance does not apply to:

- 1. Any "occurrence" that takes place after you cease to be a tenant in the premises described in the Schedule.
- 2. Structural alterations, new construction or demolition operations performed by or for the person or organization designated in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
HIRED AUTO AND NON-OWNED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Coverage	Additional Premium
A. Hired Auto Liability:	\$
B. Non-Owned Auto Liability:	\$

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

A. Insurance is provided only for those coverages for which a specific premium charge is shown in the Declarations or in the Schedule.

1. Hired Auto Liability

The insurance provided under Paragraph **A.1. Business Liability** in **Section II – Liability**, applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

2. Non-Owned Auto Liability

The insurance provided under Paragraph **A.1. Business Liability** in **Section II – Liability**, applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in your business by any person.

B. For insurance provided by this endorsement only:

1. The exclusions, under the Paragraph **B.1. Applicable To Business Liability Coverage** in **Section II – Liability**, other than Exclusions **a., b., d., f.** and **i.** and the Nuclear Energy Liability Exclusion, are deleted and replaced by the following:

a. "Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of injury.

This exclusion does not apply to:

(1) Liability assumed by the insured under an "insured contract"; or

(2) "Bodily injury" arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

b. "Property damage" to:

(1) Property owned or being transported by, or rented or loaned to the insured; or

(2) Property in the care, custody or control of the insured.

2. Paragraph C. Who Is An Insured in Section II – Liability, is replaced by the following:

1. Each of the following is an insured under this endorsement to the extent set forth below:

- a. You;
- b. Any other person using a "hired auto" with your permission;
- c. For a "non-owned auto":
 - (1) Any partner or "executive officer" of yours; or
 - (2) Any "employee" of yours but only while such "non-owned auto" is being used in your business; and
- d. Any other person or organization, but only for their liability because of acts or omissions of an insured under **a.**, **b.** or **c.** above.

2. None of the following is an insured:

- a. Any person engaged in the business of his or her employer for "bodily injury" to any co-"employee" of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-"employee" as a consequence of such "bodily injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury;
- b. Any partner or "executive officer" for any "auto" owned by such partner or officer or a member of his or her household;

- c. Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;
- d. The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee; or
- e. Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

C. The following additional definitions apply:

- 1. "Auto Business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".
- 2. "Hired Auto" means any "auto" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", your partners or your "executive officers" or members of their households.
- 3. "Non-Owned Auto" means any "auto" you do not own, lease, hire, rent or borrow which is used in connection with your business. This includes "autos" owned by your "employees", your partners or your "executive officers", or members of their households, but only while used in your business or your personal affairs.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following exclusion is added to Paragraph **B. Exclusions** in **Section II - Liability**:

This insurance does not apply to:

1. "Bodily injury" or "personal and advertising injury" to:
 - a. A person arising out of any:
 - (1) Refusal to employ that person;
 - (2) Termination of that person's employment; or
 - (3) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
 - b. The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (1), (2) or (3) above is directed.
2. This exclusion applies:
 - a. Whether the insured may be liable as an employer or in any other capacity; and
 - b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEWLY ACQUIRED ORGANIZATIONS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added to Paragraph **C. Who Is An Insured** in **Section II – Liability**:

- 3.** Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a.** Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Paragraph **A.1. Business Liability** does not apply to:

- (1)** "Bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- (2)** "Personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Name Of Person Or Organization:
As required by written contract or written agreement provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Paragraph K. **Transfer Of Rights Of Recovery Against Others To Us** in **Section III – Common Policy Conditions** is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE BENEFITS LIABILITY COVERAGE

**THIS ENDORSEMENT PROVIDES CLAIMS-MADE COVERAGE
PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Employee Benefits Program:			
Limit Of Insurance		Deductible (Each Employee)	Premium
Each Employee	Aggregate		
\$ 1,000,000	\$ 2,000,000	\$ 1,000	\$ 219
Retroactive Date: 10-19-2016			
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

A. Section II – Liability is amended as follows:

1. The following is added to Paragraph **A. Coverages**:

COVERAGE – EMPLOYEE BENEFITS LIABILITY

a. Insuring Agreement

(1) We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

- (a) The amount we will pay for damages is limited as described in Paragraph 5. of this endorsement; and

(b) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

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

- (2) This insurance applies to damages only if:

(a) The act, error or omission, is negligently committed in the "administration" of your "employee benefit program";

(b) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and

- (c) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph c. below, during the policy period or an Extended Reporting Period we provide under Paragraph 6. of this endorsement.
- (3) A "claim" seeking damages will be deemed to have been made at the earlier of the following times:
 - (a) When notice of such "claim" is received and recorded by any insured or by us, whichever comes first; or
 - (b) When we make settlement in accordance with Paragraph a.(1) above.

A "claim" received and recorded by the insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the "claim".
- (4) All "claims" for damages made by an "employee" because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such "employee's" dependents and beneficiaries, will be deemed to have been made at the time the first of those "claims" is made against any insured.

b. Exclusions

This insurance does not apply to:

- (1) **Dishonest, Fraudulent, Criminal Or Malicious Act**

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.
- (2) **Bodily Injury, Property Damage, Or Personal And Advertising Injury**

"Bodily injury", "property damage" or "personal and advertising injury".
- (3) **Failure To Perform A Contract**

Damages arising out of failure of performance of contract by any insured.
- (4) **Insufficiency Of Funds**

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

(5) Inadequacy Of Performance Of Investment/ Advice Given With Respect To Participation

Any "claim" based upon:

- (a) Failure of any investment to perform;
- (b) Errors in providing information on past performance of investment vehicles; or
- (c) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

(6) Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

(7) ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

(8) Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

(9) Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

(10) Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination or other employment-related practices.

2. For the purposes of the coverage provided by this endorsement:

- a. All references to Supplementary Payments are replaced by Supplementary Payments and Employee Benefits Liability.
- b. Paragraphs f.(1)(b), f.(2) and f.(3) **Coverage Extension – Supplementary Payments** do not apply.

3. For the purposes of the coverage provided by this endorsement, Paragraph **C.2. Who Is An Insured** is replaced by the following:

2. Each of the following is also an insured:

- a. Each of your "employees" who is or was authorized to administer your "employee benefit program".
- b. Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.
- c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this endorsement.

4. For the purposes of the coverage provided by this endorsement, Paragraph **D. Liability And Medical Expenses Limits Of Insurance** is replaced by the following:

a. Limits Of Insurance

(1) The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:

- (a) Insureds;
- (b) "Claims" made or "suits" brought;
- (c) Persons or organizations making "claims" or bringing "suits";
- (d) Acts, errors or omissions; or
- (e) Benefits included in your "employee benefits program".

(2) The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".

(3) Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:

- (a) An act, error or omission; or
- (b) A series of related acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

b. Deductible

(1) Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in the Schedule as applicable to Each Employee. The Limits of Insurance shall not be reduced by the amount of this deductible.

(2) The deductible amount stated in the Schedule applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.

(3) The terms of this insurance, including those with respect to:

- (a) Our right and duty to defend any "suits" seeking those damages; and
- (b) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or "claim";

apply irrespective of the application of the deductible amount.

(4) We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.

5. For the purposes of the coverage provided by this endorsement, Paragraph **E.2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** is replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:
- (1) What the act, error or omission was and when it occurred; and
 - (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a "claim" is made or "suit" is brought against any insured, you must:
- (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
 - (2) Notify us as soon as practicable.
- You must also see to it that we receive written notice of the "claim" or "suit" as soon as practicable.
- c. You and any other involved insured must:
- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

6. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added:

EXTENDED REPORTING PERIOD

- a. You will have the right to purchase an Extended Reporting Period, as described below, if:
- (1) This endorsement is canceled or not renewed; or
 - (2) We renew or replace this endorsement with insurance that:
 - (a) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
 - (b) Does not apply to an act, error or omission on a claims-made basis.
- b. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.
- c. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.
- You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.
- We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:
- (1) The "employee benefit programs" insured;
 - (2) Previous types and amounts of insurance;
 - (3) Limits of Insurance available under this endorsement for future payment of damages; and

(4) Other related factors.

The additional premium will not exceed 100% of the annual premium for this endorsement.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period.

- d. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in the Schedule of this endorsement under Limits of Insurance.

Paragraph 4.a.(2) of this endorsement will be amended accordingly. The Each Employee Limit shown in the Schedule will then continue to apply as set forth in Paragraph 4.a.(3).

7. For the purposes of the coverage provided by this endorsement, the following definitions are added to Paragraph F. **Liability And Medical Expenses Definitions:**

a. "Administration" means:

- (1) Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- (2) Handling records in connection with the "employee benefit program"; or
- (3) Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include handling payroll deductions.

- b. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
- c. "Claim" means any demand, or "suit", made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.
- d. "Employee benefit program" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
 - (1) Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
 - (2) Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
 - (3) Unemployment insurance, social security benefits, workers' compensation and disability benefits;
 - (4) Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
 - (5) Any other similar benefits designated in the Schedule or added thereto by endorsement.

8. For the purposes of the coverage provided by this endorsement, Paragraphs **F.5.** and **F.18. Liability And Medical Expenses Definitions** are replaced by the following:

5. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

18. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

B. Section III – Common Policy Conditions is amended as follows:

1. For the purposes of the coverage provided by this endorsement, Paragraph **H.2. Other Insurance** is replaced by the following:

2. This Employee Benefits Liability insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

a. That is effective prior to the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached and that applies to an act, error or omission on other than a claims-made basis, if:

(1) No Retroactive Date is shown in the Schedule of this endorsement; or

(2) The other insurance has a policy period which continues after the Retroactive Date shown in the Schedule of this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to the Businessowners Policy and apply to Property and Liability Coverages:

A. CAP ON CERTIFIED TERRORISM LOSSES

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

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

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

- B. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for loss or injury or damage that is otherwise excluded under this Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number:		Building Number:		Provision Applicable (Indicate Paragraph A, B or C):	
Description Of Property: <p style="text-align: center;">See BPM S LP</p>					
Loss Payee Name:					
Loss Payee Address:					
Premises Number:		Building Number:		Provision Applicable (Indicate Paragraph A, B or C):	
Description Of Property:					
Loss Payee Name:					
Loss Payee Address:					
Premises Number:		Building Number:		Provision Applicable (Indicate Paragraph A, B or C):	
Description Of Property:					
Loss Payee Name:					
Loss Payee Address:					
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.					

The following is added to the **Loss Payment** Property Loss Condition in **Section I – Property**, as shown in the Declarations or by an "A", "B" or "C" in the Schedule:

A. 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.

B. Lender's Loss Payable

1. The Loss Payee shown in the Schedule or in the Declarations is a creditor (including a mortgageholder or trustee) with whom you have entered a contract for the sale of Covered Property, whose interest in that Covered Property is established by such written contracts as:

- a. Warehouse receipts;
- b. A contract for deed;
- c. Bills of lading; or

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

All of the terms of **Section I – Property** 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 policy:
 - (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 right 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 do not renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

C. 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 Paragraph H. **Other Insurance** in **Section III – Common Policy Conditions**:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION (LIABILITY)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to **Section II – Liability**:

A. The following exclusion is added to Paragraph **B.1., Exclusions – Applicable To Business Liability Coverage**:

Fungi Or Bacteria

(1) "Bodily injury", "property damage" or "personal and advertising injury" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

(2) Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

B. The following definition is added Paragraph **F. Liability And Medical Expenses Definitions**:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM – SECTION III – COMMON POLICY CONDITIONS

A. Paragraph A.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. 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 A.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) In the event of failure to comply within 90 days after the effective date of coverage with underwriting requirements established by us before 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;
 - (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; or
- 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; or
 - (2) 45 days before the effective date of cancellation if:
 - (a) Cancellation is for one or more of the reasons stated in 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) 120 days before the effective date of cancellation if:
 - (a) Cancellation is for one or more of the reasons stated in 7.a.(2) through 7.a.(7) above; and
 - (b) This Policy covers a residential structure or its contents.
- c. If this Policy has been in effect for more than 90 days and covers a residential structure or its contents, we may not cancel this Policy based on credit information available in public records.
- D. The following paragraphs are 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 D.5. below; or;
 - b. 120 days prior to the expiration of the Policy if this Policy covers a residential structure or its contents.
 - 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; or
 - b. On the basis of filing of claim(s) 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 affected 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.

- 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 3. above, we may refuse to renew this Policy if this Policy includes Florida Sinkhole Loss Coverage. If we nonrenew this Policy for purposes of removing Florida 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 3. above, 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM – SECTION I – PROPERTY

A. The following is added to Section I - Property:

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. Monroe County; or
2. East of the west bank of the Intracoastal Waterway in the Counties of:
 - a. Broward;
 - b. Dade;
 - c. Indian River;
 - d. Martin;
 - e. Palm Beach; or
 - f. 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.

B. The following Additional Coverage is added to Section I - Property:

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:

- a. The abrupt collapse of the ground cover;
- b. A depression in the ground cover clearly visible to the naked eye;
- c. "Structural damage" to the building, including the foundation; and
- d. 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 these causes of loss are covered under this Policy), only one Limit of Insurance will apply to such loss or damage.

C. The following is added to **Coverage Extensions** in **Section I - Property**:

Removal Permit

If Covered Property is removed to a new location that is described on the Declarations, you may extend this insurance to include that Covered Property at each location during the removal. Coverage at each location will apply in the proportion that the value at each location bears to the value of all Covered Property being removed. This permit applies up to 10 days after the effective date of this Policy Change; after that, this insurance does not apply at the previous location.

D. The Property Loss Condition **Appraisal** in **Section I - Property** is replaced by the following:

2. Mediation Or Appraisal

If we and you:

1. Are engaged in a dispute regarding a claim, either may request a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of mediation is binding only if both parties agree, in writing, on a settlement, and you have not rescinded the settlement within three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting the mediation conference. However, if:

- a. You fail to appear at the mediation conference and you wish to schedule a new conference after failing to appear, then the new conference will be scheduled only upon your payment of a sum equal to the fees we paid for the mediation conference at which you failed to appear. This sum will then be applied to the cost of the rescheduled mediation conference and we will pay the balance, if any, of the cost of conducting the rescheduled mediation conference; or

- b. We fail to appear at a mediation conference without good cause, we will pay your actual cash expenses you incur in attending the mediation conference and also pay the total cost of the rescheduled mediation conference.

2. Disagree on the value of the property or the amount of loss, either may request an appraisal of the loss, in writing. 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.

However, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss, if we:

- a. Requested mediation and either party rejected the mediation result; or
- b. Failed to notify you of your right to participate in the mediation program.

E. The Loss Condition **Duties In The Event Of Loss Or Damage** in **Section I - Property** is deleted and replaced with:

3. Duties In The Event Of Loss Or Damage

- a. 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.

- b. 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.

F. The Loss Condition **Legal Action Against Us**, paragraph 4.b. is deleted and replaced with:

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

G. **Loss Payment** in Property Loss Conditions, E.5.g. in **Section I – Property** 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 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 property insurance 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.

H. The following is added to **H. Property Definitions** in **Section I - Property**:

"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 represents 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 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 exceeds 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 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA – SINKHOLE LOSS COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM – SECTION I – PROPERTY

- A. With respect to the location(s) indicated on Supplemental Property Declarations of this Policy as having coverage provided for sinkhole loss, the following is added to this Coverage Part as a Covered Cause of Loss and 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.
- B. Sinkhole Loss does not include:
1. Sinking or collapse of land into man-made underground cavities; or
 2. Earthquake.
- C. With respect to coverage provided by this endorsement, the **Earth Movement** Exclusion and the **Collapse** Exclusion do not apply.
- D. 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 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.

E. 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 policy) and Sinkhole Loss, only one Limit of Insurance will apply to such loss or damage.

F. The following provision is added to the **Section I – Duties In The Event Of Loss Or Damage Property 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.

G. For the purposes of this endorsement, the following is added to the **Definitions** in Section I – Property:

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 represents 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" 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" exceeds 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 shear 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".

H. If we deny your claim for Sinkhole Loss without performing testing under section 627.7072, 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.

I. 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.

- J. 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.
- K. 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.

PUNITIVE DAMAGES EXCLUSION

In consideration of the premium charged, it is understood and agreed that this policy excludes any claim for punitive or exemplary damage whether arising out of acts of insured's, insured's employees or any other person.

RISK MANAGEMENT PROGRAM NOTICE TO POLICYHOLDERS

The Main Street America Protection Insurance Company has established a set of commercial lines guidelines to assist you in creating a Risk Management Plan for your business.

Risk Management is an organized approach for the conservation of a firm's assets or earning power through risk management techniques.

A set of guidelines for establishing a Risk Management Plan will be mailed to you within sixty (60) days of our receiving a written notice from you for these no-cost guidelines.

Contact your agent for additional information.

NGM Insurance Company
Old Dominion Insurance Company
Main Street America Assurance Company
MSA Insurance Company
Grain Dealers Mutual Insurance Company
Great Lakes Casualty Insurance Company
Spring Valley Mutual Insurance Company
Austin Mutual Insurance Company
Main Street America Protection Insurance Company

PRIVACY NOTICE

As your insurer, our objective is to professionally serve your insurance needs. We recognize that in providing these services, we have an obligation to safeguard the personal information you entrust to us as well as other information we may collect as part of the insurance transaction.

This notice describes the privacy practices and standards we adopted to protect and ensure the confidentiality of your non-public personal information. All of our insurance companies listed above adhere to these practices and standards.

OUR POLICY

We do not disclose any non-public personal information about our policyholders or claimants to any third parties except as permitted by law. Any such disclosures are made for the purpose of underwriting and transacting the business of your insurance coverage or your claim. We do not sell or provide your non-public personal information to others for their marketing purposes.

THE INFORMATION WE COLLECT

We do not disclose any non-public information about you or about participants or claimants under your insurance policy to anyone, except as permitted by law, nor do we sell customer or policyholder information to mailing lists companies or mass marketing companies. We may share information about you or about participants or claimants under your insurance policy in the normal business of conducting insurance operations, such as with your agent or broker; appraisers and independent adjusters who investigate, defend or settle your claims; insurance regulators; and your mortgage lender or lienholder.

THE INFORMATION WE DISCLOSE

We do not disclose any non-public information about you or about participants or claimants under your insurance policy to anyone, except as permitted by law, nor do we sell customer or policyholder information to mailing list companies or mass marketing companies. We may share information about you or about participants or claimants under your insurance policy in the normal business of conducting insurance operations, such as with your agent or broker; appraisers and independent adjusters who investigate, defend or settle your claims; insurance regulators; and your mortgage lender or lienholder.

HOW WE PROTECT YOUR PERSONAL INFORMATION

We restrict access to non-public personal information about you or about participants and claimants under your insurance policy to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with state and federal regulations to guard your non-public personal information. Our computer systems are also protected by additional measures intended to prevent unauthorized access.

ADDITIONAL INFORMATION

If you would like to receive a copy of our privacy policy please contact us as follows:

Main Street America Group
ATT: Privacy Compliance Coordinator
55 West Street
Keene, NH 03431

These privacy practices and standards have been put into place to protect your personal information. You will receive a reaffirmation of our privacy practices annually.

64-5960 (10/06)

INSURED COPY

**MAIN STREET AMERICA PROTECTION
INSURANCE COMPANY**

**Main Street America Protection Insurance Company is a stock insurance company with
headquarters located at:**

**4601 Touchton Road East, Suite 3400
Jacksonville, FL 32246-4486**

**In Witness whereof, Main Street America Protection Insurance Company, has caused this policy to
be signed by its President and Secretary, but it shall not be binding upon us unless countersigned by
our authorized representative.**



**Bruce R. Fox
Secretary**



**Thomas M. Van Berkel
President**

61-K450 (06/14)

