

RETURN DATE: MAY 26, 2020	:	SUPERIOR COURT
	:	
HARTFORD FIRE INSURANCE COMPANY,	:	JUDICIAL DISTRICT OF HARTFORD
	:	
Plaintiff,	:	AT HARTFORD
	:	
v.	:	
	:	
MODA LLC; MARC FISHER LLC;	:	
FISHER INTERNATIONAL LLC; MB	:	
FISHER LLC; FISHER FOOTWEAR LLC;	:	
MFKK, LLC; UNISA FISHER	:	
WHOLESALE LLC; FISHER LICENSING	:	
LLC; FISHER ACCESSORIES LLC;	:	
FISHER SIGERSON MORRISON LLC;	:	
MBF HOLDINGS LLC (DE); MARC	:	
FISHER HOLDINGS LLC; FISHER	:	
SERVICES LLC; MBF AIR LLC; UNISA	:	
FISHER LLC; MBF LICENSING LLC;	:	
MBF INVEST LLC; MBF HOLDINGS	:	
LLC (WY); FISHER DESIGN LLC; MARC	:	
FISHER JR BRAND LLC; MARC FISHER	:	
INTERNATIONAL LLC; MF-TFC LLC;	:	
EASY SPIRIT LLC; MFF-NW LLC; and	:	
MFF NW INVESTMENT LLC,	:	
	:	
Defendants.	:	MAY 4, 2020

**COMPLAINT FOR DECLARATORY RELIEF**

Plaintiff Hartford Fire Insurance Company (“Hartford”), by and through the undersigned counsel, hereby alleges as follows:

**INTRODUCTION**

1. Pursuant to Section 52-29 of the General Statutes of Connecticut and Sections 17-54 *et seq.* of the Connecticut Practice Book, Hartford brings this action for declaratory judgment under Special Multi-Flex Business Insurance Policy Number 31 UUN AB7878 issued to Moda

LLC for the period of October 15, 2019 through October 15, 2020 (the “Policy”). A true and correct copy of the Policy, with redactions, is attached hereto as Exhibit A.

2. Moda LLC and certain of its corporate affiliates (collectively, “Moda” or “Defendants”, as defined below) seek coverage from Hartford under the Policy for claimed losses of business income related to the worldwide pandemic caused by the novel coronavirus SARS-CoV-2 and the disease COVID-19 (“COVID-19 Pandemic”).

3. While Hartford recognizes that the COVID-19 Pandemic has affected Moda and many other businesses throughout the world in unprecedented ways, Moda’s claimed losses from COVID-19 are not covered by the Policy. The Policy requires “direct physical loss of or direct physical damage to property”, and the presence or suspected presence of coronavirus does not constitute direct physical loss or damage to property in these circumstances. Moreover, the Policy has multiple exclusions stating that losses resulting from a virus are not covered. SARS-CoV-2 is a virus that falls within the scope of the virus exclusions in the Policy. Hartford agreed to insure Moda within the terms of its Policy; it did not assume responsibility for keeping Moda afloat financially during an economic downturn arising from a global pandemic.

4. An actual controversy exists between Hartford and Moda regarding the availability of coverage under the Policy for losses that allegedly stem from voluntary and government-ordered steps to prevent the spread of COVID-19. Accordingly, Hartford seeks a declaration that it has no obligation under the Policy for Moda’s claimed losses of business income related to the COVID-19 Pandemic.

## PARTIES

5. Plaintiff Hartford Fire Insurance Company is an insurance company that is organized under the laws of the State of Connecticut. Hartford's principal place of business is located at One Hartford Plaza, Hartford, Connecticut 06155.

6. Defendants include Moda LLC and certain of its corporate affiliates that seek coverage under the Policy. Those affiliates include Marc Fisher LLC, Fisher International LLC, MB Fisher LLC, Fisher Footwear LLC, MFKK, LLC, Unisa Fisher Wholesale LLC, Fisher Licensing LLC, Fisher Accessories LLC, Fisher Sigerson Morrison LLC, MBF Holdings LLC (DE), Marc Fisher Holdings LLC, Fisher Services LLC, MBF Air LLC, Unisa Fisher LLC, MBF Licensing LLC, MBF Invest LLC, MBF Holdings LLC (WY), Fisher Design LLC, Marc Fisher Jr Brand LLC, Marc Fisher International LLC, MF-TFC LLC, Easy Spirit LLC, MFF-NW LLC, and MFF NW Investment LLC (collectively with Moda LLC, "Defendants" or "Moda"). Moda LLC, through its counsel, provided notice of a claim for coverage under the Policy. No other entities were named or listed in the Notice (defined below). The other Defendants, however, appear to seek coverage under the Policy, as they were named Plaintiffs in actions improperly filed in California, as detailed below.

7. With the exception of MBF Holdings LLC, Defendants are organized and exist under the laws of the State of Delaware and have their principal place of business at 777 West Putnam Avenue, Greenwich, Connecticut 06830.

8. Defendant MBF Holdings LLC is a Wyoming limited liability company with its principal place of business in Greenwich, Connecticut.

## **JURISDICTION AND VENUE**

9. Subject matter jurisdiction over this action is proper in the Superior Court for the State of Connecticut.

10. This Court is empowered to issue the declarations sought in the action pursuant to Section 52-29 of the General Statutes of Connecticut and Sections 17-54 *et seq.* of the Connecticut Practice Book.

11. Venue is proper in the Judicial District of Hartford pursuant to Section 51-345 of the Connecticut General Statutes because Plaintiff is a domestic corporation with an office in Hartford, Connecticut.

## **FACTUAL BACKGROUND**

### **I. Defendants' Notice of Loss**

12. By hardcopy letter sent on April 2, 2020, and actually received by the relevant personnel at Hartford on or about April 7, 2020, counsel for Moda provided Hartford with a notice of loss ("Notice") under the Policy. According to the Notice, the losses "began in February 2020 and are continuing."

13. The Notice asserts (1) "direct physical loss of covered property" at the Insured's Scheduled Premises in Greenwich, Connecticut; New York, New York; and Cranbury, New Jersey; (2) "lost business income, extra expense, extended income and future earnings due to the restriction of access to the above Scheduled Premises by order of civil authority and/or ingress/egress"; and (3) "lost business income, extra expense, extended income and future earnings due to the necessary suspension of the Insured's operations, caused by direct physical loss at the Insured's Dependent Properties."



14. The Notice asked Hartford to “promptly confirm coverage by April 6, 2020,” a date that passed before Hartford actually received the letter.

## II. Moda Filed Successive, Premature Actions for Relief in California

15. On April 3, 2020, Moda filed a Complaint against Hartford in the Superior Court of California for the County of Los Angeles (the “Los Angeles Complaint”).

16. The Los Angeles Complaint asserted rights under the Policy at issue here and another policy.

17. The Los Angeles Complaint outlined losses that Moda allegedly has incurred as downstream economic effects of the global COVID-19 Pandemic, including, but not limited to, unpaid invoices and unsold inventory.

18. The Los Angeles Complaint further asserted, incorrectly, that Hartford has “preemptively and summarily denied coverage for [our] property and business income claims”—notwithstanding the fact that the Notice had only been sent on April 2, 2020, that Hartford had not yet received it, or that Hartford had not responded to the claim submission.

19. Four days later (on April 7, 2020), Moda filed an *ex parte* application for a temporary restraining order and order to show cause why a preliminary injunction should not be entered. The application sought to “enjoin” Hartford “from invoking the ‘direct physical loss’ requirement or the ‘New York – Exclusion of Loss Due to Virus or Bacteria’ to deny coverage for [Moda’s] property and business income losses.” The application further alleged that Moda “will suffer irreparable injury if [Hartford] is not enjoined from refusing to pay policy benefits that are owed to [Moda] based on [Hartford’s] erroneous coverage position.” The application was set for hearing on April 9, 2020.

20. Hartford entered a limited appearance in the action for purposes of opposing the application, but did not consent to jurisdiction in California or agree that the Superior Court of California for the County of Los Angeles was an appropriate venue.

21. The court in Los Angeles promptly denied the TRO application on April 9, 2020.

22. One day later—on Friday, April 10, 2020—Moda requested that the court dismiss the action without prejudice.

23. On the next business day, Monday, April 13, 2020, Moda filed a new Complaint in the Superior Court of California for the County of Santa Barbara (the “Santa Barbara Complaint”), this time limiting its claims to the Policy at issue here.

24. Despite the fact that the court in Los Angeles had already denied Moda’s application for a TRO and order to show cause why a preliminary injunction should not issue, Moda has once again sought the extraordinary remedy of preliminary injunctive relief on its contract-based claims. In particular, Moda has asked the court in Santa Barbara (i) to *require* Hartford to “advance the policy limits” to Moda under a reservation of rights; or (ii) rule that Hartford is precluded from relying on certain exclusions to deny coverage.

### **III. The Policy – General Terms of Coverage**

25. **Property Choice Coverage Form.** The Policy protects the Named Insureds’ buildings and business personal property against risks of direct physical loss or damage at their Scheduled Premises. In pertinent part, the Policy provides:

#### **A. COVERAGE**

We will pay for **direct physical loss of or direct physical damage to the following types of Covered Property caused by or resulting from a Covered Cause of Loss.** Covered Property, as used in this Coverage Part, means the type of property described in this Section, **A.1.** Covered Property for which a Limit of Insurance and a premises address is shown in the Property Choice – Schedule of Premises and Coverages.

Ex. A, Property Choice Coverage Form (Form PC 00 10 01 18), p. 1, ¶ A. (emphasis added).

26. **Property Choice – Business Income and Extra Expense Coverage Form.** The Policy also provides certain coverage for Business Income and Extra Expense. The Policy provides in pertinent part:

**A. COVERAGE**

We will pay up to the Business Income and Extra Expense Limit of Insurance stated in the Property Choice – Schedule of Premises and Coverages for the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur **due to the necessary interruption of your business operations during the Period of Restoration due to direct physical loss of or direct physical damage to property caused by or resulting from a Covered Cause of Loss at “Scheduled Premises”** where a limit of insurance is shown for Business Income and Extra Expense. If you are a tenant, this Coverage applies to that portion of the building which you rent, lease or occupy, and extends to common service areas and access routes to your area.

Ex. A, Property Choice – Business Income and Extra Expense Coverage Form (Form PC 00 20 01 18), p. 1, ¶ A. (emphasis added). The Policy defines interruption as “the slowdown or cessation of any part of your business activities or the partial or total untenability of the premises.” *Id.* p. 2, ¶ A.3.

27. The Policy identifies four Scheduled Premises: (1) an office/headquarters located at 777 W Putnam Avenue, Greenwich, Connecticut 06830; (2) a showroom located at 725 5th Avenue, New York, New York 10022; (3) a condominium located at 34 Putnam Green Apt. F, Greenwich, Connecticut 06830; and (4) a warehouse located at 1240-1248 Cranbury South River Road, Cranbury, New Jersey 08512. *See* Ex. A, Property Choice – Schedule of Premises and Coverages (Form PC 00 02 01 18T), pp. 4-8.

28. **Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages.** The Policy includes Civil Authority coverage, for which the grant of coverage provides, in pertinent part, as follows:

## 2. Civil Authority

- a. This insurance is extended to apply to the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur when **access to your “Scheduled Premises” is specifically prohibited by order of a civil authority as the direct result of a Covered Cause of Loss to property in the immediate area of your “Scheduled Premises”.**

Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), p. 2, ¶ A.2.a. (emphasis added).

29. The Policy also provides limited coverage for certain losses relating to Dependent Properties owned or operated by persons other than the Named Insureds. In pertinent part, the Policy provides:

### 3. Dependent Properties

- a. We will pay for the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur due to the necessary suspension of your operations during the Period of Restoration. **The suspension must be caused by direct physical loss of or direct physical damage to a Dependent Property caused by or resulting from a Covered Cause of Loss.**

Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), p. 3, ¶ A.3.a. (emphasis added).

30. The Policy provides coverage for Extended Income “[i]f the necessary suspension of your operations . . . produces a Business Income Loss payable under this policy.” Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), p. 4, ¶ A.5.a. “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 insured premises are located.” *Id.* p. 5, ¶ A.5.c. Further, “Loss of Business Income must be caused by direct physical loss or direct physical damage at the insureds premises caused by or resulting from a Covered Cause of Loss.” *Id.* p. 5, ¶ A.5.d.

31. The Policy provides coverage for Future Earnings “[i]n the event of a covered Business Income loss at ‘Scheduled Premises.’” Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), p. 5, ¶ A.7.a. Hartford “will pay for the actual loss of Business Income you subsequently and necessarily sustain after the Period of Restoration and the Extended Income period ends and that the actual loss in Business Income is directly attributable to the Covered Cause of Loss occurrence.” *Id.* “However, Future Earnings 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 insured premises are located.” *Id.* p. 5, ¶ A.7.b.

32. The Policy also includes an “Ingress or Egress” provision that provides, in part:

**8. Ingress or Egress**

- a. This insurance is extended to apply to the actual loss of Business Income you sustain when **ingress or egress to your “Scheduled Premises” is specifically prohibited as a direct result of a Covered Cause of Loss to property at premises that is contiguous to your “Scheduled Premises”.**

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- c. This Additional Coverage does not apply if

- (1) The direct physical loss or direct physical damage is caused by or results from flood or earthquake even if flood or earthquake are Covered Causes of Loss; or
- (2) The ingress to or egress from your “Scheduled Premises” is prohibited by civil authority.

Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), pp. 5-6, ¶ A.8. (emphasis added).

33. The term “Covered Cause of Loss” is defined as “direct physical loss or direct physical damage that occurs during the Policy Period and in the Coverage Territory unless the

loss or damage is excluded or limited in this policy.” Ex. A, Property Choice – Covered Causes of Loss and Exclusions Form (Form PC 10 10 01 18), p. 1, ¶ A.

**IV. Moda’s Claims Do Not Fall Within the Policy’s Grants of Coverage**

34. The Policy does not provide coverage for Moda’s claimed losses of business income because, among other reasons, any interruption of Moda’s business operations was not “due to direct physical loss of or direct physical damage to property caused by or resulting from a Covered Cause of Loss at ‘Scheduled Premises.’” See Ex. A, Property Choice – Business Income and Extra Expense Coverage Form (Form PC 00 20 01 18), p. 1, ¶ A. In addition, the COVID-19 Pandemic is not a Covered Cause of Loss, as defined in the Policy. See Ex. A, Property Choice – Covered Causes of Loss and Exclusions Form (Form PC 10 10 01 18), p. 1, ¶ A.

35. The Policy does not provide coverage for Moda’s claimed losses of business income under the Civil Authority provision because, among other reasons, access to Moda’s Scheduled Premises was not “specifically prohibited by order of a civil authority as the direct result of a Covered Cause of Loss to property in the immediate area of” Moda’s Scheduled Premises. See Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), p. 2, ¶ A.2.a.

36. The Policy does not provide coverage under the Dependent Property provision because, among other reasons, any suspension of Moda’s operations was not “caused by direct physical loss of or direct physical damage to a Dependent Property caused by or resulting from a Covered Cause of Loss.” See Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), p. 3, ¶ A.3.a.

37. The Policy does not provide coverage for Moda's claimed losses of business income under the Ingress or Egress provision because, among other reasons, ingress or egress to Moda's Scheduled Premises was not "specifically prohibited as a direct result of a Covered Cause of Loss to property at premises that [are] contiguous to" Moda's Scheduled Premises. See Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), pp. 5-6, ¶ A.8.

V. **The Policy – Exclusions**

38. The Policy contains the following exclusion, which applies to all locations outside of New York:

**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 or damage:

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**g. "Fungus", Wet Rot, Dry Rot, Bacteria or Virus**

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

But if direct physical loss or direct physical damage to Covered Property by a "Specified Cause of Loss" results, we will pay for the resulting loss or damage caused by that "Specified Cause of Loss".

This Exclusion does not apply:

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

Ex. A, Property Choice – Covered Causes of Loss and Exclusions (Form PC 10 10 01 18), pp. 1-2, ¶ B.1.g.

39. The “Additional Coverage(s) – ‘Fungus,’ Wet Rot, Dry Rot, Bacteria or Virus – Limited Coverage” provides as follows:

- a. The coverage described below only applies when the . . . virus is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
  - (1) A “specified cause of loss” other than fire or lightning;
  - (2) Equipment Breakdown Accident occurs to Equipment Breakdown Property, if Equipment Breakdown applies to the effected premises; or
  - (3) Flood, if the Causes of Loss Flood endorsement applies to the effected premises.

Ex. A, Property Choice – Specialized Property Insurance Coverages for Wholesalers (Form PC 50 21 01 18), p. 6, ¶ A.15.; Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), p. 5, ¶ A.6.a. With respect to Business Income and Extra Expense, the “Additional Coverage(s) – ‘Fungus,’ Wet Rot, Dry Rot, Bacteria or Virus – Limited Coverage” provides:

- b. The following applies only if Business Income and/or Extra Expense coverage applies to the “Scheduled Premises” and only if the necessary interruption of your business operations satisfies all terms and conditions of this Coverage Part.
  - (1) If the loss which results in . . . virus does not in itself necessitate a necessary interruption of your business operations, but such interruption is necessary due to loss or damage to property caused by . . . virus, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
  - (2) If a covered necessary interruption of your business operations was caused by loss or damage other than . . . virus prolongs the Period of Restoration, we will pay for loss and/or expense sustained during the delay (regardless of when such delay occurs during the Period of Restoration), but such coverage is limited to 30 days in total. The days need not be consecutive.



Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), p. 5, ¶ A.6.b. Specified Cause of Loss means:

fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; “Sinkhole Collapse”; “Volcanic Action”; falling objects; weight of snow, ice or sleet; water damage, “Sprinkler Leakage”; “Theft”; or “Building Glass” breakage.

Ex. A, Property Choice Conditions and Definitions (Form PC 00 90 01 18), p. 5, ¶ C.11.

40. The Policy also includes an endorsement titled NEW YORK – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA that applies to locations in New York:

This endorsement modifies insurance provided under the following:

**PROPERTY CHOICE COVERAGE PART**

- A.** The exclusion set forth in Paragraph B. applies to all coverage under all forms and endorsements that comprise this Coverage Part, included but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. However, this exclusion does not apply to loss or damage caused by or resulting from “fungus”, wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part.
- C.** The terms of the exclusion in Paragraph B., or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part.

Ex. A, New York – Exclusion of Loss Due to Virus or Bacteria (Form PC 35 31 10 15).

41. The Policy also includes an endorsement titled NEW YORK CHANGES – FUNGUS, WET ROT AND DRY ROT that applies to locations in New York and, for locations in New York, deletes the “Additional Coverage – Limited Coverage for ‘Fungus’, Wet Rot, Dry Rot, and Bacteria.” See Ex. A, New York Changes – Fungus, Wet Rot and Dry Rot (Form PC 34 31 10 14), ¶ A.

42. The Policy also contains a pollution exclusion:

**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 or damage:

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**m. "Pollutants and Contaminants"**

- (1) Discharge, dispersal, seepage, migration, release or escape of "Pollutants and Contaminants".
- (2) But if direct physical loss or direct physical damage to Covered Property by a "Specified Cause of Loss" results, we will pay for the resulting loss or physical damage caused by that "Specified Cause of Loss".
- (3) This Exclusion does not apply if the discharge, dispersal, seepage, migration, release or escape is itself caused by a "Specified Cause of Loss".

Ex. A, Property Choice – Covered Causes of Loss and Exclusions (Form PC 10 10 01 18), pp. 1, 3, ¶ B.1.m. "Pollutants and Contaminants" are defined as

any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemical and waste, or any other material which causes or threatens to cause physical loss, damage, impurity to property, unwholesomeness, undesirability, loss of marketability, loss of use of property or which threatens human health or welfare. Waste includes materials to be recycled, reconditioned or reclaimed.

Ex. A, Property Choice Conditions and Definitions (PC 00 90 01 18), p. 5, ¶ C.7.

43. The Policy also contains a Delay, Loss of Use or Loss of Market exclusion:

**B. EXCLUSIONS**

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

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**d. Delay, Loss of Use or Loss of Market**

We will not pay for loss or damage caused by, resulting from, or arising out of delay, loss of use, or loss of market.

Ex. A, Property Choice – Covered Causes of Loss and Exclusions (Form PC 10 10 01 18), p. 4, ¶ B.2.d.

**VI. Moda’s Claims Are Also Barred by Exclusions in the Policy**

44. Even if Moda’s alleged losses fell within the grants of coverage under the Policy, Moda’s claims are barred by the virus exclusions in the Policy, among other exclusions.

45. Moda’s claimed losses are caused directly or indirectly by the presence, growth, proliferation, spread or any activity of SARS-CoV-2, the novel coronavirus. For all locations outside of New York, Hartford “will not pay for loss or damage caused directly or indirectly by” the “[p]resence, growth, proliferation, spread or any activity of . . . virus.” Ex. A, Property Choice – Covered Causes of Loss and Exclusions (Form PC 10 10 01 18), pp. 1-2, ¶ B.1.g. “Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.” Ex. A, Property Choice – Covered Causes of Loss and Exclusions (Form PC 10 10 01 18), p. 1, ¶ B.

46. Neither exception to the virus exclusion for locations outside New York applies. The virus did not result from a fire or lightning, nor is the Limited Coverage provided under “Additional Coverage(s) – ‘Fungus,’ Wet Rot, Dry Rot, Bacteria or Virus – Limited Coverage” applicable because the novel coronavirus SARS-CoV-2 is not “the result of” a Specified Cause of Loss, Equipment Breakdown Accident, or Flood. *See* Ex. A, Property Choice – Specialized Property Insurance Coverages for Wholesalers (Form PC 50 21 01 18), pp. 3, 6, ¶ A.15.; Ex. A, Property Choice Business Income and Extra Expense Coverage Form – Additional Coverages (Form PC 26 02 01 18), p. 5, ¶ A.6; Ex. A, Property Choice Conditions and Definitions (Form PC 00 90 01 18), p. 5, ¶ C.11.

47. For locations in New York, Hartford “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.” Ex. A, New York – Exclusion of Loss Due to Virus or Bacteria (Form PC 35 31 10 15), ¶ B. Moda’s claimed losses are caused by or result from SARS-CoV-2, the novel coronavirus, “a virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.” *Id.*

**COUNT I**  
**DECLARATORY JUDGMENT**  
(Against All Defendants)

48. Hartford repeats and realleges the allegations of Paragraph 1 through 47 as if fully set forth herein.

49. Moda has requested that Hartford provide coverage under the Policy for claimed business income losses related to the COVID-19 Pandemic.

50. There is no coverage under the Hartford Policy for Moda’s claims of business income losses.

51. An actual and justiciable controversy exists between Hartford and Moda with respect to whether Hartford has any obligation to provide coverage for the Moda claims related to the COVID-19 Pandemic under the terms, conditions, exclusions, and limitations of the Policy.

52. Pursuant to Section 52-29 of the Connecticut General Statutes, Hartford is entitled to a declaration that it has no obligation under the Policy to provide coverage for any of the COVID-19 Pandemic business income losses claimed by Moda.

**PRAYER FOR RELIEF**

WHEREFORE, Hartford respectfully requests that the Court:

- a. Enter a declaratory judgment that the Policy does not provide coverage for the COVID-19 Pandemic business income losses claimed by Moda; and
- b. Award such other relief to Hartford as the Court deems proper and just.

Respectfully Submitted,

PLAINTIFF HARTFORD FIRE INSURANCE  
COMPANY



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and

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RETURN DATE: MAY 26, 2020

: SUPERIOR COURT

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COMPANY,

: JUDICIAL DISTRICT OF  
: HARTFORD

Plaintiff,

: AT HARTFORD

v.

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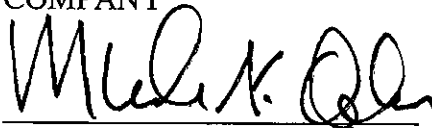
Defendants.

: MAY 4, 2020

**STATEMENT OF AMOUNT IN DEMAND**

Plaintiff Hartford Fire Insurance Company claims declaratory relief in lieu of money or damages.

PLAINTIFF HARTFORD FIRE INSURANCE  
COMPANY



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FISHER LLC; FISHER FOOTWEAR LLC;	:	
MFKK, LLC; UNISA FISHER	:	
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LLC; FISHER ACCESSORIES LLC;	:	
FISHER SIGERSON MORRISON LLC;	:	
MBF HOLDINGS LLC (DE); MARC	:	
FISHER HOLDINGS LLC; FISHER	:	
SERVICES LLC; MBF AIR LLC; UNISA	:	
FISHER LLC; MBF LICENSING LLC;	:	
MBF INVEST LLC; MBF HOLDINGS	:	
LLC (WY); FISHER DESIGN LLC; MARC	:	
FISHER JR BRAND LLC; MARC FISHER	:	
INTERNATIONAL LLC; MF-TFC LLC;	:	
EASY SPIRIT LLC; MFF-NW LLC; and	:	
MFF NW INVESTMENT LLC,	:	
	:	
Defendants.	:	MAY 4, 2020

**CERTIFICATE OF NOTICE TO INTERESTED PARTIES PURSUANT TO  
CONNECTICUT PRACTICE BOOK § 17-56**

Plaintiff Hartford Fire Insurance Company (“Hartford”) hereby certifies that all persons or entities with an interest in this action have been made parties to the action or have been given reasonable notice thereof, in accordance with Connecticut Practice Book § 17-56(b).

The non-parties to whom notice was given by certified mail are:

Footloose Associates LLC  
c/o National Registered Agents, Inc.  
1209 Orange Street  
Wilmington, DE 19801



Marc Fisher Inc.  
c/o Corporation Service Company  
80 State Street  
Albany, NY 12207-2543

Marc Fisher IP LLC  
c/o Corporation Service Company  
251 Little Falls Drive  
Wilmington, DE 19808

Sigerson Morrison Retail Inc.  
c/o State Street Corporate LLC  
1786 Mt. Friendship Road  
Smyrna, DE 19977

Unisa Fisher Far East LLC  
c/o National Registered Agents, Inc.  
1209 Orange Street  
Wilmington, DE 19801

Fisher Sigerson Morrison Italia SRL  
c/o Moda LLC<sup>1</sup>  
777 W. Putnam Avenue  
Greenwich, CT 06830

KM Wholesale UK Limited  
c/o Moda LLC  
777 W. Putnam Avenue  
Greenwich, CT 06830

Mistorie Inc.  
c/o Moda LLC  
777 W. Putnam Avenue  
Greenwich, CT 06830

These entities may have an interest in this action by virtue of the fact that they are designated as Named Insureds in the insurance policy at issue: Special Multi-Flex Business Insurance Policy No. 31 UUN AB7878, which was issued for the policy period commencing on October 15, 2019 and ending October 15, 2020. Unlike the Named Insureds that have been

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<sup>1</sup> Despite making a reasonable, good faith effort, Hartford has not been able to locate service addresses for three Named Insureds: Fisher Sigerson Morrison Italia, SRL; Mistorie, Inc.; and KM Wholesale UK Limited. Hartford understands these entities to be defunct or inactive. Hartford has provided notice to these entities via letters sent via certified mail to the mailing address for "Named Insureds" listed in Policy No. 31 UUN AB7878.

joined to this action as defendants, the entities listed above have not asserted that Hartford is obligated to cover alleged losses arising from the COVID-19 Pandemic. Hartford, therefore, has provided notice of the action to these entities.

In addition to mailing notices to the addresses listed above, Hartford has provided notice via electronic and certified mail to the following:

Jerold Oshinsky, Esq.  
Kasowitz Benson Torres LLP  
2029 Century Park East, Suite 2000  
Los Angeles, CA 90067  
Tel: (424) 288-7903  
Email: joshinsky@kasowitz.com

Mr. Oshinsky represents the Named Insureds who were joined to this action as Defendants and who have previously sued Hartford for coverage in actions filed in California.

PLAINTIFF HARTFORD FIRE INSURANCE  
COMPANY



Mark K. Ostrowski  
Shipman & Goodwin LLP  
One Constitution Plaza  
Hartford, CT 06103  
Telephone: (860) 251-5000  
Facsimile: (860) 251-5216  
mostrowski@goodwin.com

and

Sarah D. Gordon (*pro hac vice* forthcoming)  
Johanna Dennehy (*pro hac vice* forthcoming)  
Steptoe & Johnson LLP  
1330 Connecticut Avenue, N.W.  
Washington, DC 20036  
Telephone: (202) 429-3000  
Facsimile: (202) 429-3902  
sgordon@steptoe.com  
jdennehy@steptoe.com

# **EXHIBIT A**

**(REDACTED)**

Prepare. Protect. Prevail.



April 08, 2020

Re: Insured: MODA LLC  
Policy Number: 31 UUN AB7878  
Policy Term: 10/15/2019 – 10/15/2020  
Writing Company: HARTFORD FIRE INSURANCE COMPANY  
HARTFORD INSURANCE COMPANY OF THE MIDWEST

This will verify that, to the best of the undersigned's knowledge, the attached is a complete and accurate representation of insurance policy referenced above. Documents and/or information produced herewith are kept and maintained in the ordinary course of business.

Kyona Lawrence  
Operations Support Specialist  
Clinton Business Center  
Hartford Office Location

301 Woods Park Dr.  
Clinton, NY 13323  
Toll Free: 888-525-2652  
Fax: 866-809-1178

**IMPORTANT NOTICE**  
**To Our Policyholders**  
**Connecticut**



This is a description of coverage provided in your policy for damage to a rental vehicle. No coverage is provided by this description, and it does not replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the policy and this description, the provisions of the policy apply.

Under Section II - LIABILITY COVERAGE of the Commercial Auto Coverage Forms (CACF), there is no coverage for damage to a rented vehicle.

Under the Commercial Auto Coverage Forms (CACF), physical damage coverage can be provided for rental vehicles through an entry in the Schedule of Hired or Borrowed Covered Autos Coverage and Premiums of the CACF Declarations. This will designate any hired or borrowed car to be a "covered auto."

Endorsement CA 20 01 (Additional Insured - Lessor), which should be used when an auto is leased or rented from a standard leasing concern, can provide physical damage coverage by changing any leased autos designated in the schedule of the form to "covered autos you own" (while also providing physical damage coverage for the leasing concern).

In addition, Endorsement CA 99 10 (Drive Other Care Coverage - Broadened Coverage For Named Individuals) provides that any private passenger type auto rented by an employee named in the endorsement will be considered a covered auto for physical damage coverage.

The limit of liability for this coverage, subject to any applicable deductible shown in the declarations, will be the lessor of:

1. The actual cash value of the vehicle; or
2. The amount necessary to repair or replace the rental vehicle.



## **IMPORTANT NOTICE TO POLICYHOLDERS**

### **New York Supplemental Spousal Liability Insurance**

**THIS NOTICE APPLIES TO THE FOLLOWING INSURANCE PROVIDED UNDER YOUR POLICY**

**BUSINESS AUTO COVERAGE FORM  
AUTO DEALERS COVERAGE FORM**

#### **SUPPLEMENTAL SPOUSAL LIABILITY COVERAGE**

New York State law requires that upon written request of an insured, and upon payment of the premium, an insurer issuing or delivering a policy that satisfies the requirements of Article 6 of the New York Vehicle and Traffic Law shall provide Supplemental Spousal Liability Insurance coverage.

Supplemental spousal liability insurance provides bodily injury liability coverage under a motor vehicle insurance policy to cover the liability of an insured spouse because of the death of or injury to his or her spouse, even where the injured spouse must prove the culpable conduct of the insured spouse.

This coverage is included within the policy's bodily injury liability limits and does not increase the amount of those limits. For example:

Insured's bodily injury policy coverage limit: \$100,000/\$300,000

Insured's bodily injury damage claim paid to spouse: \$75,000

Insured's bodily injury policy coverage limit available to all other claimants subject to a maximum of \$100,000 per person: \$225,000

This example assumes the spouse and other claimants involved in the accident have a right to sue the insured for economic loss or for non-economic loss (i.e., pain and suffering) sustained as a result of a "serious injury" as defined in Section 5102(d) of the Insurance Law. It must also have been shown that there was negligence on the part of the insured.

There is no additional premium for Supplemental Spousal Liability coverage.

**THIS IMPORTANT NOTICE IS NOT PART OF YOUR POLICY. READ YOUR POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED. ONLY THE PROVISIONS OF YOUR POLICY DETERMINE THE SCOPE OF YOUR INSURANCE PROTECTION. THIS NOTICE PROVIDES NO COVERAGE.**

**PLEASE CONTACT YOUR AGENT OR BROKER FOR FURTHER INFORMATION.**



NYS Department of State  
**OFFICE OF  
 FIRE PREVENTION & CONTROL**

**HAZARDOUS MATERIALS REPORT FORM  
 (GENERAL MUNICIPAL LAW, § 209-u)**

The information entered herein is essential to your local fire chief for the protection of your employees, the firefighters and citizens in the immediate area, and to reduce damage to your property in the event of a fire or an emergency.

Every fire insurance policyholder, engaged in commerce in this state, is required by law to report the presence of hazardous materials at their business address.

Failure to file in accordance with the provisions of section 209-u of the General Municipal Law could result in a fine.

A separate report is required annually for each business address.

**WHEN COMPLETED, THIS FORM MUST BE SENT TO YOUR LOCAL FIRE DEPARTMENT.**

	<b>Hazardous Materials Location*</b>
<b>Firm Name:</b> _____	<b>Street Add. Only</b> _____
<b>Bus. Add.</b> _____	<b>Bldg. Name/#</b> _____
<b>City/State/Zip</b> _____	<b>City/State/Zip</b> _____
<b>Tel. No.</b> _____	<b>Policy Anniv. Date</b> _____
<b>Name</b>	
<b>Emergency Contact</b> _____	<b>Bus. Tel.</b> _____ <b>Home Tel.</b> _____

\_\_\_\_\_  
 (Signature and Title of Person Completing Form)

\*It is suggested that a separate form be filled out for each building that contains hazardous materials.

**EXEMPTIONS**

Requests for exemptions from this law must be made in writing, attached to this form, and filed annually with your local fire department not later than the anniversary date of your policy.

All exemptions approved shall expire on the next policy anniversary date.

Exemptions denied shall require that the insured file a completed hazardous materials form within 15 days of denial.

**FOR FIRE DEPARTMENT USE ONLY**

Exemptions:    Approved \_\_\_\_\_    Denied \_\_\_\_\_    Additional Information Needed \_\_\_\_\_

\_\_\_\_\_  
 (Date)

\_\_\_\_\_  
 (Signature of Fire Chief)

\_\_\_\_\_  
 (Fire Dept. Name & Address)

\_\_\_\_\_  
 (Print Name of Fire Chief)

**V Hazardous Materials listing (attach additional Sheets if necessary)**

Note: Definitions of symbols are on the second page of instruction sheet.

Identifying Symbol	Material Description & Proper Shipping Name	Total Amount	Identifying Symbol	Material Description & Proper Shipping Name	Total Amount

**VI Special Considerations/Remarks:**



### Instructions for Hazardous Material Listing

**Identifying Symbol:** This area identifies different classes of hazardous material. Most material will fall within one of these classes. If a particular material falls within two or more classes, it should be listed in each applicable class.

Two additional boxes are provided for material that does not fall within any class. These boxes may also be used if additional space is needed to further identify previously listed categories.

Amounts to be reported are shown in Table 1 below.


NOTE: SHIPPING AND PACKAGING LABELS MAY BE OF ASSISTANCE IN IDENTIFYING THE CLASS OF MATERIAL.

#### Hazardous Material Description and Proper Shipping Name

This area is reserved for the description and name of any hazardous material within a given class. If there is more than one material within a certain class, at a given location, then the most prevalent or most common should be used (indicate "most common").

#### Total Amount

List the total amount of reportable material within the given class. If the amounts vary from day to day, then the average amount should be listed.

Identifying Symbol	Hazardous Material Description and Proper Shipping Name	Total Amount
	Ethyl Chloride	60 gals.
	(most common)	

#### Special Considerations/Remarks

This area is reserved for the policyholder and the fire chief for making any notes or comments they feel are pertinent. Several examples are listed below:

1. Building has a sprinkler system.
2. Adjacent building is a school.
3. Guard dogs are on the premises from 6:00 p.m. to 6:00 a.m.
4. Hazardous material amounts may vary greatly from day to day.
5. Poor water supply.
6. Access to the building is poor.
7. Flammable liquid is stored in the same building as oxidizer.

Table 1

#### Amounts to be Reported

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. Explosives and Blasting Agents - any amount</li> <li>2. Poison Gas - any amount</li> <li>3. Poison and Irritant - any amount</li> <li>4. Flammable Liquid - over 5 gallons inside a building and over 10 gallons outside a building</li> <li>5. Flammable Solid - any amount</li> <li>6. Flammable Gas - over 2,000 cubic feet at normal temperature</li> <li>7. Nonflammable Gas - over 6,000 cubic feet at normal temperature</li> </ol> | <ol style="list-style-type: none"> <li>8. Oxidizer - over 50 pounds</li> <li>9. Organic Peroxide - over 10 pounds</li> <li>10. Combustible Liquid - over 25 gallons inside a building and over 60 gallons outside a building</li> <li>11. Radioactive Material - any amount</li> <li>12. Corrosive Material - over 55 gallons</li> <li>13. Dangerous When Wet Material - any amount</li> <li>14. Etiologic Material - any amount</li> </ol> |
|--|---|

(OVER)

## Hazardous Material Definitions

The following definitions have been abstracted from the Code of Federal Regulations, Title 49-Transportation, Parts 100 to 199. Refer to the referenced sections for complete details.

NOTE: Rulemaking proposals are outstanding or are contemplated concerning some of these definitions.

**Hazardous Material** - Means a substance or material which has been determined by the Secretary of Transportation to be capable of posing an unreasonable risk to health, safety and property, when transported in commerce, and which has been so designated. (Sec. 171.8)

**Multiple Hazards** - A material meeting the definitions of more than one hazard class is classed according to the sequence given in Sec. 173.2.

HAZARD CLASS	DEFINITIONS
<b>EXPLOSIVES</b>	An <b>Explosive</b> - Any chemical compound, mixture or device, the primary or common purpose of which is to function by explosion, i.e., with substantially instantaneous release of gas and heat, unless such compound, mixture or device is otherwise specifically classified in Parts 170-189. (Sec. 173.50)
<b>CLASS A EXPLOSIVE</b>	Detonating or otherwise of maximum hazard. The nine types of Class A explosives are defined in Sec. 173.53.
<b>CLASS B EXPLOSIVE</b>	In general, function by rapid combustion rather than detonation and include some explosive devices such as special fireworks, flash powders, etc. <b>Flammable hazard.</b> (Sec. 173.88)
<b>CLASS C EXPLOSIVE</b>	Certain types of manufactured articles containing Class A or Class B explosives, or both, as components but in restricted quantities, and certain types of fireworks. <b>Minimum hazard.</b> (Sec. 173.100)
<b>BLASTING AGENTS</b>	A material designed for blasting which has been tested in accordance with Sec. 173.114a(b) and found to be so insensitive that there is very little probability of accidental initiation to explosion or of transition from deflagration to detonation (Sec. 173.114a(a))
<b>COMBUSTIBLE LIQUID</b>	Any liquid having a flash point above 100°F. and below 200°F. as determined by tests listed in Sec. 173.115(d). Exceptions to this are found in Sec. 173.115(b).
<b>CORROSIVE MATERIAL</b>	Any liquid or solid that causes visible destruction of human skin tissue or a liquid that has a severe corrosion rate on steel. See Sec. 173.240(a) and (b) for details.
<b>FLAMMABLE LIQUID</b>	Any liquid having a flash point below 100°F. as determined by tests listed in Sec. 173.115(d). Exceptions are listed in Sec. 173.115(a).
<b>COMPRESSED GAS</b>	<b>Compressed Gas</b> - Any material or mixture having in the container a pressure exceeding 40 psia at 70°F., or a pressure exceeding 104 psia at 130°F., or any liquid flammable material having a vapor pressure exceeding 40 psia at 100°F. (Sec. 173.300(a))
<b>FLAMMABLE GAS</b>	Any compressed gas meeting the requirements for lower flammability limit, flammability limit range, flame projection, or flame propagation criteria as specified in Sec. 173.300(b).
<b>NONFLAMMABLE GAS</b>	Any compressed gas other than a flammable compressed gas.
<b>FLAMMABLE SOLID</b>	Any solid material, other than an explosive, which is liable to cause fires through friction, retained heat from manufacturing or processing, or which can be ignited readily and when ignited burns so vigorously and persistently as to create a serious transportation hazard. (Sec. 173.150)
<b>ORGANIC PEROXIDE</b>	An organic compound containing the bivalent -O-O structure and which may be considered a derivative of hydrogen peroxide where one or more of the hydrogen atoms have been replaced by organic radicals must be classed as an organic peroxide unless... (See Sec. 173.151(a) for details)
<b>OXIDIZER</b>	A substance such as chlorate, permanganate, inorganic peroxide, or a nitrate, that yields oxygen readily to stimulate the combustion of organic matter. (See Sec. 173.151)
<b>POISON A (Poison Gas)</b>	<b>Extremely Dangerous Poisons</b> - Poisonous gases or liquids of such nature that a very small amount of the gas, or vapor of the liquid, mixed with air is dangerous to life. (Sec. 173.326)
<b>POISON B (Poison)</b>	<b>Less Dangerous Poisons</b> - Substances, liquids, or solids (including pastes and semi-solids), other than Class A or irritating materials, which are known to be so toxic to man as to afford a hazard to health during transportation; or which, in the absence of adequate data on human toxicity, are presumed to be toxic to man. (Sec. 173.343)
<b>IRRITATING MATERIAL</b>	A liquid or solid substance which upon contact with fire or when exposed to air gives off dangerous or intensely irritating fumes, but not including any poisonous material, Class A. (Sec. 173.381)
<b>ETIOLOGIC AGENT</b>	An 'etiologic agent' means a viable micro-organism, or its toxin which causes or may cause human disease. (Sec. 173.386) (Refer to the Department of Health, Education and Welfare Regulations, Title 42, CFR, Sec. 72.25(c) for details.)
<b>RADIOACTIVE MATERIAL</b>	Any material, or combination of materials, that spontaneously emits ionizing radiation, and having a specific activity greater than 0.002 microcuries per gram. (Sec. 173.389) NOTE: See Sec. 173.389(a) through (1) for details.
<b>WATER REACTIVE MATERIAL (SOLID)</b>	Means any solid substance (including sludges and pastes) which, by interaction with water, is likely to become spontaneously flammable or to give off flammable or toxic gases in dangerous quantities.



## POLICY ADJUSTMENT NOTICE

The premium we charged for your enclosed Hartford policy was based, in part, on estimates and assumptions related to items such as payroll, sales revenue, and the nature of business operations for the policy period shown. When your coverage period expires, a premium audit will be conducted to ensure the premium you paid for your insurance was accurate. In order to complete the premium audit, when your policy coverage period expires you may receive, via e-mail or US Postal mail, a request to complete an "Insured's Report of Exposure" Form. Alternatively, you may receive notice that a Premium Audit representative will be contacting you to review your records and discuss your business operations over the phone or in person. The purpose of the statement, phone call or visit is for the Premium Audit Department to collect the information required to ensure that the premium you paid for your coverage was accurate.

Once the audit is complete, you will receive a Statement of Premium Adjustment which will reflect the amount of your policy auditable premium, and will indicate whether you are owed a refund or if additional premium is due for the policy period shown.

**If we owe you** a return premium, The Hartford will apply the refund amount to any current account balance. If your account is paid in full, or if your refund amount is greater than the current account balance, we will issue you a refund check. You can expect to receive this check within the next **30** days.

**If you owe us** an additional premium, the **entire amount** will appear as due and payable on your next bill. This amount will appear as "Premium Audit" on your bill.

If you have any questions regarding the Premium Audit process, please call your insurance agent.

Thank you for doing business with The Hartford.



## PRODUCER COMPENSATION NOTICE

You can review and obtain information on The Hartford's producer compensation practices at [www.TheHartford.com](http://www.TheHartford.com) or at 1-800-592-5717.



## IMPORTANT NOTICE TO POLICYHOLDERS THE HARTFORD CYBER CENTER WEBSITE ACCESS

Thank you for choosing The Hartford for your business insurance needs.

You are receiving this Notice because you purchased a general liability or property policy from The Hartford, which includes access to The Hartford Cyber Center. This portal was created because we recognize that businesses face a variety of cyber-related exposures and need help managing the related risks. These exposures include data breaches, computer virus attacks and cyber extortion threats.

Through the Hartford Cyber Center, you have access to:

- o A panel of third party incident response service providers
- o Third party cybersecurity pre-incident service providers and a list of approved services to help protect your business before a cyber-threat occurs
- o Risk management tools, including self-assessments, best practice guides, templates, sample incident response plans, and data breach cost calculators
- o White papers, blogs and webinars from leading privacy and security practitioners
- o Up-to-date cyber-related news and events, including examples of privacy and security related events

Accessing The Hartford Cyber Center is easy

1. Visit [www.thehartford.com/cybercenter](http://www.thehartford.com/cybercenter)
2. Enter policyholder information
3. Access code: 952689
4. Login to The Hartford Cyber Center

Please be aware that:

- o The Hartford Cyber Center is a proprietary web portal exclusively provided to customers of The Hartford. Please do not share the access code with anyone outside your organization.
- o Registration is required to access the Cyber Center. You may register as many users as necessary.
- o Contacting a service provider about any issue does not constitute providing The Hartford notice of a claim as required under your insurance policy. Read your insurance policy and discuss any questions with your agent or broker.
- o The Hartford Cyber Center provides third party service provider references and materials for educational purposes only. The Hartford does not specifically endorse any such service provider within The Hartford Cyber Center and hereby disclaims all liability with respect to use of or reliance on such service providers. All service providers are independent contractors and not agents of The Hartford. The Hartford does not warrant the performance of the service providers, even if such services are covered under your policy. We strongly encourage you to conduct your own assessments of the service providers' services and the fitness or adequacy of such services for your particular needs. This Notice does not amend or otherwise affect the provisions of your policy.

The Hartford offers a variety of endorsements to your policy that can help protect your business from a broad range of cyber-related threats. Please review your coverage with your insurance agent or broker to determine the most appropriate cyber coverages and limits for your business.

If you have a claim, you can report it by calling The Hartford's toll-free claims line at **1-800-327-3636**.

Should you have any questions, please contact your insurance agent, broker or you may contact us directly.

We appreciate your business and look forward to being of continued service to you.

## **NEW YORK RENTAL REIMBURSEMENT COVERAGE DISCLOSURE**

YOU HAVE THE RIGHT, PURSUANT TO N.Y. INS. LAW § 2610-A, TO CHOOSE ANY RENTAL VEHICLE COMPANY, RENTAL VEHICLE COMPANY LOCATION OR A PARTICULAR CONCERN IN THE EVENT YOU UTILIZE RENTAL REIMBURSEMENT COVERAGE.

# NEW YORK REQUIRED NOTICE OF AVAILABILITY OF SUPPLEMENTARY UNINSURED/UNDERINSURED MOTORISTS COVERAGE

<b>Applicant/Named Insured:</b> MODA LLC SEE FORM IH1204
<b>Company:</b> HARTFORD FIRE INSURANCE COMPANY

New York law permits you to make certain decisions regarding Uninsured Motorists Coverage and Supplementary Uninsured/Underinsured (SUM) Motorists Coverage. This document describes these coverages and the options available.

You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorists Coverage and Supplementary Uninsured/Underinsured (SUM) Motorists Coverage and your options with respect to these coverages.

This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

## A. Uninsured Motorists Coverage

Uninsured Motorists Coverage provides insurance protection to an insured for damages which the insured or the insured's legal representative is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injury caused by an automobile accident. Also included are damages due to bodily injury that result from an automobile accident with a hit-and-run vehicle whose owner or operator cannot be identified.

Your motor vehicle liability insurance policy includes Uninsured Motorists Coverage applicable to motor vehicle accidents that occur within the State of New York at limits of at least \$25,000 per person/\$50,000 per accident, unless you elect to purchase Supplementary Uninsured/Underinsured (SUM) Motorists Coverage described below.

## B. Supplementary Uninsured/Underinsured Motorists Coverage

For additional protection under your policy, Supplementary Uninsured/Underinsured (SUM) Motorists Coverage is available. SUM Coverage can provide protection at higher limits than are available under Uninsured Motorists Coverage and provides protection with respect to automobile accidents that occur both in and out of New York State.

## C. Basics Of SUM Coverage

Supplementary Uninsured/Underinsured (SUM) Motorists Coverage provides additional insurance coverage for bodily injury, including death resulting therefrom, sustained by an insured, as a result of an accident involving a negligent owner or operator of another motor vehicle who:

1. May have no insurance whatsoever; or
2. Even if insured, is only insured for third party bodily injury coverage at relatively low liability limits, in comparison to the policyholder's own liability limits for bodily injury sustained by third parties.

We shall not offer SUM Coverage in an amount exceeding the third party liability coverage limits purchased by the policyholder. The Policy shall provide coverage for any insured under the Policy for:

1. Bodily injury to such person, up to the limit of the SUM Coverage purchased; and
2. Receive from the policyholder's own insurer payment for bodily injury sustained due to the negligence of the other motor vehicle's owner or operator.

The maximum amount payable under the SUM Coverage shall be the policy's SUM limit reduced and thus offset by any motor vehicle bodily injury liability insurance policy or bond payments received from, or on behalf of, any negligent party involved in the accident.

#### D. Examples

The following examples using per person limits unless otherwise noted, illustrate the proper application of SUM Coverage:

##### 1. Example One

Insured's Bodily Injury Damages	\$ 300,000
Insured's Liability Limit	\$ 500,000
Insured's SUM Limit	\$ 250,000
Other Motor Vehicle Liability Limit	\$ 25,000
<b>Note:</b> In this example, the insured has purchased the maximum amount of SUM Coverage that must be offered by the insurer, provided that the insured has purchased bodily injury liability limits of at least \$250,000. Insured recovers \$25,000 from the negligent owner or operator of the other motor vehicle, and \$225,000 (\$250,000 minus \$25,000) under the SUM Coverage, for a total recovery of \$250,000. In the event that the negligent owner or operator of the other motor vehicle had no liability insurance at all, the insured would collect \$250,000 in SUM Coverage from the insured's own insurer. However, if the owner or operator of the other motor vehicle was not negligent, then the insured would receive no SUM payments.	

##### 2. Example Two

Insured's Bodily Injury Damages	\$ 100,000
Insured's Liability Limit	\$ 25,000
Insured's SUM Limit	\$ 25,000
Other Motor Vehicle Liability Limit	\$ 25,000
<b>Result:</b> Insured recovers \$25,000 from the negligent owner or operator of the other motor vehicle. The insured receives nothing under the SUM Coverage, which equals the mandatory UM coverage, since the liability limits on the other owner or operator's motor vehicle were not lower than the liability insurance limits on the insured's motor vehicle. If the insured's liability and SUM limits were both \$50,000, then the insured would collect another \$25,000 in SUM Coverage from the insured's own insurer.	

##### 3. Example Three

Insured's Bodily Injury Damages	\$ 60,000
Insured's Liability Limit	\$ 100,000
Insured's SUM Limit	\$ 100,000
Other Motor Vehicle Liability Limit	\$ 50,000
<b>Result:</b> Insured recovers \$50,000 from the negligent owner or operator of the other motor vehicle and \$10,000 under the SUM Coverage, which is the difference between the amount of the insured's SUM Coverage and the liability coverage available from the other motor vehicle owner or operator, limited by the amount of the insured's bodily injury damages.	



**4. Example Four**

Insured's Bodily Injury Damages	\$ 150,000
Insured's Liability Limit	\$ 100,000
Insured's SUM Limit	\$ 100,000
Other Motor Vehicle Liability Limit	\$ 25,000
<b>Result:</b>	
<p>If the insured and the owner or operator of the other motor vehicle were each 50 percent at fault for the accident, then the insured's total recovery would be \$75,000, in light of comparative negligence of the parties involved in the accident. The insured would recover \$25,000 from the negligent owner or operator of the other motor vehicle and \$50,000 under the SUM Coverage.</p> <p>On the other hand, if the owner or operator of the other motor vehicle was totally at fault for the accident, then the insured would recover \$25,000 from the negligent owner or operator and would then receive \$75,000 in SUM Coverage from the insured's own insurer. Had the insured purchased liability and SUM limits of \$150,000 or more, the SUM recovery would then be \$125,000.</p>	

**5. Example Five**

Insured's Bodily Injury Damages	\$ 25,000
Passenger's Bodily Injury Damages	\$ 25,000
Another Passenger's Damages that resulted in death	\$ 50,000
Insured's Combined Single Liability (CSL) Limit	\$ 75,000
Insured's CSL SUM Limit	\$ 75,000
Other Motor Vehicle Liability Limit	Uninsured (i.e. no coverage)
<b>Result:</b>	
<p>Since the other motor vehicle was uninsured, the full \$75,000 CSL SUM limit is available for all insured persons from this accident under the Policy. However, since the accident involves insured persons who were both injured and killed, the mandatory UM limits of \$25,000 per person and \$50,000 per accident for injured persons and \$50,000 per person and \$100,000 per accident for persons killed in the accident are available. Therefore, the insured and first passenger each recover \$25,000 and the second passenger's estate recovers the full \$50,000 under the SUM coverage.</p> <p>If the insured's CSL and CSL SUM limit were each \$300,000 and the insured's damages amounted to \$200,000, then all insured persons would be covered under the SUM coverage as the total damages (\$200,000 + \$25,000 + \$50,000 = \$275,000) are less than the \$300,000 CSL SUM limit.</p>	

If you elect to purchase SUM Coverage, please initial and select a SUM limit.

<b>(Initials)</b>  _____	<b>I select the following SUM Limits:</b>
	\$ _____ per person, _____ per accident
	<b>OR</b>
	\$ _____ per accident

\_\_\_\_\_  
**Applicant's/Named Insured's Signature**

\_\_\_\_\_  
**Date**

# Insurance Policy Billing Information

Thank you for selecting The Hartford for your business insurance needs.

Shortly, you will receive your first bill from us. You are receiving this Notice so you know what to expect as a valued customer of The Hartford. Should you have any questions after reviewing this information, please contact us at 866-467-8730, and we will be happy to assist you.

- o Your total policy premium will appear on your policy's Declarations Page. You will be billed based on the payment plan you selected.
- o You may pay the "minimum due" as it appears on your insurance bill or pay the policy balance in full.
- o An installment service fee is added to each installment. A late fee will also be applied if the "minimum due" is not received by the due date shown on your bill. Service and late payment fees do not apply in all states.
- o If you selected installment billing, any credit or additional premium due as the result of a change made to your policy, will be spread over the remaining billing installments. Additional premium due as a result of an audit will be billed in full on your next bill date following the completion of the audit.
- o If you elected Electronic Funds Transfer (EFT), policy changes may result in changes to the amount automatically withdrawn from your bank account. The invoice you receive following a policy change will include future withdrawal amounts. If you need to adjust or stop your next scheduled EFT withdrawal, please contact us at least 3 days prior to the scheduled withdrawal date at the telephone number shown below.
- o If you selected installment billing and pay the premiums for your first policy term on time, at renewal, your account may qualify for our "Equal Installment" feature. This means that the percentage due for each installment, including the initial renewal installment, will be the same throughout the policy term – helping you better manage cash flow. Equal installments will continue as long as you pay your premiums on time and no cancellation notices are issued for any policy on your account. If you no longer qualify for Equal Installments, future renewals will be billed based on the payment plan you selected, which includes a higher initial installment amount.
- o If your policy is eligible for renewal, your bill for the upcoming policy term will be sent to you approximately 30 days prior to your policy's renewal date. If your insurance needs change, please contact us at least 60 days prior to your renewal date so we can properly address any adjustments needed.
- o **One bill convenience** -- you have the option of combining all eligible Hartford policies on one single bill allowing you to make one payment for all policies on your account as payments are due.

## You're In Control

In addition to selecting a bill plan option that best meets your budget, you have the flexibility to decide **how** your payments are made ...

- o **Repetitive EFT:** Sign up for Repetitive EFT payments and have payments automatically withdrawn from your bank account. This option saves you money by reducing the amount of the installment service fee.
- o **Pay Online:** Register at [www.thehartford.com/servicecenter](http://www.thehartford.com/servicecenter). Online Bill Pay is Quick, Easy and Secure!
- o **Pay by Check:** Send a check with your remittance stub in the envelope provided with your bill.
- o **Pay by Phone:** Call toll-free 1-866-467-8730.

Should you have any questions about your bill, please call Customer Service toll-free number:  
1-866-467-8730 - 7AM – 7PM CST. We look forward to being of service to you.

# Special Multi-Flex Business Insurance Policy



THIS SPECIAL MULTI-FLEX POLICY IS PROVIDED BY THE STOCK INSURANCE COMPANY(S) OF THE HARTFORD INSURANCE GROUP, SHOWN BELOW.

POLICY NO.: 31 UUN AB7878 K1

COMMON POLICY DECLARATIONS

NAMED INSURED AND MODA LLC  
SEE IH1204  
MAILING ADDRESS: 777 W PUTNAM AVE  
GREENWICH, CT 06830  
(FAIRFIELD COUNTY)

POLICY PERIOD: FROM 10/15/19 TO 10/15/20  
12:01 A.M., STANDARD TIME AT  
YOUR MAILING ADDRESS SHOWN ABOVE.

AGENT'S OR BROKER'S CODE: 803759  
AGENT'S OR BROKER'S NAME: HUB INTERNATIONAL NORTHEAST LTD

PREVIOUS POLICY NO.: 31 UUN AB7878

NAMED INSURED IS: LTD LIAB COMPANY

DESCRIPTION OF YOUR BUSINESS:  
SHOE STORES-WHOLESALE DISTRIBUTORS - NO

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

THE COVERAGE PARTS THAT ARE A PART OF THIS POLICY ARE LISTED BELOW OR ON THE EXTENSION SCHEDULE ATTACHED. THE ADVANCE PREMIUMS SHOWN MAY BE SUBJECT TO ADJUSTMENT.

SUMMARY OF COVERAGE PARTS, INSURANCE COMPANY AND PREMIUM:

SEE EXTENSION SCHEDULE (FORM HM0012)

PREMIUM PAYABLE AT INCEPTION:  
PREMIUM EXCLUDING AUTOMOBILE  
PREMIUM FOR AUTOMOBILE  
NJPLGA SURCHARGE  
PREMIUM FOR AUTOMOBILE NYMVLEF  
NEW YORK FIRE FEE

[REDACTED]

\*\*TOTAL PREMIUM PAYABLE AT INCEPTION\*\*

COUNTERSIGNED BY \_\_\_\_\_  
(WHERE REQUIRED BY LAW) AUTHORIZED REPRESENTATIVE DATE

COMMON POLICY DECLARATIONS (CONTINUED)

POLICY NO.: 31 UUN AB7878 K1

FORM NUMBERS OF COVERAGE PARTS,  
FORMS AND ENDORSEMENTS THAT ARE A  
PART OF THIS POLICY AND THAT ARE  
NOT LISTED IN THE COVERAGE PARTS :

HM0001 HM00121185T IL00171198 IH09850115T IH12040312T IH99400409  
IH99410409T IL00210908 IL00220587 IL01400908 IL01410908 IL02600119  
PC00010109T HA00250615T HC00100798T HC00200295T HC00310510T

COMMON POLICY DECLARATIONS  
EXTENSION SCHEDULE

POLICY NO.: 31 UUN AB7878 K1

ITEM

8. SUMMARY OF COVERAGE PARTS, INSURANCE  
COMPANY AND PREMIUM:

-----  
PROPERTY

ADVANCE PREMIUM: [REDACTED]

-----  
PROPERTY CHOICE COVERAGE PART

COMPANY NAME AND ADDRESS:  
HARTFORD FIRE INSURANCE COMPANY  
ONE HARTFORD PLAZA  
HARTFORD, CONNECTICUT 06155  
COMPANY CODE: 1

-----  
AUTOMOBILE

ADVANCE PREMIUM: [REDACTED]

-----  
COMMERCIAL AUTO COVERAGE PART

COMPANY NAME AND ADDRESS:  
HARTFORD INSURANCE COMPANY OF THE MIDWEST  
ONE HARTFORD PLAZA  
HARTFORD, CT 06155  
COMPANY CODE: G

-----  
GENERAL LIABILITY

ADVANCE PREMIUM: [REDACTED]

-----  
COMMERCIAL GENERAL LIABILITY  
COVERAGE PART

EMPLOYEE BENEFITS LIABILITY  
COVERAGE PART

PRODUCT RECALL EXPENSE  
COVERAGE PART

COMPANY NAME AND ADDRESS:  
HARTFORD FIRE INSURANCE COMPANY  
ONE HARTFORD PLAZA  
HARTFORD, CONNECTICUT 06155  
COMPANY CODE: 1



# COMMON POLICY CONDITIONS

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

## A. Cancellation

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

## B. Changes

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

## C. Examination Of Your Books And Records

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

## D. Inspections And Surveys

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



**E. Premiums**

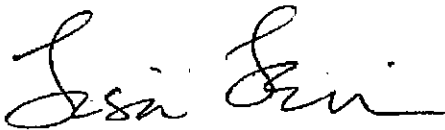
The first Named Insured shown in the Declarations:

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

**F. Transfer Of Your Rights And Duties Under This Policy**

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

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



Lisa Levin, Secretary



Douglas Elliot, President

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

TERRORISM PREMIUM

COVERAGE:	PREMIUM (IF COVERED):
PROPERTY	\$ [REDACTED]
GENERAL LIABILITY	\$ [REDACTED]
TOTAL	\$ [REDACTED]

A. DISCLOSURE OF PREMIUM

IN ACCORDANCE WITH THE FEDERAL TERRORISM RISK INSURANCE ACT, AS AMENDED (TRIA), WE ARE REQUIRED TO PROVIDE YOU WITH A NOTICE DISCLOSING THE PORTION OF YOUR PREMIUM, IF ANY, ATTRIBUTABLE TO COVERAGE FOR "CERTIFIED ACTS OF TERRORISM" UNDER TRIA. THE PORTION OF YOUR PREMIUM ATTRIBUTABLE TO SUCH COVERAGE IS SHOWN ABOVE IN THIS ENDORSEMENT.

B. THE FOLLOWING DEFINITION IS ADDED WITH RESPECT TO THE PROVISIONS OF THIS ENDORSEMENT:

A "CERTIFIED ACT OF TERRORISM" MEANS AN ACT THAT IS CERTIFIED BY THE SECRETARY OF THE TREASURY, IN ACCORDANCE WITH THE PROVISIONS OF TRIA, TO BE AN ACT OF TERRORISM UNDER TRIA. THE CRITERIA CONTAINED IN TRIA FOR A "CERTIFIED ACT OF TERRORISM" INCLUDE THE FOLLOWING:

1. THE ACT RESULTS IN INSURED LOSSES IN EXCESS OF \$5 MILLION IN THE AGGREGATE, ATTRIBUTABLE TO ALL TYPES OF INSURANCE SUBJECT TO TRIA; AND
2. THE ACT RESULTS IN DAMAGE WITHIN THE UNITED STATES, OR OUTSIDE THE UNITED STATES IN THE CASE OF CERTAIN AIR CARRIERS OR VESSELS OR THE PREMISES OF AN UNITED STATES MISSION; AND
3. THE ACT IS A VIOLENT ACT OR AN ACT THAT IS DANGEROUS TO HUMAN LIFE, PROPERTY OR INFRASTRUCTURE AND IS COMMITTED BY AN INDIVIDUAL OR INDIVIDUALS AS PART OF AN EFFORT TO COERCE THE CIVILIAN POPULATION OF THE UNITED STATES OR TO INFLUENCE THE POLICY OR AFFECT THE CONDUCT OF THE UNITED STATES GOVERNMENT BY COERCION.

C. DISCLOSURE OF FEDERAL SHARE OF TERRORISM LOSSES UNDER TRIA  
THE UNITED STATES DEPARTMENT OF THE TREASURY WILL REIMBURSE INSURERS FOR  
A PORTION OF SUCH INSURED LOSSES AS INDICATED IN THE TABLE BELOW THAT  
EXCEEDS THE APPLICABLE INSURER DEDUCTIBLE:

CALENDAR YEAR	FEDERAL SHARE OF TERRORISM LOSSES
2015	85%
2016	84%
2017	83%
2018	82%
2019	81%
2020 AND LATER	80%

HOWEVER, IF AGGREGATE INSURED LOSSES ATTRIBUTABLE TO "CERTIFIED ACTS OF  
TERRORISM" UNDER TRIA EXCEED \$100 BILLION IN A CALENDAR YEAR, THE  
TREASURY SHALL NOT MAKE ANY PAYMENT FOR ANY PORTION OF THE AMOUNT OF  
SUCH LOSSES THAT EXCEEDS \$100 BILLION. THE UNITED STATES GOVERNMENT HAS  
NOT CHARGED ANY PREMIUM FOR THEIR PARTICIPATION IN COVERING TERRORISM  
LOSSES.

D. CAP ON INSURER LIABILITY FOR TERRORISM LOSSES UNDER TRIA  
IF AGGREGATE INSURED LOSSES ATTRIBUTABLE TO "CERTIFIED ACTS OF  
TERRORISM" UNDER TRIA EXCEED \$100 BILLION IN A CALENDAR YEAR AND WE HAVE  
MET, OR WILL MEET, OUR INSURER DEDUCTIBLE UNDER TRIA WE SHALL NOT BE  
LIABLE FOR THE PAYMENT OF ANY PORTION OF THE AMOUNT OF SUCH LOSSES THAT  
EXCEEDS \$100 BILLION. IN SUCH CASE, YOUR COVERAGE FOR TERRORISM LOSSES  
MAY BE REDUCED ON A PRO-RATA BASIS IN ACCORDANCE WITH PROCEDURES  
ESTABLISHED BY THE TREASURY, BASED ON ITS ESTIMATES OF AGGREGATE  
INDUSTRY LOSSES AND OUR ESTIMATE THAT WE WILL EXCEED OUR INSURER  
DEDUCTIBLE. IN ACCORDANCE WITH TREASURY PROCEDURES, AMOUNTS PAID FOR  
LOSSES MAY BE SUBJECT TO FURTHER ADJUSTMENTS BASED ON DIFFERENCES  
BETWEEN ACTUAL LOSSES AND ESTIMATES.

E. APPLICATION OF OTHER EXCLUSIONS  
THE TERMS AND LIMITATIONS OF ANY TERRORISM EXCLUSION, THE  
INAPPLICABILITY OR OMISSION OF A TERRORISM EXCLUSION, OR THE INCLUSION  
OF TERRORISM COVERAGE, DO NOT SERVE TO CREATE COVERAGE FOR ANY LOSS  
WHICH WOULD OTHERWISE BE EXCLUDED UNDER THIS COVERAGE FORM, COVERAGE  
PART OR POLICY.

F. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

AMENDMENT OF THE DECLARATIONS -  
ADDITIONAL PERSONS OR ORGANIZATIONS  
DESIGNATED AS NAMED INSUREDS

MODA LLC  
MARC FISHER LLC  
FISHER INTERNATIONAL LLC  
MB FISHER LLC  
FISHER FOOTWEAR LLC  
MFKK, LLC  
UNISA FISHER WHOLESALE LLC  
FISHER LICENSING LLC  
FISHER ACCESSORIES LLC  
FISHER SIGERSON MORRISON LLC  
FOOTLOOSE ASSOCIATES LLC  
FISHER SIGERSON MORRISON ITALIA SRL  
MISTORIE INC.  
MARC FISHER IP LLC  
MBF HOLDINGS LLC (DE)  
MARC FISHER HOLDINGS LLC  
FISHER SERVICES LLC  
MBF AIR LLC  
UNISA FISHER LLC  
MARC FISHER INC  
UNISA FISHER FAR EAST LLC  
MBF LICENSING LLC  
MBF INVEST LLC  
MBF HOLDINGS LLC (WY)  
FISHER DESIGN LLC  
SIGERSON MORRISON RETAIL INC.  
MARC FISHER JR BRAND LLC  
MARC FISHER INTERNATIONAL LLC  
MF-TFC LLC  
KM WHOLESALE UK LIMITED  
EASY SPIRIT LLC  
MFF-NW LLC  
MFF NW INVESTMENT LLC

THIS ENDORSEMENT DOES NOT CHANGE THE POLICY EXCEPT AS SHOWN.



## U.S. DEPARTMENT OF THE TREASURY, OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by the United States. **Please read this Notice carefully.**

The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. OFAC acts under Presidential national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze assets under U.S. jurisdiction. OFAC publishes a list of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country-specific. Collectively, such individuals and companies are called "Specially Designated Nationals and Blocked Persons" or "SDNs". Their assets are blocked and U.S. persons are generally prohibited from dealing with them. This list can be located on OFAC's web site at – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is an SDN, as identified by OFAC, the policy is a blocked contract and all dealings with it must involve OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC.

NAMED INSURED: MODA LLC

POLICY NUMBER: 31 UUN AB7878

EFFECTIVE DATE:10/15/2019

EXPIRATION DATE:10/15/2020

COMPANY NAME: HARTFORD FIRE INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

THIS INSURANCE DOES NOT APPLY TO THE EXTENT THAT TRADE OR ECONOMIC SANCTIONS OR OTHER LAWS OR REGULATIONS PROHIBIT US FROM PROVIDING INSURANCE, INCLUDING, BUT NOT LIMITED TO, THE PAYMENT OF CLAIMS.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

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

1. The insurance does not apply:

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

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

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

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

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

2. As used in this endorsement:

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

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

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

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

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

"Nuclear facility" means:

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

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

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

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

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

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



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

**EFFECTIVE TIME CHANGES  
REPLACEMENT OF 12 NOON**

This endorsement modifies the COMMON POLICY DECLARATIONS.

To the extent that coverage in this policy replaces coverage in other policies terminating noon standard time on the inception date of this policy, coverage under this policy shall not become effective until such other coverage has terminated.

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

## **CONNECTICUT CHANGES - CIVIL UNION**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 ELECTRONIC DATA LIABILITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 FARM COVERAGE PART  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART

- A.** The term "spouse" is replaced by the following:  
 Spouse or party to a civil union recognized under Connecticut law.
- B.** Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:  
 "Family member" means a person related to the:
1. Individual Named Insured by blood, adoption, marriage or civil union recognized under Connecticut law, who is a resident of such Named Insured's household, including a ward or foster child; or
  2. Individual named in the Schedule by blood, adoption, marriage or civil union recognized under Connecticut law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individual Endorsement is attached.
- C.** With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, or Farm Umbrella Liability Policy, the term "family member" is replaced by the following:  
 "Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Connecticut law, who is a resident of your household, including a ward or foster child.

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

## **NEW JERSEY CHANGES - CIVIL UNION**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
FARM COVERAGE PART  
FARM UMBRELLA LIABILITY POLICY  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

- A.** The term "spouse" is replaced by the following:  
Spouse or party to a civil union recognized under New Jersey law.
- B.** Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:  
"Family member" means a person related to the:
1. Individual Named Insured by blood, adoption, marriage or civil union recognized under New Jersey law, who is a resident of such Named Insured's household, including a ward or foster child; or
  2. Individual named in the Schedule by blood, adoption, marriage or civil union recognized under New Jersey law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individual Endorsement is attached.
- C.** With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:  
"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under New Jersey law, who is a resident of your household, including a ward or foster child.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONNECTICUT CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

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

A. The **Cancellation** Common Policy Condition is replaced by the following:

### **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. Cancellation of policies in effect for less than 60 days.

If this policy has been in effect for less than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason by giving you written notice of cancellation at least:

a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

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

3. Cancellation of policies in effect for 60 days or more.

a. If this policy has been in effect for 60 days or more or this is a renewal of a policy we issued, we may cancel this policy by giving you written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for one or more

of the following reasons:

(a) Nonpayment of premium;

(b) Conviction of a crime arising out of acts increasing the hazard insured against;

(c) Discovery of fraud or material misrepresentation by you in obtaining the policy or in perfecting any claim thereunder;

(d) Discovery of any willful or reckless act or omission by you increasing the hazard insured against; or

(e) A determination by the Commissioner that continuation of the policy would violate or place us in violation of the law; or

(2) 60 days before the effective date of cancellation if we cancel for one or more of the following reasons:

(a) Physical changes in the property which increase the hazard insured against;

(b) A material increase in the hazard insured against; or

(c) A substantial loss of reinsurance by us affecting this particular line of insurance.

- b. We may not cancel policies in effect for 60 days or more or renewal policies for any reason other than the reasons described in Paragraph 3.a. above.
  - c. If we cancel for nonpayment of premium, you may continue the coverage and avoid the effect of the cancellation by payment in full at any time prior to the effective date of cancellation.
  - d. Notice of cancellation will be delivered or sent by:
    - (1) Registered mail;
    - (2) Certified mail; or
    - (3) Mail evidenced by a United States Post Office certificate of mailing.
  - 4. We will give notice to you at your last mailing address known to us:
  - 5. Notice of cancellation will state the specific reason for the cancellation and the effective date of cancellation. The policy period will end on that date.
  - 6. 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.
  - 7. If notice is mailed, proof of mailing will be sufficient proof of notice.
- B. The following conditions are added and supersede any other provision to the contrary:**

**1. Nonrenewal**

If we decide not to renew this policy, we will send notice as provided in Paragraph B.3. of this endorsement.

With respect to automobile liability insurance policies only, your policy shall terminate on the effective date of any other insurance policy you purchase with respect to any automobile designated in both policies.

**2. Conditional Renewal**

- a. If we conditionally renew this policy under terms or conditions less favorable to the insured than currently provided under this policy, then we will send notice as provided in Paragraph B.3. of this endorsement.
- b. The conditional renewal notice shall clearly state or be accompanied by a statement clearly identifying any:
  - (1) Reduction in coverage limits;
  - (2) Coverage provisions added or revised that reduce coverage; or
  - (3) Increases in deductibles.

**3. Notices Of Nonrenewal And Conditional Renewal**

- a. If we decide not to renew this policy or to conditionally renew this policy as provided in Paragraphs B.1. and B.2. of this endorsement, we will mail or deliver to you a written notice of nonrenewal or conditional renewal, stating the specific reason for nonrenewal or conditional renewal, at least 60 days before the expiration date of this policy. The notice will be sent to your address last known to us.
- b. This notice will be delivered or sent by:
  - (1) Registered mail;
  - (2) Certified mail; or
  - (3) Mail evidenced by a certificate of mailing.

If notice is mailed, proof of mailing is sufficient proof of notice.
- c. However, we are not required to send notice of nonrenewal if nonrenewal is due to your failure to pay any advance premium required for renewal.

**C. The When We Do Not Renew Condition of the Commercial General Liability Coverage Part, Commercial Liability Umbrella Coverage Part and Employment-Related Practices Liability Coverage Part does not apply.**

PROPERTY CHOICE  
COVERAGE PART - DECLARATIONS

POLICY NUMBER: 31 UUN AB7878

THIS PROPERTY CHOICE COVERAGE PART CONSISTS OF:

- A. THIS DECLARATIONS;
- B. THE PROPERTY CHOICE SCHEDULE OF PREMISES AND COVERAGES;
- C. THE PROPERTY CHOICE CONDITIONS;
- D. THE PROPERTY COVERAGE FORM;
- E. THE COVERED CAUSES OF LOSS AND COMMON EXCLUSIONS FORM; AND
- F. ANY OTHER COVERAGE FORMS, CONDITIONS FORMS, ENDORSEMENTS AND SCHEDULES ISSUED TO BE A PART OF THIS COVERAGE PART AND LISTED BELOW.

VARIOUS PROVISIONS IN THIS COVERAGE PART RESTRICT COVERAGE. READ THE ENTIRE COVERAGE PART CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

THROUGHOUT THIS COVERAGE PART THE WORDS "YOU" AND "YOUR" REFER TO THE NAMED INSURED SHOWN IN THE DECLARATIONS. 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 GENERAL DEFINITIONS IN THE PROPERTY CHOICE CONDITIONS.

ADVANCE PREMIUM: ██████████

AUDIT PERIOD:

EXCEPT IN THIS DECLARATIONS, WHEN WE USE THE WORD "DECLARATIONS" IN THIS COVERAGE PART, WE MEAN THIS "DECLARATIONS" OR THE "COMMON POLICY DECLARATIONS".

ALL SCHEDULES LISTED ON THIS DECLARATIONS ARE PART OF THIS DECLARATIONS.

FORM NUMBERS OF COVERAGE FORMS,  
ENDORSEMENTS, AND SCHEDULES THAT ARE  
A PART OF THIS COVERAGE PART:

- PC00910118 PC00020118T PC00100118 PC00200118 PC00500118 PC50210118
- PC20230109 PC34311014 PC35311014 PC20240109T PC20250109T PC20280109T
- PC00900118 IH09400115 PC26020118 PC00300113 PC10100118 PC10200118
- PC10400118 PC10720118 PC10830118 PC20440118 PC25030118T PC25060109
- PC25140113 PC00970109 PC30060119 PC31060412 PC31290807 PC31310518
- PC32300699
- IH12011185T LENDERS LOSS PAYEE
- IH12011185T LOSS PAYEE(S)



## QUICK REFERENCE

### PROPERTY CHOICE COVERAGE PART

#### Property Choice Conditions and Definitions

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- |  |  |
|--|--|
| <p>A. General Conditions</p> <ol style="list-style-type: none"> <li>1. Abandonment</li> <li>2. Application of Waiting Period</li> <li>3. Appraisal</li> <li>4. Claim Settlement</li> <li>5. Concealment, Misrepresentation or Fraud</li> <li>6. Control of Property</li> <li>7. Coverage Territory</li> <li>8. Equipment Breakdown - Suspension</li> <li>9. Equipment Breakdown - Inspection</li> <li>10. If Two or More Coverages Apply</li> <li>11. Legal Action Against Us</li> <li>12. Liberalization</li> <li>13. Loss Payee - Standard</li> <li>14. Mortgageholders and Lender Loss Payees</li> <li>15. Contract of Sale and Building Owner Loss Payable Clauses</li> <li>16. No Benefit to Bailee</li> <li>17. Other Insurance</li> <li>18. Policy Period</li> <li>19. Recovered Property</li> <li>20. Standard Fire Policy</li> <li>21. Transfer of Rights (Subrogation)</li> </ol> <p>B. General Duties in Event of Loss</p> <ol style="list-style-type: none"> <li>1. Your Duties             <ol style="list-style-type: none"> <li>a. Notify Police</li> <li>b. Notify Us</li> </ol> </li> </ol> | <ol style="list-style-type: none"> <li>c. Protect Property</li> <li>d. Take Inventory</li> <li>e. Permit us to Inspect Property, Books and Records</li> <li>f. Proof of Loss</li> <li>g. Cooperate</li> <li>h. Resumption of Business</li> </ol> <p>2. Our Right - Examine You Under Oath</p> <p>C. General Definitions</p> <ol style="list-style-type: none"> <li>1. Building Glass</li> <li>2. Computer Equipment</li> <li>3. Electronic Data</li> <li>4. Fungus</li> <li>5. Money</li> <li>6. Policy Year</li> <li>7. Pollutants and Contaminants</li> <li>8. Scheduled Premises</li> <li>9. Securities</li> <li>10. Sinkhole Collapse</li> <li>11. Specified Causes of Loss</li> <li>12. Sprinkler Leakage</li> <li>13. Stock</li> <li>14. Tenant Improvements and Betterments</li> <li>15. Theft</li> <li>16. Valuable Papers</li> <li>17. Volcanic Action</li> </ol> |
|--|--|

#### Property Choice Coverage Form

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- |   |   |
|---|---|
| <p>A. Coverage</p> <ol style="list-style-type: none"> <li>1. Covered Property Definitions             <ol style="list-style-type: none"> <li>a. Building</li> <li>b. Business Personal Property</li> </ol> </li> <li>2. Property Not Covered</li> <li>3. Covered Causes of Loss - See separate form</li> </ol> <p>B. Exclusions - See separate form</p> | <p>C. Limits of Insurance</p> <p>D. Deductible</p> <p>E. Loss Payment and Valuation Conditions</p> <ol style="list-style-type: none"> <li>1. Replacement Cost</li> <li>2. Actual Cash Value</li> <li>3. Specific Property Valuations             <ol style="list-style-type: none"> <li>a. Accounts Receivable</li> <li>b. Animals</li> </ol> </li> </ol> |
|---|---|

- c. Building Glass
- d. Electronic Data and Valuable Papers
- e. Fine Arts
- f. Party Wall
- g. Property of Others
- h. Stock
- i. Tenant Improvements and Betterments

- j. Transit
- k. Vehicles
- 4. Value Enhancements
  - a. Architect and Engineering Fees
  - b. Customs Duty, Sales Tax
  - c. Extended Warranties

**Property Choice - Specialized Property Insurance Coverages**

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Section A. Additional Coverages

- 1. Accounts Receivable
- 2. Brands and Labels
- 3. Building Glass Repairs
- 4. Business Travel Including Sales Representative Samples
- 5. Claim Expenses
- 6. Contract Penalties
- 7. Debris Removal
- 8. Employee Personal Effects
- 9. Errors in Description
- 10. Exhibitions
- 11. Extra Expense and Expediting Expenses
- 12. Fine Arts
- 13. Fire Department Service Charge
- 14. Fire Device Recharge
- 15. Fungus, Wet Rot, Dry Rot, Bacteria and Virus - Limited Coverage
- 16. Inflation Guard
- 17. Installment or Deferred Sales
- 18. Loss of Master Key

- 19. New Construction at Scheduled Premises
- 20. Newly Acquired Property
- 21. Non-Owned Detached Trailers
- 22. Ordinance or Law
- 23. Outdoor Trees, Shrubs, Sod, Plants and Lawns
- 24. Pairs or Sets
- 25. Pollutants and Contaminants Clean Up
- 26. Preservation of Property
- 27. Rewards
- 28. Sewer and Drain Backup
- 29. Transit
- 30. Transition to Replacement Premises
- 31. Unnamed Premises
- 32. Utility Service Interruption
- 33. Water Damage Building Tear Out and Repair
- 34. Water Seepage
- 35. Windblown Debris

Section B. - Combined Additional Protection

Section C. - Tenant Lease Coverage

**Property Choice - Covered Causes of Loss and Exclusions Form**

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A. Covered Causes of Loss

B. Exclusions

- 1. a. Acts Errors or Omissions
- b. Workmanship and Repair
- c. Animals
- d. Collapse (Related to Earthquake or Flood)
- e. Earth Movement
- f. Water
- g. Fungus, Wet Rot, Dry Rot, Bacteria or Virus
- h. Governmental Action
- i. Nesting or Infestation
- j. Nuclear Hazard

- k. Ordinance or Law
- l. Pathogenic or Poisonous Biological or Chemical Materials
- m. Pollutants and Contaminants
- n. Utility Services Interruption
- o. War and Military Action
- 2. We will not pay for loss or damage caused by or resulting from any of the following:
  - a. Artificially Generated Electrical, Magnetic or Electromagnetic Energy
  - b. Accounting Errors
  - c. Changes of Temperature, Dampness or Dryness
  - d. Delay, Loss of Use or Loss of Market



- e. Dishonest Acts
- f. Docks, Piers, Wharves
- g. Electronic Vandalism or Corruption of "Electronic Data" or Corruption of "Computer Equipment"
- h. Loss Due To By-Products of Production or Processing Operations
- i. Mechanical Breakdown
- j. Missing Property
- k. Neglect to Protect Property
- l. Rain, Snow, Ice, Sleet to Property in the Open
- m. Settling, Cracking to Buildings or Structures
- n. Smoke (agricultural or Industrial)
- o. Steam Explosions
- p. Testing
- q. Unauthorized Transfer of Property
- r. Voluntary Parting

3. We will not pay for loss or damage caused by or resulting from any of the following. But if direct physical loss or direct physical damage to Covered Property by a Covered Cause of Loss results, we will pay for the resulting loss or damage caused by that Covered Cause of Loss.

- a. Wear and tear, or change in color, texture, or finish;
- b. Rust, corrosion, decay, or deterioration;
- c. Hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- d. Maintenance;
- e. Smog; or
- f. Shrinkage, evaporation, or loss of weight of Stock.

C. Limitations

PROPERTY CHOICE - SCHEDULE OF  
PREMISES AND COVERAGES

POLICY NO.: 31 UUN AB7878

-----  
COVERAGE AND LIMITS OF INSURANCE  
-----

INSURANCE APPLIES ON A BLANKET BASIS ONLY TO A COVERAGE FOR WHICH A LIMIT OF INSURANCE IS SHOWN BELOW IN THE BLANKET DESCRIPTION OF COVERAGE OR PROPERTY. THE MAXIMUM WE WILL PAY FOR LOSS OR DAMAGE IN ANY ONE OCCURRENCE IS THE SMALLEST APPLICABLE LIMIT OF INSURANCE SHOWN IN THE DECLARATIONS, SCHEDULES, OR ENDORSEMENT(S).

-----  
BLANKET DESCRIPTION OF COVERAGE OR PROPERTY  
-----

FOR INSURANCE THAT APPLIES TO A SPECIFIC INSURED PREMISES SEE: PROPERTY CHOICE - SCHEDULED PREMISES.

LIMIT(S) OF INSURANCE  
IN ANY ONE OCCURRENCE

BUSINESS PERSONAL PROPERTY (EXCLUDING STOCK) \$20,595,300

-----  
VALUATION PROVISION:  
-----

REPLACEMENT COST (SUBJECT TO LIMITATIONS) APPLIES TO THE TYPES OF COVERED PROPERTY INSURED UNDER THIS POLICY. FOR VALUATION THAT APPLIES TO A SPECIFIC PREMISES SEE: PROPERTY CHOICE - SCHEDULED PREMISES.

-----  
PROPERTY CHOICE - BUSINESS INTERRUPTION - BLANKET DESCRIPTION OF COVERAGE  
-----

FOR INSURANCE THAT APPLIES TO A SPECIFIC PREMISES SEE: PROPERTY CHOICE - SCHEDULED PREMISES.

LIMITS OF INSURANCE  
IN ANY ONE OCCURRENCE

BUSINESS INCOME AND EXTRA EXPENSE: \$20,000,000  
72 HOUR WAITING PERIOD APPLIES  
PAYROLL IS INCLUDED

-----  
COINSURANCE PROVISION:  
-----

UNLESS OTHERWISE STATED IN THIS POLICY, COINSURANCE DOES NOT APPLY TO THE COVERAGES SHOWN ON THIS POLICY.

PROPERTY CHOICE - SCHEDULE OF  
PREMISES AND COVERAGES (CONTINUED)

POLICY NO.: 31 UUN AB7878

-----  
CAUSES OF LOSS - EARTHQUAKE  
-----

FOR INSURANCE THAT APPLIES TO A SPECIFIC PREMISES SEE: PROPERTY CHOICE -  
SCHEDULED PREMISES.

ALL COVERAGES AS PROVIDED AND LIMITED UNDER THIS POLICY AT ALL INSURED  
SCHEDULED PREMISES IN TOTAL SITUATED IN:

	POLICY YEAR LIMIT OF INSURANCE
CALIFORNIA	NOT COVERED
ALABAMA	NOT COVERED
GEORGIA	NOT COVERED
LOUISIANA	NOT COVERED
NORTH CAROLINA	NOT COVERED
ALL OTHER STATES	\$1,000,000

CAUSES OF LOSS - EARTHQUAKE DOES NOT APPLY TO ANY DEPENDENT PROPERTIES OR  
ANY UNNAMED PREMISES OR ANY UTILITY SERVICES ADDITIONAL COVERAGE.  
THE LARGEST POLICY YEAR LIMIT OF INSURANCE IS THE MOST WE WILL PAY UNDER  
THIS POLICY IN TOTAL IN ANY ONE POLICY YEAR EVEN IF THE LOSS OR DAMAGE  
INVOLVES MORE THAN ONE POLICY YEAR LIMIT OF INSURANCE.

-----  
CAUSES OF LOSS - FLOOD  
-----

FOR INSURANCE THAT APPLIES TO A SPECIFIC PREMISES SEE: PROPERTY CHOICE -  
SCHEDULED PREMISES.

	POLICY YEAR LIMIT OF INSURANCE
ALL COVERAGES AS PROVIDED AND LIMITED UNDER THIS POLICY AT ALL INSURED SCHEDULED PREMISES SITUATED IN ZONE PREFIXED (C) AS DESIGNATED BY THE NATIONAL FLOOD INSURANCE ACT OF 1968 (OR ANY SUBSEQUENT AMENDMENT):	\$1,000,000

ALL COVERAGES AS PROVIDED AND LIMITED UNDER THIS POLICY AT ALL INSURED SCHEDULED PREMISES SITUATED IN ZONE PREFIXED (A) AS DESIGNATED BY THE NATIONAL FLOOD INSURANCE ACT OF 1968 (OR ANY SUBSEQUENT AMENDMENT):	\$1,000,000
--	-------------

CAUSES OF LOSS - FLOOD DOES NOT APPLY TO ANY DEPENDENT PROPERTIES OR ANY  
UNNAMED PREMISES OR ANY UTILITY SERVICES ADDITIONAL COVERAGE.

THE LARGEST FLOOD POLICY YEAR LIMIT OF INSURANCE IS THE MOST WE WILL PAY  
UNDER THIS POLICY IN TOTAL IN ANY ONE POLICY YEAR EVEN IF THE LOSS OR  
DAMAGE INVOLVES MORE THAN ONE POLICY YEAR LIMIT OF INSURANCE

PROPERTY CHOICE - SCHEDULE OF  
PREMISES AND COVERAGES (CONTINUED)

POLICY NO.: 31 UUN AB7878

-----  
CAUSE OF LOSS - ELECTRONIC VANDALISM  
-----

	LIMIT OF INSURANCE IN ANY ONE POLICY YEAR
ELECTRONIC VANDALISM:	\$300,000
ELECTRONIC EXTORTION DEMAND:	\$10,000 IN ANY ONE POLICY YEAR
GOOD FAITH ADVERTISING EXPENSE:	\$25,000 IN ANY ONE POLICY YEAR

-----  
CAUSES OF LOSS - EQUIPMENT BREAKDOWN  
-----

FOR INSURANCE THAT APPLIES TO A SPECIFIC PREMISES SEE: PROPERTY CHOICE -  
SCHEDULED PREMISES.

THE MOST WE WILL PAY IN ANY ONE EQUIPMENT BREAKDOWN ACCIDENT TO EQUIPMENT  
BREAKDOWN PROPERTY IS THE LESSER OF THE APPLICABLE BUILDING, BUSINESS  
PERSONAL PROPERTY AND BUSINESS INTERRUPTION LIMITS OF INSURANCE OR  
\$100,000,000.

COVERAGE EXTENSIONS: THE FOLLOWING COVERAGE EXTENSIONS LIMITS OF INSURANCE  
ARE INCLUDED IN THE CAUSES OF LOSS - EQUIPMENT BREAKDOWN LIMIT OF INSURANCE  
AND APPLY IN ANY ONE EQUIPMENT BREAKDOWN ACCIDENT TO EQUIPMENT BREAKDOWN  
PROPERTY.

	LIMITS OF INSURANCE
CFC REFRIGERANTS:	INCLUDED IN THE LIMIT OF INSURANCE APPLICABLE TO EQUIPMENT BREAKDOWN
HAZARDOUS SUBSTANCES:	\$100,000
SPOILAGE:	\$100,000
EXPEDITING EXPENSES:	\$100,000

-----  
DEDUCTIBLES  
-----

FOR DEDUCTIBLES THAT APPLY TO A SPECIFIC PREMISES SEE: PROPERTY CHOICE -  
SCHEDULED PREMISES.

THE FOLLOWING DEDUCTIBLE(S) SHALL APPLY TO LOSS OR DAMAGE:

PROPERTY CHOICE - SCHEDULE OF  
PREMISES AND COVERAGES (CONTINUED)

POLICY NO.: 31 UUN AB7878

BY EARTHQUAKE:

IN ANY ONE OCCURRENCE: \$25,000  
AS RESPECTS BUSINESS INCOME COVERAGE, 72 HOUR WAITING PERIOD APPLIES.

BY FLOOD:

ALL PREMISES IN ANY ONE OCCURRENCE  
SITUATED IN ZONE PREFIXED (C)  
AS DESIGNATED BY THE NATIONAL FLOOD  
INSURANCE ACT OF 1968 (OR ANY  
SUBSEQUENT AMENDMENT): \$25,000

ALL PREMISES IN ANY ONE OCCURRENCE  
SITUATED IN ZONE PREFIXED (A)  
AS DESIGNATED BY THE NATIONAL FLOOD  
INSURANCE ACT OF 1968 (OR ANY  
SUBSEQUENT AMENDMENT): \$500,000

AS RESPECTS BUSINESS INCOME COVERAGE, 72 HOUR WAITING PERIOD APPLIES.

BY WINDSTORM OR HAIL:

IN ANY ONE OCCURRENCE: \$25,000  
AS RESPECTS BUSINESS INCOME COVERAGE, NO WAITING PERIOD APPLIES.

BY ANY OTHER COVERED LOSS,

IN ANY ONE OCCURRENCE: \$5,000

-----  
PROPERTY CHOICE - SCHEDULED PREMISES  
-----

THE FOLLOWING LIMITS OF INSURANCE APPLY IN ANY ONE OCCURRENCE UNLESS  
OTHERWISE STATED.

\* \* \* \* \*

PREMISES NO. 1

ADDRESS:

777 W PUTNAM AVE  
GREENWICH, CT 06830  
FAIRFIELD COUNTY

OCCUPANCY: OFFICE/HEADQUARTERS



PROPERTY CHOICE - SCHEDULE OF  
PREMISES AND COVERAGES (CONTINUED)

POLICY NO.: 31 UUN AB7878

\* \* \* \* \*

PREMISES NO. 2

ADDRESS:

725 5TH AVE  
NEW YORK, NY 10022  
NEW YORK COUNTY

OCCUPANCY: SHOWROOM

DESCRIPTION OF COVERAGE OR PROPERTY	LIMIT OF INSURANCE
BUSINESS PERSONAL PROPERTY (EXCLUDING STOCK):	INCLUDED IN BLANKET BUSINESS PERSONAL PROPERTY (EXCLUDING STOCK) LIMIT
POLLUTANT AND CONTAMINANTS CLEAN UP:	\$100,000

PROPERTY CHOICE - BUSINESS INTERRUPTION	LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE: 72 HOURS WAITING PERIOD APPLIES	INCLUDED IN BLANKET BUSINESS INCOME AND EXTRA EXPENSE LIMIT
PAYROLL IS INCLUDED	

\* \* \* \* \*

PREMISES NO. 3

ADDRESS:

34 PUTNAM GRN APT F  
GREENWICH, CT 06830  
FAIRFIELD COUNTY

OCCUPANCY: CONDO

PROPERTY CHOICE - SCHEDULE OF  
PREMISES AND COVERAGES (CONTINUED)

POLICY NO.: 31 UUN AB7878

PREMISES 3 CONTINUED

DESCRIPTION OF COVERAGE OR PROPERTY	LIMIT OF INSURANCE
BUSINESS PERSONAL PROPERTY (EXCLUDING STOCK):	INCLUDED IN BLANKET BUSINESS PERSONAL PROPERTY (EXCLUDING STOCK) LIMIT

PROPERTY CHOICE - BUSINESS INTERRUPTION	LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE:	NOT COVERED

\*\*\*\*\*

PREMISES NO. 4

ADDRESS:

1240-1248 CRANBURY SOUTH RIVER RD  
CRANBURY, NJ 08512  
MIDDLESEX COUNTY

OCCUPANCY: WAREHOUSE

DESCRIPTION OF COVERAGE OR PROPERTY	LIMIT OF INSURANCE
BUSINESS PERSONAL PROPERTY (EXCLUDING STOCK):	INCLUDED IN BLANKET BUSINESS PERSONAL PROPERTY (EXCLUDING STOCK) LIMIT

PROPERTY CHOICE - BUSINESS INTERRUPTION	LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE: 72 HOURS WAITING PERIOD APPLIES	INCLUDED IN BLANKET BUSINESS INCOME AND EXTRA EXPENSE LIMIT
PAYROLL IS INCLUDED	



PROPERTY CHOICE - SCHEDULE OF  
PREMISES AND COVERAGES (CONTINUED)

POLICY NO.: 31 UUN AB7878

PREMISES 4 CONTINUED

-----  
DEDUCTIBLES  
-----

THE FOLLOWING DEDUCTIBLE(S) SHALL APPLY TO LOSS OR DAMAGE:

BY FLOOD:  
IN ANY ONE OCCURRENCE: \$50,000

BY ANY OTHER COVERED LOSS,  
IN ANY ONE OCCURRENCE: \$5,000



# PROPERTY CHOICE COVERAGE FORM

## (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 policy the words "you" and "your" refer to the Named Insured shown in the Property Choice 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 Form PC 00 90 PROPERTY CHOICE CONDITIONS AND DEFINITIONS for definitions.

### A. COVERAGE

We will pay for direct physical loss of or direct physical damage to the following types of Covered Property caused by or resulting from a Covered Cause of Loss. Covered Property, as used in this Coverage Part, means the type of property described in this Section, **A.1.** Covered Property for which a Limit of Insurance and a premises address is shown in the Property Choice - Schedule of Premises and Coverages.

#### 1. Covered Property

a. **Building** means buildings or structures that:

- (1) You own; or
- (2) Are responsible for insuring.

Building also includes:

- (1) Buildings or structures in the course of construction;
- (2) Alterations, repairs or additions to the building;
- (3) Foundations;
- (4) Underground pipes, flues or drains necessary for the service of the building;
- (5) Excavations, grading, backfilling or filling that are necessary to repair, rebuild or replace the building or its foundation;
- (6) Permanently installed machinery and equipment;
- (7) Awnings, "Building Glass" and floor coverings;
- (8) Materials, equipment and supplies, used in the construction, alteration or repair of buildings;

(9) Radio or television towers, antennas and satellite dishes (including attachments), fences, signs and other outdoor fixtures;

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

(11) Property owned by you for the maintenance or service of the building or its premises, including fire extinguishing equipment, alarm, communication and monitoring systems, and lawn maintenance or snow removal equipment;

(12) Retaining walls attached to buildings;

(13) Swimming pools whether or not attached to the building;

(14) Appurtenant structures whether or not attached to the building;

(15) Electronic car charging stations;

(16) Solar panels attached to the building;

(17) Walks, roadways, patios or other paved surfaces at a "Scheduled Premises".

#### b. Business Personal Property

(1) Business Personal Property means:

(a) All of Your Business Personal Property owned by your business; and

(b) Business Personal Property owned by others, that is in your care, custody or control (including leased property as provided in a written lease agreement);

(2) Business Personal Property also includes:

(a) Furniture, fixtures, machinery and equipment;

- (b) "Stock";
- (c) "Computer Equipment";
- (d) "Electronic Data" and "Valuable Papers";
- (e) Patterns, dies, molds and forms;
- (f) Your interest in the labor, materials or services furnished or arranged by you on Business Personal Property you have installed or repaired;
- (g) "Tenant Improvements and Betterments";
- (h) Tools and equipment owned by your employees that are used in your business operations;
- (i) Building components while removed from the premises for service or repair;
- (j) Lottery tickets held for sale and postage stamps in current usage;
- (k) Electronic car charging stations if not covered under Building.

(3) Coverage applies to Business Personal Property up to 1000 feet outside the premises boundary.

## 2. Property Not Covered

Covered Property does not include the following unless an endorsement is added to this Coverage Part:

- a. Accounts, bills, currency, food stamps or other evidences of debt, "money", notes or "securities".
- b. Animals, except animals inside buildings, and:
  - (1) Owned by others and boarded by you; or
  - (2) Owned by you as "Stock".
- c. Property owned by and for exclusive personal use by you or your officers, members, partners or employees.
- d. Property owned by your residents, patients, or students.
- e. Property owned by your tenants.
- f. Contraband, or property in the course of illegal transportation or trade.
- g. Growing crops or standing timber.
- h. Grain, hay, straw or other crops which have been harvested, but are outside of buildings or structures.
- i. Outdoor trees, shrubs, plants and sod (other than those held for sale) and lawns.
- j. Land (including land on which the property is located), land values, water (except water

contained within any storage tank, for use in your manufacturing or processing operations), dams, underground mines, and caverns.

- k. Vehicles, and self-propelled machines, including aircraft (including "unmanned aircraft") and watercraft, except the following are Covered Property:

(1) Vehicles and self-propelled machines, (including aircraft and watercraft) that you manufacture, process, warehouse or hold for sale (except automobiles held for sale) while located at insured premises;

(2) Vehicles and self-propelled machines, (except aircraft and watercraft) that you operate principally on your insured premises, that are not licensed or registered for use on public roads; and

(3) Canoes and rowboats while out of the water at insured premises.

- l. Business Personal Property that you have sold under:

(1) Conditional sale;

(2) Trust agreement;

(3) Installment payment;

(4) Other deferred payment plan; or

(5) Other agreement under which you have retained a security interest;

- m. Property that is more specifically covered, insured or described under another coverage form of this policy or any other policy, except for the excess of the amount due (whether you can collect on it or not) from that other insurance.

n. Live eggs, human tissue, bodily fluids, or embryos.

o. Retaining walls not attached to the building.

## 3. Covered Causes of Loss

See Property Choice - Covered Causes of Loss and Exclusions Form.

## B. EXCLUSIONS

See the Property Choice - Covered Causes of Loss and Exclusions Form.

## C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the smallest applicable Limit of Insurance shown in the Property Choice Declarations, Schedules, Coverage Form(s) or Endorsement(s).

## D. DEDUCTIBLE

We will not pay for direct physical loss or direct physical damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductible stated in the Property Choice Schedule of Premises and Coverages or Endorsement(s). We will then pay the amount of loss in excess of the Deductible, up to the applicable Limit of Insurance.

When claim is made for loss or damage to more than one type of property, coverage, premises, or Cause of Loss and different deductible amounts apply in the same occurrence, we will only apply the largest applicable deductible for the item for which claim is made unless specified by endorsement.

## E. LOSS PAYMENT AND VALUATION CONDITIONS

Covered Property will be valued at either Replacement Cost or Actual Cash Value, as stated in the Property Choice Schedule of Premises and Coverages and as described below except for the items listed below in item 3. **Specific Property Valuations.** We will not pay more than your financial interest in the lost or damaged property.

### 1. Replacement Cost

In the event of covered loss or damage, we will determine the value of Covered Property at the actual amount spent to repair, replace or rebuild the damaged property as of the time of the loss or damage, at the same site or another site, subject to the following:

- a. We will not pay more for lost or damaged property than the least of
  - (1) The Limit of Insurance applicable to the lost or damaged property;
  - (2) The amount it costs to replace, on the same premises, the lost or damaged property with other property:
    - (a) Of comparable material and quality; and
    - (b) Used for the same purpose; or
  - (3) The amount you actually spend that is necessary and reasonable to repair or replace the lost or damaged property with other property:
    - (a) Of comparable material and quality; and
    - (b) Used for the same purpose.
  - (4) In the event of a total loss to Building property, you may choose to replace your Building property at another premises, however, we will not pay more than the cost to replace the Building property at the original premises.

(5) In the event of a total loss to Business Personal Property, we retain our right to salvage such Business Personal Property.

(6) Replacement Cost does not include any increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

- b. We will pay you on an Actual Cash Value basis until the lost or damaged property is actually repaired, rebuilt or replaced.
- c. If you do not repair, replace or rebuild on the same site or another site within 2 years of the date of loss, we will pay you on an Actual Cash Value basis.
- d. Patterns, dies, molds and forms not in current usage at actual cash value. If loss is paid on an actual cash value basis and within 60 months from the date of the covered loss and you need to repair or replace them, we will pay you, subject to the Conditions of this insurance, the difference between actual cash value and replacement cost when the patterns, dies, molds and forms are actually repaired or replaced.

### 2. Actual Cash Value

- a. We will pay you on an Actual Cash Value basis if:
  - (1) The valuation of the lost or damaged property is designated in the Property Choice Schedule of Premises and Coverages as Actual Cash Value.
  - (2) You elect Actual Cash Value as the basis for loss payment at the time of loss or damage.
- b. In the event of covered loss or damage, at our option, we will do one of the following, but not pay more than the Limit of Insurance applicable to the lost or damaged property:
  - (1) Pay the value of the lost or damaged property at the time of loss;
  - (2) Take all or any part of the property at an agreed or appraised value; or
  - (3) Repair, rebuild or replace the property with other property of like kind and quality, or pay you the cost to do so.
- c. In the event of a total loss to Business Personal Property, we retain our right to salvage such Business Personal Property.
- d. Actual Cash Value does not include the increased cost attributable to enforcement

of or compliance with any ordinance or law regulating the construction, use or repair of any property.

- e. If the actual amount spent to repair, replace or rebuild the damaged property as of the time of the loss is \$25,000 or less (after the application of the applicable deductible), we pay the loss or damage on the basis of the Replacement Cost provisions described in E.1. above. This Exception does not apply to the following Specific Property Valuations.

### 3. Specific Property Valuations

#### a. Accounts Receivable

We will determine the amount of Accounts Receivable loss as follows:

- (1) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss, the following method will be used:

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

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

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

- (a) The amount of the accounts for which there is no loss;

- (b) The amount of the accounts that you are able to re-establish or collect;

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

- (d) All unearned interest and service charges.

#### b. Animals

We will determine the value of animals at the cost of replacement with animals of like kind and quality as when originally acquired by you.

#### c. "Building Glass"

We will determine the value of "Building Glass" at the cost of replacement with safety glazing material if required by law.

#### d. "Electronic Data"

- 1. We will determine the value at the actual, reasonable and necessary costs you incur to restore or replace "Electronic Data".

- 2. We will not pay for costs or expenses you incur to:

- (a) Identify or remediate any errors or vulnerabilities or to update, restore, replace, upgrade, maintain or improve any "Computer Equipment" or computer system;

- (b) Update, replace, restore or improve any "Electronic Data" to a level beyond the condition in which it existed immediately preceding the loss or damage; or

- (c) Duplicate research that led to development of your "Electronic Data" or any proprietary or confidential information or intellectual property in any form.

To the extent that "Electronic Data" is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the "Electronic Data" was stored, with blank media of substantially identical type.

If you recover from a licensor, lessor or any other party for loss or damage to "Electronic Data", our loss payment to you will be reduced by the amount of such recovery.

#### e. Fine Arts

We will determine the value of Fine Arts, at the lesser of:

- (1) The market value at the time of loss or damage;

- (2) The reasonable cost of repair or restoration to the condition immediately before the covered loss or damage; or

- (3) The cost of replacement with substantially identical property.

For pairs or sets, we will either:

- (1) Repair or replace any part to restore the value and condition of the pair or set to that immediately before the covered loss or damage; or

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

#### f. Party Wall

A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling

covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

**g. Property of Others**

- (1) If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the lesser of:
  - (a) amount for which you are liable under such contract;
  - (b) the replacement cost of the property; or
  - (c) the applicable Limit of Insurance.
- (2) If no such contract exists we will not pay more than your financial interest in Personal Property of Others not to exceed:
  - (a) the Actual Cash Value of such property; or
  - (b) the applicable Limit of Insurance.
- (3) At your option, we may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners:
  - (a) Such payments will only be for the account of the owner of the property and will satisfy your claims against us for the owners' property;
  - (b) We will not pay more than their financial interest in the property.
- (4) We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

**h. "Stock"**

**(1) Manufactured Stock (including Selling Price)**

We will determine the value of "Stock" you have manufactured at the selling price less discounts and expenses you otherwise would have incurred. This also applies to component parts manufactured by others that will become a part of your finished product.

**(2) Mercantile Stock**

We will determine the value of "Stock", which you have purchased for resale and have sold but not delivered, at the selling price less discounts and expense you otherwise would have had. This does not apply to "Stock" you have manufactured.

**(3) Stock in Process**

We will determine the value of "Stock" in process of manufacture at the replacement cost of the raw materials, plus labor expended and the proper proportion of overhead charges.

**(4) Commodity Stock**

For "Stock" that is bought and sold at an established market exchange, we will determine the value at:

- (a) The posted market price as of the time and place of loss;
- (b) Less discounts and expenses you otherwise would have had.

**i. "Tenant Improvements and Betterments"**

- (1) If you do not repair or replace lost or damaged "Tenant Improvements and Betterments" within 2 years, we will pay the pro rata of the Actual Cash Value based on the duration of the lease and the installation date of the property.
- (2) If others pay for repairs or replacement, we will not make loss payment to you.

**j. Transit**

We will determine the value of covered property in due course of transit at:

- (1) The amount of invoice plus accrued costs, prepaid charges and charges since shipment; or
- (2) In the absence of an invoice, the valuation provision otherwise applicable to that type of Covered Property as of the time of loss or damage.

**k. "Valuable Papers"**

We will determine the value of "Valuable Papers" at your incurred cost of:

- (1) Blank materials for reproducing the records (including blank prepackaged programs when replaced); and
- (2) Labor to transcribe or copy the records and to research, replace or restore the lost information, including research and development documentation.

**l. Vehicles**

- (1) We will determine the value of covered vehicles and self-propelled machines, including aircraft, automobiles, contractor's equipment and watercraft on an Actual Cash Value basis. This also applies to coverage provided for trailers under the Non-Owned Detached Trailer Additional Coverage.
- (2) New vehicles and machines you have manufactured will be subject to the valuation applicable to covered "Stock".

**4. Value Enhancements**

**a. Architect and Engineering Fees**

The value of Covered Property will include reasonable architect and engineering fees you incur in the course of repairing or reconstructing damaged property.

**b. Customs Duty, Sales Tax**

The value of Covered Property will include the cost of customs duties and sales taxes to repair or replace the property.

**c. Extended Warranties**

The value of Covered Property, that is a total loss during the policy period, will include the unused pro rata portion of non-refundable optional extended warranties or service contracts which you purchased for the damaged property prior to the covered loss or damage.



# PROPERTY CHOICE - BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM

## (BUSINESS INTERRUPTION)

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to Form PC 00 90 **PROPERTY CHOICE CONDITIONS AND DEFINITIONS** for definitions.

### A. COVERAGE

We will pay up to the Business Income and Extra Expense Limit of Insurance stated in the Property Choice - Schedule of Premises and Coverages for the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur due to the necessary interruption of your business operations during the Period of Restoration due to direct physical loss of or direct physical damage to property caused by or resulting from a Covered Cause of Loss at "Scheduled Premises" where a limit of insurance is shown for Business Income and Extra Expense. If you are a tenant, this Coverage applies to that portion of the building which you rent, lease or occupy, and extends to common service areas and access routes to your area.

#### Definitions

##### 1. Business Income means:

- a. Net Income (Net Profit or Net Loss before income taxes), including Rental Income and Royalties, that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including Payroll Expenses.
- c. For educational operations, Business Income also includes income from:
  - (1) Tuition and related student fees including room, board, laboratories and other similar fees;
  - (2) Bookstores;
  - (3) Athletic events; or
  - (4) Activity related to research grants.
- d. For manufacturing businesses, Net Income also includes the net sales value of production.

e. For research and development operations, Business Income also includes awarded contract revenues, licensing fees, consulting fees, funding grants and progress (milestone) payments.

f. As respects all insureds if you are operating at a Net Loss, continuing normal operating expenses will be offset by the Net Loss.

2. Extra Expense means the actual, necessary and reasonable expenses you incur during the Period of Restoration that you would not have incurred if there had been no direct physical loss of or direct physical damage to property caused by or resulting from a Covered Cause of Loss at "Scheduled Premises". We will pay Extra Expense (other than the expense to repair or replace property) to:

- a. Avoid or minimize the suspension of business and to continue operations at a "Scheduled Premises" or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- b. Minimize the suspension of business if you cannot continue operations. We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.
- c. Extra Expense Coverage does not apply to any expense related to any recall of products you manufacture, handle or distribute.



3. Interruption means the slowdown or cessation of any part of your business activities or the partial or total untenability of the premises.
4. Payroll Expenses include:
  - a. Payroll;
  - b. Special compensation such as bonuses and other incentive compensation;
  - c. Employee benefits, if directly related to payroll;
  - d. FICA payments you pay;
  - e. Union dues you pay; and
  - f. Workers' compensation premiums.
5. a. Period of Restoration means the period of time that:
  - (1) Begins at the time the Covered Cause of Loss occurred; and
  - (2) Ends on the earlier of:
    - (a) The date when the property 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.

The expiration date of this policy will not cut short the Period of Restoration.

  - b. For buildings under construction or undergoing additions or alterations, if the direct physical loss or direct physical damage delays the start of business operations, the Period of Restoration will begin the date business operations would have begun had the direct physical loss or direct physical damage not occurred.
  - c. For educational institutions, the Period of Restoration ends on the earlier of:
    - (1) The day before the opening of the next school term following the date the property should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - (2) The date when the school term is resumed at a new permanent location.
  - d. Period of Restoration does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
    - (1) 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 and Contaminants", except as covered in the "Pollutants and Contaminants" Clean Up Additional Coverage; or

- (2) Regulates the construction, use or repair, or requires the tearing down of any property, except as covered in the Ordinance or Law Additional Coverage.
6. Rental Income/Rental Value means Business Income that consists of:
  - a. Net Income (Net Profit or Net Loss before income taxes) that would have been earned or incurred as income from tenant occupancy of the "Scheduled Premises" as furnished and equipped by you including fair rental value of any portion of the "Scheduled Premises" which is occupied by your tenants or you as a tenant; and
  - b. Continuing normal operating expenses incurred in connection with that premises including:
    - (1) Payroll Expenses; and
    - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.
  - c. If you are operating at a Net Loss, continuing normal operating expenses will be offset by the Net Loss.

## B. COVERED CAUSES OF LOSS, EXCLUSIONS AND LIMITATION

1. See Property Choice - Covered Causes of Loss and Exclusions Form.
2. The following **Exclusions** apply in addition to the **Exclusions** found in the Property Choice - Covered Causes of Loss and Exclusions Form attached to this Coverage Part:
  - a. **Contract, Lease or License Cancellation**  
We will not pay for any increase of loss caused by or resulting from suspension, lapse or cancellation of any contract, lease or license (including consultation and funding grants). But if such suspension, lapse or cancellation is directly caused by a covered interruption of business operations, we will pay for such loss that affects your Business Income during the Period of Restoration and any extension of the Period of Restoration in accordance with the terms of the Extended Income Additional Coverage or the Future Earnings Additional Coverage.

**b. Manufactured "Stock"**

We will not pay for any loss caused by or resulting from damage or destruction of or the time required to reproduce "Stock" you have finished manufacturing.

**c. Satellite Communications**

We will not pay for any loss caused by or resulting from the disruption of communications or service to or from any satellite however caused. But this exclusion does not apply to land based satellite dishes.

**d. Strike Interference**

We will not pay for any increase of loss caused by or resulting from delay in rebuilding, repairing or replacing the property or resuming business operations, due to interference at the location of the rebuilding, repair or replacement by strikers or other persons.

**3. Limitation - Interruption Of Computer Operations**

- a. Coverage for Business Income does not apply when a suspension of operations is caused by destruction or corruption of "Electronic Data", or any loss or damage to "Electronic Data".
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a suspension of operations caused by destruction or corruption of "Electronic Data", or any loss or damage to "Electronic Data".
- c. This Additional Limitation does not apply when loss or damage to "Electronic Data" involves only "Electronic Data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

**C. LIMITS OF INSURANCE**

The most we will pay for loss in any one occurrence is the smallest applicable Limit of Insurance shown in the Property Choice Declarations, Schedules, Coverage Form(s) or Endorsement(s).

**D. DEDUCTIBLE**

We will not pay for the actual loss of Business Income you sustain in any one occurrence until the necessary interruption of your business operations exceeds the Waiting Period as stated in the Property Choice Schedule of Premises and Coverages or by Endorsement(s). We will not pay for the actual loss of Business Income you sustain in any one occurrence during such Waiting Period. No other deductible applies to

Business Income coverage. No deductible or Waiting Period applies to Extra Expense.

**E. LOSS CONDITIONS**

The following Conditions apply in addition to the Common Policy Conditions and all of the Conditions as found in the Property Choice Conditions and Definitions Form:

**1. Resumption of Business**

If you intend to continue in business, you must resume all or part of your business operations as quickly as possible.

**2. Loss Determination**

**a. Business Income**

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

- (1) The Net Income of the business before the direct physical loss or direct physical damage occurred;
- (2) The likely Net Income of the business if no physical loss or no physical damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses.
- (3) The operating expenses, including payroll expenses, necessary to resume business operations with the same quality of service that existed just before the direct physical loss or direct physical damage, and
- (4) Other relevant sources of information, including:
  - (a) Your financial records and accounting procedures;
  - (b) Bills, invoices and other vouchers; and
  - (c) Deeds, liens or contracts.

**b. Extra Expense**

The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by business operations during the Period of Restoration if no direct physical loss or if no direct physical damage had occurred. We will deduct from the total of such expenses:
  - (a) The salvage value that remains of any property bought for temporary use during the Period

of Restoration, once business operations are resumed; and

(b) Any Extra Expense that is paid for by other insurance.

(2) All actual, necessary and reasonable expenses that reduce the Business Income loss otherwise incurred.

**3. Reductions in Amount We Pay**

a. We will reduce the amount of the Business Income loss payment to the extent you can resume your business operations, in whole or in part, by using:

(1) Damaged or undamaged property (including merchandise or "stock") at the insured premises or elsewhere;

(2) Any other available source of materials or other outlet for your products.

b. We will reduce the amount of Extra Expense loss payment to the extent you can return operations to normal and discontinue Extra Expenses.

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

d. We will reduce the amount of the Business Income loss payment to the extent that the reduction in volume of business income from the affected income channel is offset by an increase in the volume of business from other income channels.



## PROPERTY CHOICE COMMON CRIME COVERAGES FORM (BUSINESS CRIME)

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

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

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

### A. INSURING AGREEMENTS

Coverage is provided under the following INSURING AGREEMENTS for which a corresponding Limit of Insurance is shown in the Property Choice Schedule of Premises and Coverages, or Endorsements and applies to loss which is to your financial detriment and that you sustain resulting directly from an "occurrence" taking place at any time which is "discovered" by you during the Policy Period shown in the Property Choice Declarations or during the period of time provided in the Extended Period To Discover Loss - CRIME COMMON CONDITION F.1.g.:

#### 1. Employee Theft

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

#### 2. Forgery or Alteration

a. We will pay for loss resulting from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you; or
- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

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

b. If you are sued for refusing to pay any instrument covered in Paragraph 2. a. above, 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 you incur and pay in that defense. The amount that we will pay is in addition to the limit of Insurance applicable to this Insuring Agreement.

#### 3. Inside the Premises - Theft of Money and Securities

a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premise" resulting from "theft", disappearance or destruction.

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

c. We will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted "theft" of or unlawful entry into those containers.

#### 4. Outside the Premises - Theft of Money and Securities

We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.

#### 5. Computer and Funds Transfer Fraud

We will pay for loss of or damage to "money", "securities", and "other property" resulting directly from: the use of any computer to fraudulently cause:

a. A transfer of that property from inside the "premises" or "banking premises":

- (1) To a person (other than a "messenger") outside those "premises"; or

(2) To a place outside those "premises".

- b. The loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

**6. Money Orders and Counterfeit Paper Currency**

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- a. Money orders issued by any post office, express company or bank that are not paid upon presentation; or
- b. "Counterfeit" paper currency that is acquired during the regular course of business.

**7. Deception Fraud**

We will pay for loss to "money", "securities" and "other property" when you, or anyone to whom you have entrusted "money", "securities" and "other property", voluntarily parts with such "money", "securities" and "other property" due to any fraudulent scheme, trick, device or false pretense.

**B. ADDITIONAL COVERAGE - CLAIM EXPENSE**

- 1. In the event of covered loss or damage we will pay for reasonable expenses incurred by you at our specific request to assist us in:
  - a. The investigation of a claim or suit; or
  - b. The determination of the amount of loss, such as taking inventory or auditing business records.
- 2. The most we will pay in any one occurrence is \$10,000. This is an additional amount of insurance.

**C. LIMIT OF INSURANCE**

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

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

If any loss is covered under more than one Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or Coverages.

**D. DEDUCTIBLE**

We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the applicable Deductible Amount shown in the Declarations, Schedules or Endorsements. We will then pay for the amount of loss in excess of the Deductible

amount, up to the Limit of Insurance. In the event that more than one Deductible Amount could apply to the same loss, only the highest Deductible Amount will be applied.

**E. EXCLUSIONS**

**1. EXCLUSIONS APPLICABLE TO ALL INSURING AGREEMENTS**

This insurance does not apply to:

**a. Acts Committed By You, Your Partners Or Your Members**

Loss resulting from "theft" or any other dishonest act committed by:

- (1) You; or
- (2) Any of your partners or "members"; whether acting alone or in collusion with other persons.

**b. Acts Of Employees Learned Of By You Prior To The Policy Period**

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of that "theft" or dishonest act prior to the Policy Period shown in the Declarations.

**c. Acts Of Employees, Managers, Directors, Trustees Or Representatives**

Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:

- (1) Whether acting alone or in collusion with other persons; or
- (2) While performing services for you or otherwise;

except when covered under Insuring Agreement A.1. Employee Theft.

**d. Confidential Information**

Loss resulting from:

- (1) The unauthorized disclosure of your confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or
- (2) The unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.

**e. Governmental Action**

Loss resulting from seizure or destruction of property by order of governmental authority.

**f. Indirect Loss**

Loss that is an indirect result of any act or occurrence covered by this insurance including, but not limited to, loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of or loss from damage to property. Any Business Income Coverage Form or Extra Expense Coverage Form that is attached to this policy does not apply.
  - (2) Payment of damages of any type for which you are legally liable.
  - (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance, except as provided above in Section B.
- ADDITIONAL COVERAGE - CLAIM EXPENSE.**

**g. Legal Fees, Costs And Expenses**

Fees, costs and expenses incurred by you which are related to any legal action except when covered under insuring Agreement A. 2. **Forgery or Alteration.**

**h. Nuclear Hazard**

Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

**i. "Pollutants and Contaminants"**

We will not pay for loss or damage caused by, resulting from, arising out of, or in any way related to the discharge, dispersal, seepage, migration, release or escape of "Pollutants and Contaminants".

Pollutants and Contaminants as used in this exclusion means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemical and waste, or any other material which causes or threatens to cause physical loss, damage, impurity to property, unwholesomeness, undesirability, loss of marketability, loss of use of property or which threatens human health or welfare. Waste includes materials to be recycled, reconditioned or reclaimed.

**j. War and Similar Actions**

Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

**2. ADDITIONAL EXCLUSIONS APPLICABLE TO EMPLOYEE THEFT**

Insuring agreement A.1. **Employee Theft** does not apply to:

**a. Inventory Shortages**

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit or loss computation.

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

**b. Trading**

Loss resulting directly or indirectly from trading, whether in your name or in a genuine or fictitious account.

**c. Warehouse Receipts**

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

**3. ADDITIONAL EXCLUSIONS APPLICABLE TO A.3. INSIDE THE PREMISES - THEFT OF MONEY AND SECURITIES - AND A.4. OUTSIDE THE PREMISES - THEFT OF MONEY AND SECURITIES**

Insuring Agreements A.3. **Inside the Premises - Theft of Money and Securities** - and A.4. **Outside the Premises - Theft of Money and Securities**, do not apply to:

**a. Accounting Or Arithmetic Errors Or Omissions**

Loss resulting from accounting or accounting or arithmetical errors or omissions.

**b. Exchanges or Purchases**

Loss resulting from the giving or surrendering of property in any exchange or purchase.

**c. Fire**

Loss or damage resulting from fire, however caused, except:

- (1) Loss of or damage to "money" and "securities"; and

(2) Loss from damage to a safe or vault.

**d. Money Operated Devices**

Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

**e. Motor Vehicles Or Equipment And Accessories**

Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.

**f. Transfer or Surrender Of Property**

(1) Loss of or damage to property that has been transferred or surrendered to a person or place outside the "premises" or "banking premises":

(a) On the basis of unauthorized instructions; or

(b) As a result of a threat to do bodily harm to any person; or

(c) As a result of a threat to do damage to any property; or

(d) As a result of a threat to introduce a denial of service attack into your computer system; or

(e) As a result of a threat to introduce a virus or other malicious instruction into your computer system which is designed to damage, destroy or corrupt data or computer programs stored within your computer system; or

(f) As a result of a threat to contaminate, pollute or render substandard your products or goods; or

(g) As a result of a threat to disseminate, divulge or utilize:

(i) Your confidential information; or

(ii) Weaknesses in the source code within your computer system.

(2) But, this Exclusion does not apply under Insuring Agreement A.4. **Outside the Premises - Theft of Money and Securities** to loss of "money", or "securities" while outside the "premises" in the care and custody of a "messenger" if you:

(a) Had no knowledge of any threat at the time the conveyance began; or

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

**g. Vandalism**

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

**h. Voluntary Parting of Title to or Possession of Property**

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

**4. ADDITIONAL EXCLUSIONS APPLICABLE TO COMPUTER AND FUNDS TRANSFER FRAUD**

Insuring Agreement A.5. **Computer and Funds Transfer Fraud** does not apply to:

**a. Credit Card Transactions**

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

**b. Inventory Shortages**

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

(1) An inventory computation; or

(2) A profit or loss computation.

**5. ADDITIONAL EXCLUSIONS APPLICABLE TO DECEPTION FRAUD**

Insuring Agreement A.7. **Deception Fraud** does not cover:

Loss of "money", "securities" and "other property" when the person committing the fraudulent scheme, trick, device or false pretense is an "employee".

**F. CRIME COMMON CONDITIONS**

The following Conditions apply in addition to the Common Policy Conditions:

**1. Conditions applicable to all Insuring Agreements**

**a. Additional Premises Or Employees**

If, while this insurance is in force, you establish any additional "premises" or hire additional "employees", other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of,

another entity, such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the Policy Period shown in the Property Choice Declarations.

**b. Concealment, Misrepresentation Or Fraud**

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

- (1) This insurance;
- (2) The property covered under this insurance;
- (3) Your interest in the property covered under this insurance; or
- (4) A claim under this insurance.

**c. Consolidation - Merger or Acquisition**

If through consolidation or merger with, or purchase or acquisition of assets or liabilities of, some other entity, any additional persons who become "Employees" or you acquire the use and control of any additional premises:

- (1) You must give us written notice and obtain our written consent to extend this insurance to such additional "employees" or "premises". We may condition our consent upon payment of an additional premium; but
- (2) For the first 90 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, the coverage provided by this insurance shall apply to such consolidated or merged entity or such purchased or acquired assets or liabilities, provided that all "occurrences" causing or contributing to a loss involving such consolidation, merger or purchase or acquisition of assets or liabilities, must take place after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities.

**d. Cooperation**

You must cooperate with us in all matters pertaining to this insurance as stated in its terms and conditions.

**e. Duties in the Event of Loss**

After you discover a loss or a situation that may result in loss of or damage to

"money", "securities" or "other property" you must:

- (1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreements **A.1. Employee Theft** or **A.2. Forgery or Alteration**) involves a violation of a law you must also notify the local law enforcement authorities.
- (2) Submit to examination under oath at our request and give us a signed statement of your answers.
- (3) Produce for our examination all pertinent records.
- (4) Give us a detailed, sworn proof of loss within 120 days from when we request the information.
- (5) Cooperate with us in the investigation and settlement of any claim.

**f. Employee Benefit Plan(s)**

- (1) The "employee benefit plan(s)" shown in the Declarations, Schedules or endorsements are included as Insureds under Insuring agreement **A.1. Employee Theft**.
- (2) If any "employee benefit plan(s)" is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance for Insuring Agreement **A.1. Employee Theft** that is sufficient to provide a limit of Insurance for each Plan that is at least equal to that required if each Plan were separately insured.
- (3) With respect to losses sustained or "discovered" by any such Plan, Insuring Agreement **A.1. Employee Theft** is replaced by the following:  
We will pay for loss of or damage to "funds" and "other property" resulting directly from fraudulent or dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons.
- (4) If the first Named Insured is an entity other than a Plan, any payment we make 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.
- (5) If two or more Plans are insured under this insurance, any payment we make for loss:
  - (a) Sustained by two or more Plans;  
or



(b) of commingled "funds" or "other property" of two or more Plans;

that arises out of one "occurrence", is to be shared by each Plan sustaining loss in the proportion that the Limit of Insurance required for each Plan bears to the total Limits of Insurance of all plans sustaining loss.

- (6) The Deductible Amount applicable to Insuring agreement **A.1. Employee Theft** does not apply to loss sustained by any "employee benefit plan(s)".

**g. Extended Period To Discover Loss**

We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you:

- (1) No later than 60 days from the date of that cancellation or expiration. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
- (2) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

**h. Joint Insured**

- (1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- (2) If any Insured or partner, "member" or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- (3) An "Employee" of any Insured is considered to be an "Employee" of every Insured.
- (4) If this insurance or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you:
- (a) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon

the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- (b) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

**i. Legal Action Against Us**

You may not bring any legal action against us involving loss:

- (1) Unless you have complied with all the terms of this insurance;
- (2) Until 90 days after you have filed proof of loss with us; and
- (3) Unless brought within 2 years from the date you "discovered" the loss.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

**j. Other Insurance**

If other valid and collectible insurance is available to you for loss covered under this insurance, our obligations are limited as follows:

**(1) Primary Insurance**

When this insurance is written as primary insurance, and:

- (a) You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Declarations, Schedules or Endorsements bears to the total limit of all insurance covering the same loss.
- (b) You have other insurance covering the same loss other than that described in Paragraph (1)(a), we will only pay for the amount of loss that exceeds:
- (i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or

(ii) The Deductible Amount shown in the Declarations, Schedules or Endorsements;

whichever is greater. Our payment for loss is subject to the terms and conditions of this insurance.

**(2) Excess Insurance**

(a) When this insurance is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this insurance.

(b) However, if loss covered under this insurance is subject to a Deductible, we will reduce the Deductible Amount shown in the Declarations, Schedules or Endorsements, by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

**k. Ownership of Property; Interests Covered**

The property covered under this insurance is limited to property:

- (1) That you own or lease;
- (2) That you hold for others; or
- (3) For which you are legally liable, except for property inside a premises of a "client" of yours.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

**l. Policy Bridge - Discovery Replacing Loss Sustained**

(1) If this insurance replaces insurance that provided you with an extended period of time after cancellation in which to discover loss and which did not terminate at the time this insurance became effective:

(a) We will not pay for any loss that occurred during the Policy Period of that prior insurance which is "discovered" by you during the extended period to "discover" loss, unless the amount of loss exceeds the Limit of Insurance

and Deductible Amount of that prior insurance. In that case, we will pay for the excess loss subject to the terms and conditions of this policy.

(b) However, any payment we make for the excess loss will not be greater than the difference between the Limit of Insurance and Deductible Amount of that prior insurance and the Limit of Insurance shown in the Declarations, Schedules or Endorsements.

We will not apply the Deductible Amount shown in the Declarations, Schedules or Endorsements to this excess loss.

(2) The Other Insurance Condition F.1. j. does not apply to this Condition.

**m. Records**

You must keep records of all Covered Property so we can verify the amount of any loss.

**n. Recoveries**

(1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:

- (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;
- (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
- (c) Third, to you in satisfaction of any Deductible Amount; and
- (d) Fourth, to you in satisfaction of any loss not covered under this insurance.

(2) Recoveries do not include any recovery:

- (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- (b) Of original "securities" after duplicates of them have been issued.

**o. Territory**

This insurance covers acts committed or events occurring within the United States of America (including its territories and possessions), Puerto Rico and Canada.

**p. Transfer of Your Rights of Recovery Against Others to Us**

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

**q. Valuation - Settlement**

**(1) Subject to Section B. Limit of Insurance, we will pay for:**

**(a) Loss of "Money" but only up to and including its face value. We may, at our option; pay for loss of "Money" issued by any country other than the United States of America:**

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

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

**(i) Pay the value of such "Securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "Securities"; or**

**(ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "Securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:**

- i. Value of the "Securities" at the close of business on the day the loss was discovered; or**
- ii. Limit of Insurance.**

**(c) Loss of or damage to "other property" for the replacement cost of the property without deduction for depreciation as of the time of loss. However, we will not pay**

more than the least of the following:

- (i) The Limit of Insurance applicable to the lost or damaged property;**
- (ii) The cost to replace the lost or damaged property with other property of comparable material and quality and used for the same purpose; or**
- (iii) The amount you actually spent that is necessary to repair or replace the lost or damaged property.**

We will not pay on a replacement cost basis for any loss:

- (i) Until the lost or damaged property is actually repaired or replaced; and**
- (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.**

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

**(2) We may, at our option, pay for loss of, or loss from damage to, property other than "Money":**

- (a) In the "Money" of the country in which the loss occurred; or**
- (b) In the United States of America dollar equivalent of the "Money" of the country in which the loss occurred determined by the rate of exchange published in the Wall Street Journal on the day the loss was discovered.**

**(3) Any property that we pay for or replace becomes our property.**

**2. Conditions Applicable to Insuring Agreement A.1. Employee Theft**

**a. Termination As To Any Employee**

This Insuring Agreement terminates as to any "employee":

**(1) As soon as:**

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

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

- (2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

**b. Territory**

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory Condition E.1.n. for a period of not more than 90 days.

**3. Conditions Applicable to Insuring Agreement A.2. Forgery or Alteration:**

**a. Deductible Amount**

The Deductible amount does not apply to legal expenses paid under Insuring Agreement A.2. Forgery or Alteration.

**b. Electronic and Mechanical Signatures**

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

**c. Proof of Loss**

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

**d. Territory**

We will cover loss you sustain anywhere in the world. The Territory Condition E.1.n. does not apply to Insuring Agreement A.2. Forgery or Alteration.

**4. Condition Applicable to Insuring Agreement A.4. Outside the Premises - Theft of Money and Securities**

**Special Limit Of Insurance For Specified Property**

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to:

- (1) Precious metals, precious or semiprecious stones, pearls, furs, or completed or partially completed articles made of or containing such materials that constitute the principal value of such articles; or
- (2) Manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

**5. Conditions Applicable To Insuring Agreement A.5. Computer and Funds Transfer Fraud**

**a. Special Limit Of Insurance For Specified Property**

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

**b. Territory**

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. COMMON CRIME CONDITION - Territory - F.1.o. does not apply to Insuring Agreement A.5.

**6. Conditions Applicable To Insuring Agreement A.7. Deception Fraud**

**Territory**

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. COMMON CRIME CONDITION - Territory - F.1.o. does not apply to Insuring Agreement A.7.

**G. Definitions**

1. "Banking Premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Client" means any entity for whom you perform services under a written agreement.
3. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.
4. "Custodian" means you, or any of your partners or "members", or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.
5. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.

6. "Employee":

a. "Employee" means:

(1) Any natural person:

- (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";
- (b) Who you compensate directly by salary, wages or commissions; and
- (c) Who you have the right to direct and control while performing services for you;

(2) Any natural person who is furnished temporarily to you:

- (a) To substitute for a permanent "employee" as defined in Paragraph (1) above, who is on leave; or
- (b) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the "premises";

(3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph (2) above;

(4) Any Natural person who is:

- (a) A trustee, officer, employee, administrator or manager who is an independent contractor, of any "employee benefit plan; and
- (b) A director or trustee of yours while that person is engaged in handling "funds" or "other property" of any "employee benefit plan;

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

(6) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the "premises".

(7) Any "employee" of an entity merged or consolidated with you prior to the effective date of this insurance; or

(8) Any of your "managers", directors or trustees while:

- (a) Performing acts within the scope of the usual duties of an "employee"; or
- (b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

b. "Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph 5.a.

7. "Employee benefit plan(s)" means any welfare or pension benefit plan shown in the Declarations, Schedules or endorsements, that you sponsor and which is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

8. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

9. "Fraudulent instruction" means:

a. An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;

b. A written instruction (other than those described in Insuring Agreement A.2. **Forgery or Alteration**) issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or

c. An electronic, telegraphic, cable, teletype, telefacsimile or written instruction initially received by you which purports to have been transmitted by an "employee" but which was in fact fraudulently transmitted by someone else without your or the "employee's" knowledge or consent.

10. "Funds" means "money" and "securities".
11. "Manager" means a person serving in a directorial capacity for a limited liability company.
12. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
13. "Messenger" means you, or a relative of yours, or any partners or "members", or any "employee" while having care custody of property outside the "premises".
14. "Money" means:
  - a. Currency, coins and bank notes in current use and having a face value; and
  - b. Travelers checks, registered checks and money orders held for sale to the public.
15. "Occurrence" means:
  - a. Under Insuring Agreement **A.1. Employee Theft**:
    - (1) An individual act;
    - (2) The combined total of all separate acts whether or not related; or
    - (3) A series of acts whether or not related;

committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the declarations, before such Policy Period or both.
  - b. Under Insuring Agreement **A.2. Forgery or Alteration**:
    - (1) An individual act;
    - (2) The combined total of all separate acts whether or not related; or
    - (3) A series of acts whether or not related;

committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, before such Policy Period or both.
  - c. Under All Other Insuring Agreements:
    - (1) An individual act or event;
    - (2) The combined total of all separate acts or events whether or not related; or
    - (3) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the policy Period shown in the Declarations, before such Policy Period or both.
16. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property excluded under this insurance.
17. "Premises" means the interior of that portion of any building you occupy in conducting your business.
18. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
  - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".
19. "Theft" means the unlawful taking of "money", "securities", or "other property" to the deprivation of the Insured.
20. "Transfer Account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "funds":
  - a. By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
  - b. By means of written instructions (other than those described in Insuring Agreement **A.2. Forgery or Alteration**) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.
21. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.



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

## PROPERTY CHOICE - SPECIALIZED PROPERTY INSURANCE COVERAGES FOR WHOLESALERS

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. Words and phrases that appear in quotation marks have special meaning. Refer to Form PC 00 90 PROPERTY CHOICE CONDITIONS AND DEFINITIONS for definitions.

### SUMMARY of COVERAGE LIMITS and INDEX

This is a summary of the limits of insurance and coverages provided by this endorsement.  
No coverage is provided by this summary.

Item No.	PROPERTY CHOICE COVERAGE FORM SECTION A. - ADDITIONAL COVERAGES	LIMIT OF INSURANCE (Apply in any one occurrence unless otherwise noted)
1.	ACCOUNTS RECEIVABLE:	\$250,000 at all "Scheduled Premises"; while in the due course of Transit; or while at Unnamed Premises.
2.	BRANDS AND LABELS:	Included in the Limit of Insurance applicable to Business Personal Property - Stock.
3.	BUILDING GLASS REPAIRS:	Included In the Building Limit of Insurance.
4.	BUSINESS TRAVEL INCLUDING SALES REPRESENTATIVE SAMPLES:	\$50,000.
5.	CLAIM EXPENSES:	\$50,000.
6.	CONTRACT PENALTIES:	\$50,000.
7.	DEBRIS REMOVAL - (ADDITIONAL AMOUNT):	\$250,000.
8.	EMPLOYEE PERSONAL EFFECTS:	\$50,000.
9.	ERRORS IN DESCRIPTION:	See provision.
10.	EXHIBITIONS:	\$50,000. At any one Exhibition.
11.	EXTRA EXPENSE AND EXPEDITING EXPENSES (OTHER THAN EQUIPMENT BREAKDOWN EXPEDITING EXPENSES):	\$50,000.
12.	FINE ARTS:	\$50,000.
13.	FIRE DEPARTMENT SERVICE CHARGE:	\$50,000.
14.	FIRE DEVICE RECHARGE:	\$50,000.
15.	FUNGUS, WET ROT, DRY ROT, BACTERIA AND VIRUS - LIMITED COVERAGE:	\$50,000. At Each Premises in any one "Policy Year".
16.	INFLATION GUARD:	Consumer Price Index up to 8%.
17.	INSTALLMENT OR DEFERRED SALES:	Up to \$50,000.
18.	LOSS OF MASTER KEY	\$25,000.
19.	NEW CONSTRUCTION AT SCHEDULED PREMISES:	\$1,000,000.
20.	NEWLY ACQUIRED PROPERTY: BUILDINGS:	\$2,000,000.
	NEWLY ACQUIRED PROPERTY: BUSINESS PERSONAL PROPERTY:	\$1,000,000.
21.	NON OWNED DETACHED TRAILERS:	\$50,000.
22.	ORDINANCE OR LAW COVERAGE A (VALUE OF THE UNDAMAGED BUILDING):	Included in the Limit of Insurance applicable to Building.

	<b>ORDINANCE OR LAW COVERAGES B &amp; C (DEMOLITION &amp; INCREASED COST OF CONSTRUCTION):</b>	<b>\$1,000,000.</b>
23.	<b>OUTDOOR TREES, SHRUBS, SOD, PLANTS AND LAWNS:</b>	<b>\$50,000.</b>
24.	<b>PAIRS AND SETS:</b>	Included in the Limit of Insurance applicable to Business Personal Property - Stock.
25.	<b>POLLUTANTS AND CONTAMINANTS CLEANUP:</b>	<b>\$50,000. at each "Scheduled Premises" in any one "Policy Year".</b>
26.	<b>PRESERVATION OF PROPERTY:</b>	<b>180 days.</b>
27.	<b>REWARD COVERAGE:</b>	<b>\$50,000.</b>
28.	<b>SEWER AND DRAIN BACKUP:</b>	Included in the Limit of Insurance.
29.	<b>TRANSIT:</b>	<b>\$50,000.</b>
30.	<b>TRANSITION TO REPLACEMENT PREMISES:</b>	Included within the Limit of Insurance applicable to the Covered Property that is moved.
31.	<b>UNNAMED PREMISES: AT ALL UNNAMED PREMISES: BUILDINGS:</b>	<b>\$100,000.</b>
	<b>UNNAMED PREMISES: AT ALL UNNAMED PREMISES: BUSINESS PERSONAL PROPERTY:</b>	<b>\$100,000.</b>
	<b>UNNAMED PREMISES: AT ALL UNNAMED PREMISES: BUSINESS PERSONAL PROPERTY -INSTALLATION:</b>	<b>\$25,000. At any one Installation.</b>
32.	<b>UTILITY SERVICE INTERRUPTION:</b>	<b>\$25,000.</b>
33.	<b>WATER DAMAGE BUILDING TEAR OUT AND REPAIR:</b>	Included.
34.	<b>WATER SEEPAGE:</b>	<b>\$25,000.</b>
35.	<b>WIND BLOWN DEBRIS:</b>	<b>\$2,500.</b>
	<b>SECTION B. - COMBINED ADDITIONAL PROTECTION:</b>	<b>Up to \$250,000.</b>
	<b>SECTION C. - TENANT LEASE COVERAGES:</b>	
1.	<b>BUILDING GLASS:</b>	Included in Business Personal Property Limit.
2.	<b>LEASE ASSESSMENT:</b>	<b>\$2,500.</b>
3.	<b>LEASEHOLD IMPROVEMENTS:</b>	<b>\$25,000.</b>
4.	<b>MISCELLANEOUS INTERIOR BUILDING PROPERTY:</b>	<b>\$25,000.</b>
5.	<b>THEFT DAMAGE:</b>	Included in Business Personal Property Limit.
6.	<b>LEGAL LIABILITY - BUILDING COVERAGE FORM (PC 00 30) ATTACHES TO AND FORMS PART OF THIS POLICY LEGAL LIABILITY - BUILDING LIMIT OF INSURANCE:</b>	<b>\$25,000. In any one accident.</b>



<b>SECTION D. - PROPERTY CHOICE COMMON CRIME COVERAGE FORM IS ADDED:</b>	
<b>EMPLOYEE THEFT:</b>	<b>\$50,000.</b>
<b>FORGERY OR ALTERATION:</b>	<b>\$25,000.</b>
<b>MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY:</b>	<b>\$25,000.</b>
<b>INSIDE THE PREMISES - THEFT OF MONEY AND SECURITIES:</b>	<b>\$25,000.</b>
<b>OUTSIDE THE PREMISES - THEFT OF MONEY AND SECURITIES:</b>	<b>\$25,000.</b>

**SECTION A. - ADDITIONAL COVERAGES**

The following Additional Coverages are added to the Property Choice Coverage Form unless otherwise indicated in the Property Choice Schedule of Premises and Coverages or by endorsement to this policy:

For Insurance that may apply to a Specific Scheduled Premises see: Property Choice Schedule of Premises and Coverage - Scheduled Premises section.

**1. ACCOUNTS RECEIVABLE**

**Coverage:** We will pay for direct physical loss or direct physical damage caused by or resulting from a Covered Cause of Loss to your records of Accounts Receivable. Accounts Receivable, means all amounts due from your customers that you are unable to collect; due to a covered direct physical loss or covered direct physical damage to inscribed, printed, written or electronic records of accounts receivable. We will also pay for:

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

**Limit of Insurance:** The most we will pay for direct physical loss or direct physical damage to records of Accounts Receivable in any one occurrence is \$250,000 at all "Scheduled Premises"; while in the due course of Transit; or while at Unnamed Premises. This is an additional amount of Insurance.

**2. BRANDS AND LABELS**

**Coverage:** In the event of covered direct physical loss or covered direct physical damage to "Stock", and "Stock" is Covered Property that is branded or labeled, we will take all or part of the damaged "stock" at an agreed or appraised value. This will include:

- a. Expenses incurred to:

- (1) Stamp salvage on the "Stock" or its containers, if the stamp will not physically damage the merchandise; or

- (2) Remove the brands or labels, if doing so will not physically damage the "Stock". You must relabel the "Stock" and its containers to comply with the law.

- b. Any reduction in the salvage value of the damaged "Stock" as the result of the removal of the brand or label.

**Limit of Insurance:** The most we will pay under this Additional Coverage - Brands and Labels in any one occurrence is the limit of insurance applicable to Business Personal Property - "stock" where the direct physical loss or direct physical damage occurred.

**3. "BUILDING GLASS" REPAIRS**

**Coverage:** In the event of covered direct physical loss or covered direct physical damage to "Building Glass", we will pay in any one occurrence your expenses to:

- a. Install temporary plates or board up openings if repair or replacement of damaged "Building Glass" is delayed.
- b. Make necessary repairs or replace the frames immediately encasing the damaged "Building Glass".

**Limit of Insurance:** This Additional Coverage is included within the Limit of Insurance applicable to Building(s) where the direct physical loss or direct physical damage occurred.

**4. BUSINESS TRAVEL INCLUDING SALES REPRESENTATIVE SAMPLES**

**Coverage:** If a limit of insurance is shown in the Property Choice Schedule of Premises and Coverages for Business Personal Property, then we will pay for direct physical loss or direct physical damage by a Covered Cause of Loss to Business Personal Property including Sales Representative Samples while in the custody of:

- a. Your sales representatives; or
- b. Any officer, employee or yourself;

while traveling anywhere in the world on authorized company business.

With respect to the coverage provided under this Additional Coverage - Business Travel, the Coverage Territory General Condition found in the Property Choice Conditions and Definitions form does not apply.

Business Travel Coverage does not include property owned by and for exclusive personal use by you or your officers, partners, employees, residents or students.

Property eligible for Business Travel Coverage is not eligible under any other Coverage in this Coverage Form.

**Limit of Insurance:** The most we will pay for direct physical loss or direct physical damage to Business Travel Including Sales Representative Samples in any one occurrence is \$50,000. This is an additional limit of insurance.

#### 5. CLAIM EXPENSES

**Coverage:** You may extend the insurance provided by this Coverage Form to apply to the actual, necessary and reasonable expenses you incur in preparing claim data when we require it. Claim expenses as used in this Additional Coverage means the cost of taking inventories, making appraisals and preparing other documents that we request in writing to you.

**Limit of Insurance:** The most we will pay in any one occurrence for the preparation of claim data under this Additional Coverage is \$50,000. This is an additional amount of insurance.

We will not pay for any expenses incurred, directed or billed by and payable to insurance agents, brokers, adjusters or their affiliates or subsidiaries or any costs as provided in or incurred due to the GENERAL CONDITION - Appraisal.

#### 6. CONTRACT PENALTIES

**Coverage:** We will pay for written contract penalties you are required to pay due to your failure to provide your product or service which is the direct result of a Covered Cause of Loss during the policy period to "Stock" and "Stock" is Covered Property under this Coverage Part.

**Limit of Insurance:** The most we will pay for all penalties in any one occurrence resulting from a Covered Cause of Loss is \$50,000. This is an additional amount of insurance.

#### 7. DEBRIS REMOVAL

a. **Coverage:** We will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or 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. This additional coverage does not apply to:

- (1) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
- (2) Remove property of others of a type that would not be Covered Property under this Coverage Form;
- (3) Remove deposits of mud or earth from the grounds of the described premises;
- (4) Costs to extract "pollutants" from land or water; or
- (5) Costs to remove restore or replace polluted land or water.

#### b. Limit of Insurance:

- (1) Payment for Debris Removal is included within the applicable Limit of Insurance shown in the Property Choice Schedule of Premises and Coverages for the damaged Covered Property. The most we will pay under this Additional Coverage is 25% of the amount that we pay for the direct physical loss of or direct physical damage to Covered Property, plus the deductible in this policy applicable to that loss or damage.
- (2) When the debris removal expense exceeds the above 25% limitation or the sum of loss or damage to Covered Property and the expense for removal of the Covered Property debris exceeds the applicable Limit of Insurance for the damaged Covered Property, we will pay an additional amount for debris removal expense of up to \$250,000 in total at all "Scheduled Premises" in any one occurrence.
- (3) However, if no Covered Property has sustained direct physical loss or direct physical damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each "Scheduled Premises".

#### 8. EMPLOYEE PERSONAL EFFECTS

**Coverage:** If a limit of insurance is shown in the Property Choice Schedule of Premises and Coverages for Business Personal Property, then we will pay for direct physical loss or direct physical damage caused by or resulting from a Covered Cause of Loss to your Employee Personal Effects at a "Scheduled Premises". Employee Personal Effects means personal effects owned by you or your officers, partners,

employees, members, or managers and used exclusively by the individual owner for their own personal use such as personally owned laptops, Personal Digital Assistants and cell phones. This coverage does not apply at a place of residence.

**Limit of Insurance:** The most we will pay in total in any one occurrence for all direct physical loss or direct physical damage to all employee personal effects is \$50,000. We will not pay more than \$25,000 in total for direct physical loss or direct physical damage to personal effects belonging to any one employee in any one occurrence regardless of the number or types of personal effects lost or damaged.

Coverage for Employee Personal Effects is extended to apply up to 1000 feet outside the "Scheduled Premises" boundary.

This is an additional limit of insurance.

#### 9. ERRORS IN DESCRIPTION

Any unintentional error in the description of the occupancy or location address of Covered Property will not impair this insurance, provided you report the error to us as soon as the error becomes known to you.

#### 10. EXHIBITIONS

**Coverage:** If a limit of insurance is shown in the Property Choice Schedule of Premises and Coverages for Business Personal Property, then we will pay for direct physical loss or direct physical damage caused by or resulting from a Covered Cause of Loss to Business Personal Property while on temporary public display, or being used, at fairs, exhibitions, expositions or trade shows or while in transit to and from these temporary sites.

With respect to the coverage provided under this Additional Coverage - Exhibitions, the Coverage Territory General Condition found in the Property Choice Conditions and Definitions form does not apply.

**Limit of Insurance:** The most we will pay for all direct physical loss or direct physical damage at any one exhibition is \$50,000. This is an additional limit of insurance. Property eligible for Exhibitions Coverage is not eligible under any other Coverage of this Coverage Form.

#### 11. EXTRA EXPENSE AND EXPEDITING EXPENSES (OTHER THAN EQUIPMENT BREAKDOWN EXPEDITING EXPENSES)

**Coverage:** In the event of a Covered Cause of Loss to Covered Property at a "Scheduled Premises" you may extend the insurance provided by this coverage form to apply to the actual, necessary and reasonable:

- a. Extra expenses you incur to continue as nearly as possible your normal business operations immediately following the covered loss or damage.

- b. Additional expenses you incur to:

- (1) Make temporary repairs of damaged covered property;
- (2) Expedite permanent repair or replacement of damaged covered property; or
- (3) Provide training on replacement machines or equipment that are covered property.

This includes overtime wages, the extra cost of express or other rapid means of transportation, and expenses to bring computer systems back to operational status.

- c. **Limit of Insurance:** The most we will pay in total for all expenses incurred under this Additional Coverage in any one occurrence is \$50,000. This is an additional limit of insurance.

#### 12. FINE ARTS

**Coverage:** If a limit of insurance is shown in the Property Choice Schedule of Premises and Coverages for Business Personal Property, then we will pay for direct physical loss or direct physical damage caused by or resulting from a Covered Cause of Loss to Fine Arts. Fine Arts mean 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, of rarity, historical value or artistic merit, owned by you or others in your care, custody or control.

Fine Arts do not include artwork that is computerized or classified as data.

**Limit of Insurance:** The most we will pay for direct physical loss or direct physical damage in any one occurrence is \$50,000, regardless of the number or types of Fine Arts damaged. We will not pay more than \$10,000 for any one item of Fine Arts in any one occurrence. A pair or set will be deemed to be one item. This is an additional limit of insurance.

#### 13. FIRE DEPARTMENT SERVICE CHARGE

**Coverage:** In the event that the fire department responds to save or protect Covered Property from a Covered Cause of Loss, we will pay for your liability for fire department service charges:

- a. Assumed by contract or agreement prior to the covered loss event; or
- b. Required by local ordinance.

No deductible applies to this Additional Coverage.

**Limit of Insurance:** The most we will pay for Fire Department Service Charge in any one occurrence is \$50,000. Such Limit is the most we will pay regardless of the number of responding fire departments or fire units and regardless of the number or type of services performed. This is an additional amount of insurance.

#### 14. FIRE DEVICE RECHARGE

- a. **Coverage:** In the event that a manual or automatic fire extinguishing device is discharged:
- (1) To fight a fire;
  - (2) As the result of Covered Cause of Loss; or
  - (3) Due to accidental discharge;
- we will pay expenses you incur to recharge such equipment.
- b. We will not pay for:
- (1) Any costs resulting from the enforcement of any ordinance or law that regulates the recharging, repair or replacement of such fire extinguishing device or fire fighting, suppressing or controlling substance;
  - (2) Halon;
  - (3) The recharge of any device used for demonstration or testing purposes; or
  - (4) Recharge due to maintenance of any device or system.
- c. **Limit of Insurance:** The most we will pay for Fire Device Recharge in any one occurrence is \$50,000. This is an additional limit of insurance.

#### 15. "FUNGUS", WET ROT, DRY ROT, BACTERIA AND VIRUS - LIMITED COVERAGE

- a. The coverage described below only applies when the "fungus", wet or dry rot, bacteria or virus is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
- (1) A "specified cause of loss" other than fire or lightning;
  - (2) Equipment Breakdown Accident occurs to Equipment Breakdown Property, if Equipment Breakdown applies to the affected premises; or
  - (3) Flood, if the Causes of Loss Flood endorsement applies to the affected premises.
- b. We will pay for loss or damage by "fungus", wet rot, dry rot, bacteria and virus. As used in this Limited Coverage, the term loss or damage means:
- (1) Direct physical loss or direct physical damage to Covered Property caused by "fungus", wet rot, dry rot, bacteria or virus, including the cost of removal of the "fungus", wet rot, dry rot, bacteria or virus;

(2) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet rot, dry rot, bacteria or virus; and

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

- c. The coverage described under this Limited Coverage is limited to \$50,000 at each "Scheduled Premises". 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), Equipment Breakdown Accident that occurs to Equipment Breakdown Property and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet rot, dry rot, bacteria or virus, we will not pay more than \$50,000 at each "Scheduled Premises" in any one "Policy Year" applicable to "Fungus", Wet Rot, Dry Rot, Bacteria and Virus - Limited Coverage even if the "fungus", wet rot, dry rot, bacteria or virus continues to be present or active, or recurs, in a later policy period.
- d. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet rot, dry rot, bacteria or virus, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

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

The terms of this Limited Coverage do not increase or reduce the coverage provided under the Additional Coverage - Water Damage Building Tear Out and Repair of this Form.

#### 16. INFLATION GUARD

**Coverage:** In the event of a Covered Cause of Loss or damage to Covered Property at a "Scheduled Premises", the Limits of Insurance that apply to the damaged Buildings and Business Personal Property at "Scheduled Premises" where the loss or damage

occurs will automatically increase by a factor based on the accumulated U.S. Government Consumer Price Index (CPI) for the months from the inception of this policy until the date of loss.

**Limit of Insurance:** But in no event will we pay more than an additional 8% of the applicable Limit of Insurance

#### 17. INSTALLMENT OR DEFERRED SALES

**Coverage:** If a limit of insurance is shown in the Property Choice Schedule of Premises and Coverages for Business Personal Property, coverage is extended to apply to direct physical loss or direct physical damage by a Covered Cause of Loss to your financial interest in Business Personal Property that you have sold under a deferred or installment payment plan during the policy period and after you have made delivery to your customer during the policy period.

Direct physical loss or direct physical damage to such Business Personal Property must be by a Covered Cause of Loss during the policy period. Theft or conversion by your customer or failure of your customer to make payments under the payment plan are not covered causes of loss.

**Limit of Insurance:** The most we will pay for Installment or Deferred Sales in any one occurrence is the lesser of your remaining financial interest in the Business Personal Property sold under a deferred or installment plan or \$50,000. This is an additional limit of insurance.

#### 18. LOSS OF MASTER KEY

We will pay for the reasonable and necessary costs you incur to replace keys, adjust locks to accept new keys or if required, install new locks, due to direct physical loss or direct physical damage to a master key or grand master key caused by or resulting from a Covered Cause of Loss.

**Limit of Insurance:** The most we will pay for Loss of Master Key in any one occurrence is \$25,000. This is an additional limit of insurance.

#### 19. NEW CONSTRUCTION AT "SCHEDULED PREMISES"

a. **Coverage:** If a limit of insurance is shown in the Property Choice Schedule of Premises and Coverages for Building we will pay for direct physical loss or direct physical damage, including the cost of labor, caused by or resulting from a Covered Cause of Loss to New Construction at "Scheduled Premises". New Construction at "Scheduled Premises" applies to buildings you begin to construct after the inception of this policy and will end when any of the following first occurs:

- (1) This policy expires;
- (2) 180 days expire after you begin to construct the building; or

(3) The building is specifically insured on this Coverage Form or elsewhere.

- b. We will charge you additional premium from the date you begin to construct the building.
- c. **Limit of Insurance:** The most we will pay for New Construction at "Scheduled Premises" in any one occurrence is \$1,000,000. This is an additional limit of insurance.

#### 20. NEWLY ACQUIRED COVERED PROPERTY

a. We will pay for direct physical loss or direct physical damage caused by or resulting from a Covered Cause of Loss to Newly Acquired Property. Newly Acquired Property means buildings or business personal property you acquire, purchase or lease after the inception of this policy, but does not include:

- (1) Any property acquired through any foreclosure process;
- (2) Any premises of others where you are temporarily working, such as installing property or performing maintenance or service work;
- (3) Any property covered by any other part of this Coverage Form; or
- (4) Any property that is not covered under this policy.

b. Coverage for Newly Acquired Covered Property will end when any of the following first occurs:

- (1) This policy expires;
- (2) 180 days expire after you newly acquire the Building;
- (3) 180 days expire after you newly acquire the Business Personal Property at newly acquired premises;
- (4) 60 days expire after you newly acquire Business Personal Property at "Scheduled Premises";
- (5) You report values to us; or
- (6) The property is specifically insured on this Coverage Form or elsewhere.

c. We will charge you additional premium from the date you acquire the property.

d. The most we will pay for Newly Acquired Covered Property in any one occurrence is:

- (1) Buildings: \$2,000,000.
- (2) Business Personal Property: \$1,000,000.

These are additional limits of insurance.

#### 21. NON-OWNED DETACHED TRAILERS

**Coverage:** Business Personal Property coverage at "Scheduled Premises", Unnamed Premises and Newly Acquired Premises is extended to apply to detached trailers owned by others, that are in your

care, custody or control, while being loaded, unloaded, awaiting transport or used for temporary storage or similar usage, including while the trailer is moved at your premises. This Additional Coverage does not apply to trailers leased by you on a temporary or long-term basis.

**Limit of Insurance:** The most we will pay for Non-Owned Detached Trailers in any one occurrence is \$50,000. This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

## 22. ORDINANCE OR LAW

**Coverage A. - Value of the Undamaged Buildings, Coverage B. - Demolition Costs and Coverage C. - Increased Cost of Construction Coverages** as described below, apply in the event there is a Covered Cause of Loss to covered Buildings at "Scheduled Premises" and to covered "Tenant Improvements and Betterments" at "Scheduled Premises" that results in the enforcement of an ordinance or law that:

- i. Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the insured premises;
- ii. Requires the demolition of parts of the same building that are not damaged by a Covered Cause of Loss; and
- iii. Is in force at the time of a Covered Cause of Loss or the ordinance or law is promulgated or is revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

Coverage under this Additional Coverage applies only in response to the minimum requirements of the applicable 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.

### a. Coverage A - Coverage For Loss To The Undamaged Portion Of The Building

We will pay for the value of the undamaged portion of the building that was required to be demolished by a requirement to comply with a building, zoning or land use ordinance or law. We will do this on the same valuation basis that applies to the entire building. This does not include any increased costs to repair, replace or rebuild the property due to a requirement to comply with any ordinance or law.

### b. Coverage B - Demolition Cost Coverage

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

the cost to demolish and clear the site of undamaged parts of the same building as a consequence of a requirement to comply with an ordinance or law that requires demolition of such undamaged property.

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

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

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

when the increased cost is a consequence of a requirement to comply with the minimum standards of the ordinance or law.

However:

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

### d. Ordinance or Law Exclusions:

- (1) We will not pay for the enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "Pollutants and Contaminants" or due to the presence, growth, proliferation, spread or any activity of "Fungus", wet rot, dry rot, bacteria or virus.
- (2) We will not pay for any costs associated with the enforcement of or compliance with any ordinance or law which requires you 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 and Contaminants" or "Fungus", wet rot, dry rot, bacteria or virus.
- (3) We will not pay any loss in value or any costs incurred due to an ordinance or law that you were required to comply with before the time of the current loss, even in the absence of building damage, if you failed to comply.
- (4) We will not pay for the compliance of any ordinance or law 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.

**e. Ordinance or Law Limits of Insurance**

- (1) For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
- (2) With respect to the Increased Cost of Construction: If the covered building is subject to the Replacement Cost Valuation provision as shown in the Property Choice - Schedule of Premises and Coverages, and you rebuild the building we will not pay for the increased cost of construction:
  - (a) Until the building is actually repaired or replaced, at the same or another premises; and
  - (b) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- (3) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
- (4) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.
- (5) As respects **Coverage A. - Coverage For Loss To The Undamaged Portion Of The Building**, this is included within the Limit of Insurance applicable to the damaged Building or damaged "Tenant Improvements and Betterments" and applies in any one occurrence.
- (6) As respects **Coverage B. - Demolition Costs and Coverage C. - Increased Cost of Construction**:
  - (a) For Building property, the most we will pay in any one occurrence is \$1,000,000. This is an additional amount of insurance.
  - (b) For "Tenant Improvements and Betterments" property, the most we will pay in any one occurrence as respects this Additional Coverage

where "Tenant Improvements and Betterments" applies is 25% of the insured value of "Tenant Improvements and Betterments" up to \$500,000. This is an additional amount of insurance.

**23. OUTDOOR TREES, SHRUBS, SOD, PLANTS AND LAWNS**

- a. Outdoor trees, shrubs, sod, plants and lawns, when used for landscaping are covered only for direct physical loss or direct physical damage caused by or resulting from the following causes of loss:
  - (1) Fire;
  - (2) Lightning;
  - (3) Explosion;
  - (4) Riot or civil commotion;
  - (5) Aircraft; or
  - (6) Vehicles operated by persons other than you or your employees.
- b. The most we will pay for direct physical loss or direct physical damage in any one occurrence under this Additional Coverage is \$50,000, but not more than:
  - (1) \$10,000 for any one tree, shrub or plant;
  - (2) \$10,000 for lawns or sod in total at any one insured premises.
- c. The Limit of Insurance applicable to these types of property includes their debris removal expense. Such debris removal expenses are not included in the Debris Removal - Additional Coverage.
- d. These limits apply in any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

**24. PAIRS OR SETS**

**Coverage:** If parts of pairs or sets of covered Business Personal Property - "Stock" are damaged by a Covered Cause of Loss, we will pay the reduction in value of the undamaged parts of such damaged pairs or sets in any one occurrence.

**Limit of Insurance:** This Additional Coverage is included within the Limit of Insurance applicable to the damaged Business Personal Property - "Stock".

**25. "POLLUTANTS AND CONTAMINANTS" CLEAN UP**

- a. **Coverage:** We will pay for your expense to extract "Pollutants and Contaminants" from land or water at a "Scheduled Premises", if the discharge, dispersal, seepage, migration, release or escape of the "Pollutants and Contaminants" 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.

- b. This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "Pollutants and Contaminants". But we will pay for testing which is performed in the course of extracting the "Pollutants and Contaminants" from land or water.
- c. **Limit of Insurance:** The most we will pay under this Additional Coverage at each "scheduled premises" is \$50,000 for all covered expenses arising out of Covered Causes of Loss occurring during each "Policy Year". This is an additional amount of insurance.

## 26. PRESERVATION OF PROPERTY

- a. **Coverage:** If it is necessary to move Covered Property to preserve it from imminent loss or damage by Flood or a Covered Cause of Loss, we will pay in any one occurrence for any direct physical loss or direct physical damage to that property while being moved to or while at the temporary storage location.
- b. This Additional Coverage will end 180 days after the property is first moved.
- c. **Limit of Insurance:** This Coverage is included within the Limit of Insurance applicable to the Covered Property that is moved.

## 27. REWARD COVERAGE

- a. **Coverage:** We will reimburse you for rewards you have paid leading to:
  - (1) The successful return of substantially undamaged stolen articles to a law enforcement agency; or
  - (2) The arrest and conviction of any persons for having damaged or stolen any of your Covered Property.
- b. **Limit of Insurance:** We will pay 25% of the covered loss (prior to the application of any applicable deductible and recovery of any stolen articles) up to \$50,000 for Reward Coverage in any one occurrence for the payments of rewards you make. These reward payments must be documented. No deductible applies to this Additional Coverage. This is an additional amount of insurance.

## 28. SEWER AND DRAIN BACKUP

**Coverage:** This insurance is extended to apply to direct physical loss or direct physical damage to Covered Property at "Scheduled Premises", Newly Acquired Premises and Unnamed Premises

caused by or resulting from water or other materials that backs up from a sewer or drain.

**Limit of Insurance:** The most we will pay in any one occurrence is the Limit of Insurance applicable to the Covered Property where the direct physical loss or direct physical damage occurred. This Additional Coverage is included within the Covered Property Limits of Insurance.

### **THIS IS NOT FLOOD INSURANCE.**

This Additional Coverage does not apply to loss or damage caused by or resulting from Flood regardless of the proximity of the back-up or overflow to such conditions.

Flood as used in this Additional Coverage means:

- a. Surface water, waves, tidal water, tidal waves, tsunamis, or overflow of any natural or man made body of water from its boundaries, all whether driven by wind or not; or
- b. Mudslide or mudflow, meaning a river or flow of liquid mud directly or indirectly caused by flooding or the accumulation of water under the ground.
- c. Water under the ground surface pressing on, or flowing or seeping through:
  - (1) Foundations, walls, floors or paved surfaces;
  - (2) Basements, whether paved or not; or
  - (3) Doors, windows or other openings.
- d. Flood includes water or other material that backs up or overflows from any sewer or septic tank or drain, if such back-up is caused by any of the conditions in a. or c. above regardless of the proximity of the back-up to such conditions.
- e. All flooding in a continuous or protracted event will constitute a single flood.

## 29. TRANSIT

- a. **Coverage:** If a limit of insurance is shown in the Property Choice Schedule of Premises and Coverages for Business Personal Property, then we will pay for direct physical loss or direct physical damage by a Covered Cause of Loss to the following Covered Property while in the due course of transit:
  - (1) Your Business Personal Property; and
  - (2) Business Personal Property owned by others.
- b. Exclusions **Earth Movement and Water** as found in the Property Choice - Covered Causes Of Loss And Exclusions Form do not apply to this Additional Coverage - TRANSIT.
- c. This Coverage will continue to apply to such property in the due course of transit, after the expiration or cancellation of this policy, until



arrival at and accepted by an authorized representative at the invoiced destination, but for no longer than 30 days after the date of the shipment origination.

- d. We will not pay for loss or damage to covered property:

- (1) Where you are responsible for loss or damage to property as a carrier for hire; or
- (2) Where you are in the business of arranging transportation or consolidations for others.

- e. You must retain accurate records of all shipments of Covered Property for one year.

f. **Transit Coverage Extensions**

(1) **F.O.B. Shipments**

We will pay for your interest in covered direct physical loss or covered direct physical damage to outgoing shipments, which you have sold under conditions where the risk of loss or damage is transferred to the buyer when such property leaves your "Scheduled Premises" if you cannot collect payment for the loss or damage from the consignee.

(2) **Repack and Reship**

We will pay the necessary additional expenses you incur to inspect, repackage and reship property damaged by a Covered Cause of Loss.

(3) **General Average and Salvage Charges**

In accordance with applicable law and usage, we will pay General Average and Salvage Charges that may be assessed against your covered shipments that are waterborne.

(4) **Loading and Unloading**

We will also pay for covered direct physical loss or covered direct physical damage to Covered Property during loading and unloading of the transporting conveyance.

(5) **Return Shipments**

We will also pay for covered direct physical loss or covered direct physical damage to outgoing shipments that have been rejected by the consignee or are not deliverable, while being returned to you.

- g. **Limit of Insurance:** The most we will pay for direct physical loss or direct physical damage to Business Personal Property in the due course of transit is \$50,000. This is an additional limit of insurance.

- h. For the Transit Additional Coverage, the Coverage Territory is within or between the

United States of America, (including its territories and possessions), Puerto Rico and Canada; however, waterborne shipments are covered only if on inland waterways or in territorial waters, within 12 miles of land.

**30. TRANSITION TO REPLACEMENT PREMISES**

If Covered Business Personal Property is moved to new premises from a "Scheduled Premises" being vacated, the Limit of Insurance applicable to that vacated premises will apply proportionately to both premises as the property is moved. This coverage ends when any one of the following first occurs:

- a. 90 days after the move begins;
- b. the move is completed; or
- c. this policy expires.

**31. UNNAMED PREMISES**

- a. **Coverage:** You may extend the insurance that applies to Building (if Building is Covered Property) and to Business Personal Property (if Business Personal Property is Covered Property) to pay for direct physical loss or direct physical damage by a Covered Cause of Loss to Buildings and Business Personal Property while at:

- (1) Premises that you own, lease, or occupy other than at a "Scheduled Premises";
- (2) Premises not described in the Property Choice Schedule of Premises and Coverages, which you do not own, lease or occupy;
- (3) Premises where you are temporarily performing work or installing Business Personal Property.
- (4) Coverage as respects you installing Business Personal Property continues until one of the following first occurs:
  - (a) the installation is accepted by the customer;
  - (b) this policy expires; or
  - (c) the installation is specifically insured on this policy or elsewhere.
- (5) Unnamed Premises does not include any:
  - (a) Premises or property insured under any other Coverage or Additional Coverage of this Coverage Form;
  - (b) Waste disposal or transfer sites;
  - (c) Property while in the due course of transit;
  - (d) Intermediate site while in the due course of transit;
  - (e) Premises of a Web Site or Communication Services provider; or

- (f) Premises or property that is not covered or excluded from coverage under this Coverage Part.

**b. Limits of Insurance:**

- (1) The most we will pay as respects Building in any one occurrence in total at all Unnamed Premises is \$100,000. This is an additional limit of insurance.
- (2) The most we will pay as respects Business Personal Property in any one occurrence in total at all Unnamed Premises (Except premises where you are temporarily performing work or installing Business Personal Property) is \$100,000. This is an additional limit of insurance.
- (3) The most we will pay as respects Business Personal Property in any one occurrence in total at all Unnamed Premises where you are temporarily performing work or installing Business Personal Property is \$25,000. This is an additional limit of insurance.

**32. UTILITY SERVICE INTERRUPTION**

- a. **Coverage:** We will pay for direct physical loss or direct physical damage to Covered Property at "Scheduled Premises", caused by or resulting from the interruption of the following utility services:
  - (1) Water Supply Services, meaning the following types of property supplying water to the "Scheduled Premises":
    - (a) Pumping stations; and
    - (b) Water mains.
  - (2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
    - (a) Communication transmission lines, including optic fiber transmission lines;
    - (b) Coaxial cables; and
    - (c) Microwave radio relays except satellites.
  - (3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
    - (a) Utility generating plants;
    - (b) Switching stations;
    - (c) Substations;
    - (d) Transformers; and
    - (e) Transmission lines.

- b. As used in this Additional Coverage, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.
- c. The interruption must be caused by or result from direct physical loss or direct physical damage by a Covered Cause of Loss to utility services property. We will not pay for any resulting loss or damage due to temperature change or spoilage to business personal property.
- d. **Limit of Insurance:** The most we will pay for all Utility Service Interruption in total in any one occurrence is \$25,000. This is an additional limit of insurance.

**33. WATER DAMAGE BUILDING TEAR OUT AND REPAIR**

- a. **Coverage:** When we pay for direct physical loss or direct physical damage caused by the escape of water or other liquid, powder, or molten material, we will also pay the cost to tear out and replace the parts of the building or structure (whether or not such property is damaged) to repair the broken or cracked system or appliance from which such substances escaped.
- b. We will not pay the cost to repair any defect to the system or appliance from which such substances escaped. But we will pay the cost to repair or replace damaged parts of Automatic Fire Extinguishing Systems if the damage:
  - (1) Results in discharge of any substance from an automatic fire protection system; or
  - (2) Is directly caused by freezing.
- c. **Limit of Insurance:** This Coverage is included within the applicable Covered Property Limit of Insurance.
- d. **Automatic Fire Extinguishing System means:**
  - (1) Any automatic fire protective or extinguishing system, including connected:
    - (a) Sprinklers and discharge nozzles;
    - (b) Ducts, pipes, valves and fittings;
    - (c) Tanks, their component parts and supports; and
    - (d) Pumps and private fire protective mains.
  - (2) Non-automatic fire protective systems, hydrants, standpipes and outlets, all when supplied from an automatic fire protective system.

### 34. WATER SEEPAGE

a. **Coverage:** This insurance is extended to apply to direct physical loss or direct physical damage to Covered Property at "Scheduled Premises", Newly Acquired Premises and Unnamed Premises caused by or resulting from water under the ground surface pressing on, or flowing or backing up or seeping through:

- (1) Foundations, walls, floors or paved surfaces;
- (2) Basements, whether paved or not;
- (3) Doors, windows or other openings; or
- (4) Septic or sump systems.

b. This Additional Coverage does not apply to loss or damage resulting from sewer or drain back up.

c. **THIS IS NOT FLOOD INSURANCE.**

This Additional Coverage does not apply to loss or damage caused by or resulting from Flood regardless of the proximity of the ground surface pressing on, or flowing or seeping through to such conditions.

d. Flood as used in this Additional Coverage means:

- (1) Surface water, waves, tidal water, tidal waves, tsunamis, or overflow of any natural or man made body of water from its boundaries, all whether driven by wind or not;
- (2) Mudslide or mudflow, meaning a river or flow of liquid mud directly or indirectly caused by flooding or the accumulation of water under the ground; 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.

If such water under the ground surface pressing on, or flowing or seeping through is caused by any of the conditions in d. (1) or d. (2) above regardless of the proximity of the foundations, walls, floors or paved surfaces; basements, whether paved or not; or doors, windows or other openings to such conditions.

(d) Flood includes water or other material that backs up or overflows from any sewer or septic tank or drain, if such back-up is caused by any of the conditions in d. (1) or d. (2) above regardless of the proximity of the back-up to such conditions.

(e) All flooding in a continuous or protracted event will constitute a single flood.

e. **Limit of Insurance:** The most we will pay for Water Seepage in any one occurrence is \$25,000. This is an additional amount of insurance.

### 35. WINDBLOWN DEBRIS

**Coverage:** We will pay your expense to remove debris (including trees) windblown onto "Scheduled Premises" from the premises of others that occurs during the policy period.

**Limit of Insurance:** The most we will pay in any one occurrence in total for the removal of all windblown debris under this Additional Coverage is \$2,500. This is an additional amount of insurance.

### SECTION B. - COMBINED ADDITIONAL PROTECTION

1. If covered direct physical loss or if covered direct physical damage exceeds the Limits of Insurance for one or more of the following Coverages or Additional Coverages at a "Scheduled Premises":

- a. Accounts Receivable;
- b. Building;
- c. Business Personal Property;
- d. Debris Removal - Covered Property;
- e. Employee Personal Effects;
- f. Fine Arts;
- g. Leasehold Improvements (Tenant Lease Coverage);
- h. Legal Liability - Building (Legal Liability - Building Coverage Form (PC 00 30) which attaches to and forms part of this policy.);
- i. Outdoor Trees, Shrubs, Sod, Plants and Lawns;
- j. Pairs or Sets;

2. **Limit of Insurance:**

We will pay up to the lesser of:

- a. 25% of the total Scheduled Premises Building and Business Personal Property Limits of Insurance; or
- b. \$250,000. in total in any one occurrence regardless of the number of items lost or damaged or Coverages or Additional Coverages involved in any one occurrence for the sum of all such uninsured loss or damage in excess of the applicable deductible. You may apportion this limit among the applicable coverages as you choose.
- c. As respects item i. Outdoor Trees, Shrubs, Sod, Plants and Lawns the most we will pay for any one item is still limited to:

- (1) \$10,000 for any one tree, shrub or plant;
- (2) \$10,000 for lawns or sod in total at any one insured premises.

d. As respects items 1. b. Buildings and 1. c. Business Personal Property listed above, this Combined Additional Protection does not apply to Buildings and Business Personal Property at "Scheduled Premises" that were not insured under this Coverage Part for limits equal to their full Replacement Cost or Actual Cash Value as applicable at the inception date of this Coverage Part.

**SECTION C. - TENANT LEASE COVERAGES**

These Coverages apply to your interest as a tenant or to your responsibility as a tenant under a written lease agreement as a tenant at "Scheduled Premises":

**1. "Building Glass"**

Your Business Personal Property is extended to apply to damage to "Building Glass" caused by any cause of loss. This Coverage is included in the applicable Business Personal Property Limit of Insurance where the covered loss or covered damage occurs.

**2. Lease Assessment**

- a. Your Business Personal Property is extended to apply to your share of any assessment charged to all tenants by the building owner as a result of direct physical loss or direct physical damage caused by or resulting from a Covered Cause of Loss to building property which is not paid in the building owners policy, as agreed to in your written lease agreement.
- b. This Coverage is subject to a separate deductible of \$500 in any one occurrence. No other deductible applies.
- c. We will not pay more than \$2,500 in any one occurrence for Lease Assessment. This is an additional amount of insurance.

**3. Leasehold Improvements**

- a. If your lease is canceled in accordance with a valid lease provision as the direct result of a Covered Cause of Loss to property at the location in which you are a tenant and you cannot legally remove "Tenant Improvements and Betterments" we will extend Business Personal Property coverage to apply to the unamortized value of the "Tenant Improvements and Betterments" that remains and you were forced to abandon.
- b. The most we will pay in any one occurrence for loss under this Additional Coverage is \$25,000 for Leasehold Improvements. This is an additional amount of insurance.

**4. Miscellaneous Interior Building Property**

Business Personal Property is extended to apply to miscellaneous interior Building property items that pertain only to the area you occupy as a tenant and you are required to insure as a tenant.

The most we will pay in any one occurrence for direct physical loss or direct physical damage under this Additional Coverage is \$25,000. This Coverage is included in the applicable Business Personal Property Limit of Insurance where the covered loss or covered damage occurs and applies in any one occurrence.

**5. Theft Damage**

Your Business Personal Property is extended to apply to damage to the building where you are a tenant and you are liable for such damages, caused by or resulting from actual or attempted "theft".

This Coverage is included in the applicable Business Personal Property Limit of Insurance where the covered loss or damage occurs and applies in any one occurrence.

**6. Legal Liability - Building**

Legal Liability - Building Coverage Form (PC 00 30) attaches to and forms part of this policy. The most we will pay in any one accident is \$25,000.

**SECTION D. - BUSINESS CRIME ADDED**

The Property Choice Common Crime Coverages Form is made a part of this policy and is subject to the following stated Limits of Insurance:

Coverage	Limit
Employee Theft	\$50,000.
Forgery or Alteration	\$25,000.
Money Orders and Counterfeit Paper Currency	\$25,000.
Inside the Premises - Theft of Money and Securities	\$25,000.
Outside the Premises - Theft of Money and Securities	\$25,000.

As respects coverage for employee theft, the employee benefits plans provision applies to any welfare or pension benefit plan that is subject to the employee retirement income security act of 1974 (ERISA).

These Limits are in addition to any other Limit of Insurance that may be shown in the Property Choice Schedule of Premises and Coverages applicable to these Coverages.



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

## **GREEN CHOICE - ADDITIONAL COVERAGES**

This endorsement modifies insurance provided under the following:

PROPERTY CHOICE COVERAGE FORM  
PROPERTY CHOICE SPECIAL BUSINESS INCOME COVERAGE FORM  
PROPERTY CHOICE BUSINESS INCOME COVERAGE FORM  
PROPERTY CHOICE PROFESSIONAL BUSINESS INCOME COVERAGE FORM

**Schedule information if not stated here, will be stated in the Property Choice - Schedule of Premises and Coverages.**

### **Schedule**

#### **Green Choice Limit of Insurance**

**A.** The following Additional Coverage is added to the PROPERTY CHOICE COVERAGE FORM:

#### **Costs to Upgrade to "Green" Alternatives**

**1.** If direct physical loss or direct physical damage by a Covered Cause of Loss occurs to Covered Property we will also pay for the reasonable additional costs that you incur to:

**a.** Repair or replace the lost or damaged Covered Property using products or materials that are "Green" alternatives to the lost or damaged Covered Property, in accordance with:

**(1)** The minimum standards of a "Green Authority" if the "Scheduled Premises" where the loss or damage occurred was not "Green" certified by a "Green Authority" prior to the loss or damage; or

**(2)** The standards of a "Green Authority" consistent with the pre-loss "Green" certification level, if the "Scheduled Premises" where the loss or damage occurred was "Green" certified prior to the loss or damage, provided that the "Green"

alternatives are otherwise of comparable quality and function to the lost or damaged Covered Property.

**b.** Employ "Green" methods or processes of construction, disposal or recycling including ventilation or flush out of air systems, in the course of the repair and replacement of the lost or damaged Covered Property, in accordance with:

**(1)** The minimum standards of a "Green Authority" if the "Scheduled Premises" where the loss or damage occurred was not "Green" certified by a "Green Authority" prior to the loss or damage; or

**(2)** The standards of a "Green Authority" consistent with the pre-loss "Green" certification level, if the "Scheduled Premises" where the loss or damage occurred was "Green" certified prior to the loss or damage.

**c.** Hire a design professional(s) accredited by a "Green Authority" to participate in

the reconstruction, replacement or repair of the Covered Property;

- d. Hire an engineer(s) accredited by a "Green Authority" to supervise the repair or replacement of the Covered Property to verify that replacement systems and mechanicals have been installed and configured to perform to building design or manufacturer's specifications;
  - e. Apply to a "Green Authority" for certification of your "Scheduled Premises" in connection with the repair or replacement of the lost or damaged Covered Property.
2. Costs to Upgrade to "Green" Alternatives applies only if replacement cost valuation applies to the lost or damaged Covered Property and then only if the lost or damaged property is actually repaired or replaced as soon as reasonably possible after the loss or damage (not to exceed two years from the date of loss or damage).
  3. This Additional Coverage does not apply to any expenses incurred to exceed your pre-loss level of certification, if you had attained certification by a "Green Authority" for the Covered Property prior to the Covered Cause of Loss.
  4. This Additional Coverage does not require you to pursue, nor guarantee success of, certification by a "Green Authority".
  5.
    - a. The most we will pay in any one occurrence for Costs to Upgrade to "Green" Alternatives under this endorsement is \$100,000 for all "Scheduled Premises" unless a different limit of insurance is shown in the above Schedule.
    - b. If a different limit of insurance is shown in the above Schedule then that different limit of insurance is the most we will pay in any one occurrence for all "Scheduled Premises" for Costs to Upgrade to "Green" Alternatives.
    - c. The limit for Costs to Upgrade to "Green" Alternatives applies in any one occurrence, regardless of the number of "Scheduled Premises" or buildings damaged in that occurrence.
    - d. If a Green Choice - Limit of Insurance is shown as applying to a "Scheduled Premises" in the Property Choice Schedule of Premises and Coverages, then that limit of insurance is the most

we will pay in any one occurrence at that "Scheduled Premises" for Costs to Upgrade to "Green" Alternatives.

- e. This is an additional amount of insurance.

- B. This section B. applies only when any of the following are attached to this policy:

PROPERTY CHOICE SPECIAL BUSINESS INCOME COVERAGE FORM

PROPERTY CHOICE BUSINESS INCOME COVERAGE FORM

PROPERTY CHOICE PROFESSIONAL BUSINESS INCOME COVERAGE FORM

The following Additional Coverage is added:

**Green Alternatives – Increased Period of Restoration**

1. If direct physical loss or direct physical damage by a Covered Cause of Loss occurs to covered building property at a "Scheduled Premises", Business Income coverage is revised to include the actual loss of income you sustain during the reasonable and necessary increase in the period of restoration that is actually incurred to:
  - a. Repair or replace the lost or damaged Covered Property as stated in A.1.a.
  - b. Employ "Green" methods or processes of construction, disposal or recycling in the course of the repair and replacement of the lost or damaged Covered Property as stated in A.1.b.
2. The Increased Period of Restoration provided by this endorsement is subject to a maximum period of up to 30 consecutive days from the date the period of restoration would have otherwise ended had "Green" alternatives not been used.
3. This Additional Coverage Green Alternatives – Increased Period of Restoration is included in, and does not increase the applicable Limit of Insurance in the above referenced Coverage Forms.
4. The term Period of Restoration as found in the above referenced Coverage Forms and as used in this endorsement does not include any increased Period of Restoration due to:
  - a. Review and/or approval by a "Green Authority" regarding your application for certification of your "scheduled Premises", should you elect to pursue certification; or

- b. Conducting test and balance analysis of the heating, ventilation or air conditioning systems to confirm that they have been installed properly and meet manufacturer's and design professional's standards.

#### C. ADDITIONAL EXCLUSIONS

1. Coverage provided by this endorsement does not apply to any "Scheduled Premises" where:
  - a. Replacement Cost valuation does not apply;
  - b. Ordinance or Law Additional Coverage does not apply; or
  - c. Building(s) are vacant.
2. This endorsement does not apply to "stock".
3. Coverage provided by this endorsement does not include any increase in costs, loss or damage attributable to any "Green" standards for which you were under order or mandate from an existing authority, but you did not comply with, before the loss or damage.

#### D. ADDITIONAL DEFINITIONS

As used in this endorsement:

1. "Green" means products, materials, methods and processes that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize their impact on the environment.
2. "Green Authority" means the United States Green Building Council (LEED® Green Building Rating System); the Green Building Initiative™ (Green Globes™ Assessment And Rating System); or the Environmental Protection Agency and the Department of Energy (EnergyStar® requirements).



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

## **NEW YORK CHANGES - FUNGUS, WET ROT AND DRY ROT**

This endorsement modifies insurance provided under the following:

### PROPERTY CHOICE COVERAGE PART

- A.** In the Property Choice – Covered Causes of Loss and Exclusion Form and Mortgageholders Errors And Omissions Coverage Form, the exclusion titled "Fungus", Wet Rot, Dry Rot, Bacteria and Virus and the Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria Found in the Property Choice – Specialized Property Insurance Coverages forms is deleted. Under these forms, the following exclusion is added:

We will not pay for loss or damage caused by or resulting from "fungus", wet rot or dry rot. However, this exclusion does not apply when "fungus", wet rot or dry rot results from a Covered Cause of Loss.

- B.** Paragraph c. Ordinance or Law Exclusions, items (1) and (2) of Ordinance Or Law Coverage found in the Property Choice – Specialized Property Insurance Coverages forms is replaced by the following:

We will not pay for:

1. Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants"; or
2. The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

- C.** Paragraph A. 12. of Ordinance Or Law – Increased Period Of Restoration found in the Property Choice Business Income or Extra Expense – Additional Coverages forms is replaced by the following:

If a Covered Cause of Loss occurs to property at the "Scheduled Premises" described in the Property Choice Schedule of Premises and Coverage is extended to include the amount of actual and necessary loss you sustain during the increased period of suspension of operations caused by or resulting from a requirement to comply with any ordinance or law that:

1. Regulates the construction or repair of any property;
2. Requires the tearing down of parts of any property not damaged by a Covered Cause of Loss; and
3. Is in force at the time of loss.

However, coverage is not extended under this endorsement to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires:

1. The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants"; or
2. 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".





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

## **NEW YORK - EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA**

This endorsement modifies insurance provided under the following:

### PROPERTY CHOICE COVERAGE PART

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part.

- C.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY CHOICE - ADDITIONAL COVERAGES -  
REVISED LIMITS OF INSURANCE

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

PROPERTY CHOICE - SPECIALIZED PROPERTY INSURANCE COVERAGE ENDORSEMENT(S)

SCHEDULE

THE FOLLOWING REVISED LIMIT OF INSURANCE IS THE MOST WE WILL PAY FOR THAT PARTICULAR ADDITIONAL COVERAGE:

ADDITIONAL COVERAGE	REVISED LIMIT OF INSURANCE
PROPERTY IN TRANSIT:	\$250,000
UNNAMED PREMISES: BUSINESS PERSONAL PROPERTY (EXCLUDING STOCK):	\$250,000

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY CHOICE BUSINESS INTERRUPTION - ADDITIONAL COVERAGES -  
REVISED LIMITS OF INSURANCE

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

- PROPERTY CHOICE SPECIAL BUSINESS INCOME - ADDITIONAL COVERAGES
- PROPERTY CHOICE BUSINESS INCOME - ADDITIONAL COVERAGES
- PROPERTY CHOICE PROFESSIONAL BUSINESS INCOME - ADDITIONAL COVERAGES
- PROPERTY CHOICE RENTAL INCOME - ADDITIONAL COVERAGES
- PROPERTY CHOICE EXTRA EXPENSE - ADDITIONAL COVERAGES

SCHEDULE

THE FOLLOWING REVISED LIMIT OF INSURANCE IS THE MOST WE WILL PAY FOR THAT PARTICULAR ADDITIONAL COVERAGE:

ADDITIONAL COVERAGE	REVISED LIMIT OF INSURANCE
UNNAMED PREMISES:	
EXTRA EXPENSE:	NOT COVERED

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY CHOICE BUSINESS INTERRUPTION - ADDITIONAL COVERAGES -  
REVISED TIME PERIODS OF COVERAGE

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

- PROPERTY CHOICE SPECIAL BUSINESS INCOME - ADDITIONAL COVERAGES
- PROPERTY CHOICE BUSINESS INCOME - ADDITIONAL COVERAGES
- PROPERTY CHOICE PROFESSIONAL BUSINESS INCOME - ADDITIONAL COVERAGES
- PROPERTY CHOICE RENTAL INCOME - ADDITIONAL COVERAGES
- PROPERTY CHOICE EXTRA EXPENSE - ADDITIONAL COVERAGES

SCHEDULE

THE COVERAGE PERIOD IN THE FOLLOWING ADDITIONAL COVERAGE(S)  
IS REVISED AS FOLLOWS:

ADDITIONAL COVERAGE	REVISED COVERAGE PERIOD
EXTENDED INCOME:	365 DAYS



## PROPERTY CHOICE CONDITIONS AND DEFINITIONS

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance. Other words and phrases that appear in quotation marks have special meaning. Refer to section C. **DEFINITIONS**.

The following conditions apply to all coverages that are a part of the Property Choice Coverage Part or Property Choice Policy and are in addition to the Common Policy Conditions unless stated otherwise in coverage forms and endorsements.

### A. GENERAL CONDITIONS

#### 1. Abandonment

There can be no abandonment of any property to us.

#### 2. Application of Waiting Period

In the event that more than one Waiting Period is applicable, we will apply only the longest waiting period.

#### 3. 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 on the grounds that it is not covered under this policy.

#### 4. Claim Settlement

- a. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- b. We will pay for covered loss or damage within 30 days after we receive your sworn proof of loss, if you have complied with all of the terms of this Coverage Part; and:
  - (1) We have reached agreement with you on the amount of loss; or
  - (2) An appraisal award has been made.

#### 5. Concealment, Misrepresentation or Fraud

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

- a. This Coverage Part;
- b. The property covered under this insurance;
- c. Your interest in the property covered under this insurance; or
- d. A claim under this Coverage Part.

#### 6. Control of Property

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

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

#### 7. Coverage Territory

The coverage territory is the United States of America (including its territories and possessions); Puerto Rico; and Canada.

#### 8. Equipment Breakdown - Suspension

When any Equipment Breakdown Property is found to be in, or exposed to a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an Equipment Breakdown Accident to that equipment. We can do this by mailing or delivering a written notice of suspension to your address as stated in the Property Choice Schedule of Premises and Coverages, or at

the address where the equipment is located. Once suspended in this way, your insurance can be reinstated only by written notice from us. 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.

**9. Equipment Breakdown - Jurisdictional Inspections**

If any Equipment Breakdown Property requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf.

**10. If Two or More Coverages Apply**

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

**11. Legal Action Against Us**

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

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

For coverage under the Business Crime Coverage Forms, the words **the direct physical loss or damage occurred** are replaced by the words **you discover the loss**.

**12. Liberalization**

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

**13. Loss Payee**

- a. For Covered Property in which both you and the Loss Payee as stated in the Property Choice - Schedule of Premises and Coverages or by endorsement 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. If we cancel this policy, we will give written notice to the loss payee at least:
  - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

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

- (3) If we elect not to renew this policy, we will give written notice to the loss payee at least 10 days before the expiration date of this Coverage Part.

**14. Mortgageholders and Lender Loss Payees**

a. We will pay each of the following for their interest in covered loss or damage, as stated in the Property Choice - Schedule of Premises and Coverages or by endorsement in the order of their precedence, as their interest may appear:

- (1) **Mortgageholder** for their interest in buildings or structures. The term mortgageholder includes trustees.

- (2) **Lender** for their interest as a creditor, established by such written instruments as warehouse receipts, a contract for deed, bills of lading, financing statements; or mortgages, deeds of trust, or security agreements.

b. The applicable mortgageholder or lender has the right to receive loss payment even if they have started foreclosure or similar action on the property.

c. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the applicable mortgageholder or lender will still have the right to receive loss payment if such mortgageholder or lender:

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

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

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

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

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

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

- (2) The mortgageholder's or lender's right to recover the full amount of their applicable claims will not be impaired.

At our option, we may pay to the mortgageholder or lender the whole principal on the mortgage or debt plus any accrued interest. In this event:

- i. For mortgageholder relationships, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us;
  - ii. For lender relationships, you will pay your debt to us.
- e. If we cancel this policy, we will give written notice to the mortgageholder or lender 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.
  - f. If we elect not to renew this policy, we will give written notice to the mortgageholder or lender at least 10 days before the expiration date of this Coverage Part.

#### **15. Contract Of Sale and Building Owner Loss Payable Clauses**

We will pay each of the following for their interest in covered loss or damage, as stated in the Property Choice - Schedule of Premises and Coverages or by endorsement in the order of their precedence, as their interest may appear:

- a. **Contract Of Sale Loss Payable Clause**  
If the Loss Payee shown in the Property Choice - Schedule of Premises and Coverages or by endorsement is a person or organization you have entered a contract with for the sale of Covered Property:

- (1) 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.
- (2) The following is added to the **Other Insurance Loss Condition**:

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

- b. **Building Owner Loss Payable Clause** -  
If the Loss Payee shown in the Schedule or in the Declarations is the owner of the

described building, in which you are a tenant:

- (1) We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
- (2) We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

#### **16. No Benefit to Bailee**

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

#### **17. Other Insurance**

- a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- b. If there is other insurance covering the same loss or damage, other than that described in 17. a. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

#### **18. Policy Period**

In this Coverage Part, we only cover direct physical loss or direct physical damage which occurs during the policy period stated in the Declarations.

#### **19. Recovered Property**

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

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

#### **20. Standard Fire Policy**

If the Standard Fire Policy (165 Lines) is required by state statute to be attached to this policy, only the provisions of the Standard Fire Policy that are broader than the provisions contained in this policy shall apply.

## 21. Transfer of Rights of Recovery Against Others To Us (Subrogation)

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

- a. Prior to a covered loss or damage, or
- b. After a covered loss only if, at time of loss, that party is one of the following:
  - (1) Someone insured by this insurance;
  - (2) A business firm that you own or control;
  - (3) A business firm or individuals, that owns or controls you; or
  - (4) Your tenant.

This written waiver will not restrict your insurance.

### Exceptions:

- (i) For their interest in building repair or construction, you may not waive your rights to recover damages from architects or engineers except as agreed to in writing by us.
- (ii) For property in the due course of transportation, we will not pay for loss or damage if you impair our rights to recover damages from any carrier for hire, bailee or third party.

However, you may accept bills of lading, receipts or contracts of transportation from carriers for hire, which contain a limitation of value.

## B. YOUR GENERAL DUTIES IN EVENT OF LOSS

1. In event of loss or damage, you must see that the following are done:

### a. Notify Police

Notify the police if a law may have been broken.

### b. Notify Us

Give us prompt notice of the loss or damage. Include a description of the property involved.

As soon as possible, give us a description of how, when and where the loss or damage occurred.

We will not deny coverage due to your unintentional failure to notify us about the occurrence of loss or damage provided notice is given as soon as practicable after you become aware of such loss or damage.

## c. Protect Property

Take all reasonable steps to protect the 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 applicable Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss.

Also, if feasible, set the damaged property aside and in the best possible order for examination.

## d. Take Inventory

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

## e. Inspect Property, Books and Records

As often as may be reasonably required, permit us to:

- (1) Inspect the damaged and undamaged property and take samples for testing and analysis.
- (2) Examine and make copies of your books and records including electronic records and data.

## f. Proof of Loss

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

## g. Cooperate

Cooperate with us in the investigation or settlement of the claim.

## h. Resumption of Business

If you intend to continue in business, you must resume all or part of your business operations as quickly as possible.

## 2. Examination Under Oath

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.

## C. DEFINITIONS

1. **"Building Glass"** means glass that is part of the building or structure, including glass building blocks, skylights, glass doors and windows and their encasement frames, alarm tape, lettering and ornamentation.



- This does not include art glass, half tone screens, lenses, memorial windows, mosaic art, rotogravure screens or any stained glass.
2. **"Computer Equipment"** includes the following equipment:
    - a. Computer hardware, laptops, Personal Digital Assistants, including micro-processors and related component parts;
    - b. Peripheral equipment, such as printers and modems;
    - c. Computer network equipment; and
    - d. Electronic communications equipment.
  3. **"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.
  4. **"Fungus"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
  5. **"Money"** means:
    - a. Currency, coins and bank notes; and
    - b. Travelers checks, register checks and money orders held for sale to the public.
  6. **"Policy Year"** means the period of time that:
    - a. Begins with the inception or anniversary date of this policy; and
    - b. Ends at the expiration or at the next anniversary date of this policy.
  7. **"Pollutants and Contaminants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemical and waste, or any other material which causes or threatens to cause physical loss, damage, impurity to property, unwholesomeness, undesirability, loss of marketability, loss of use of property or which threatens human health or welfare. Waste includes materials to be recycled, reconditioned or reclaimed.
  8. **"Scheduled Premises"** means any premises listed by location address in the Scheduled Premises section of the Property Choice Schedule of Premises and Coverage.
  9. **"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); and
    - b. Evidences of debt issued in connection with credit or charge cards, which cards are not of your own issue;

but does not include "Money".

Lottery tickets held for sale and Postage stamps in current usage are not "Securities".
  10. **"Sinkhole Collapse"** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.
 

This cause of loss does not include:

    - a. The cost of filling sinkholes; or
    - b. Sinking or collapse of land into man-made underground cavities.
  11. **"Specified Causes of Loss"** means fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; "Sinkhole Collapse"; "Volcanic Action"; falling objects; weight of snow, ice or sleet; water damage, "Sprinkler Leakage"; "Theft"; or "Building Glass" breakage.
    - a. Falling objects does not include loss or damage to:
      - (1) Personal property in the open; or
      - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall or the building structure is first damaged by a falling object.
    - b. Water damage means:
      - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the "Scheduled Premises" and contains water or steam; and
      - (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, that when the pipe is located off the "Scheduled Premises" and is connected to or is part of a municipal potable water supply system or municipal sanitary

sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the "Scheduled Premises" are located, if the breakage or cracking is caused by wear and tear.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear. To the extent that accidental discharge or leakage of water falls within the criteria set forth in b.(1) or b.(2) of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

12. **"Sprinkler Leakage"** means a leakage or discharge of a substance (except halon) from an Automatic Fire Extinguishing System, including collapse of a tank that is part of the system.
13. **"Stock"** means merchandise held in storage or for sale, raw materials, and goods in-process or finished.
14. **"Tenant Improvements and Betterments"** means fixtures, alterations, installations or additions made a part of the Building you occupy but do not own; and:
  - a. Made at your expense; or
  - b. You acquired from the prior tenant at your expense; andyou cannot legally remove.

Tenant Improvements and Betterments includes fences, signs, and radio or television towers, antennas and satellite dishes (including attached equipment).

15. **"Theft"** means any act of stealing except as defined in the Property Choice Common Crime Coverages Form.

16. **"Unmanned Aircraft"** means an aircraft that is not designed, manufactured or modified after manufacture to be controlled directly by a person from within or on the aircraft and which is owned by you or owned by others but in your care, custody, or control.

"Unmanned aircraft" includes equipment designed for and used exclusively with the "unmanned aircraft", provided such equipment is essential for operation of the "unmanned aircraft" or for executing unmanned aircraft operations.

17. **"Valuable Papers"** means: Inscribed, printed or written documents, manuscripts, patterns or records including abstracts, books, deeds, drawings, films, maps or mortgages.

**"Valuable Papers"** does not mean:

- (1) "Money" or "Securities", whether or not in current circulation.
- (2) Property that cannot be replaced with other property of like kind and quality.
- (3) Fine Arts or Accounts Receivable.
- (4) "Electronic data".

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

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

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

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



**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:

### **PROPERTY CHOICE COVERAGE PART**

#### **A. Disclosure Of Federal Share Of Terrorism Losses**

The United States Department of the Treasury will reimburse insurers for a portion of such insured losses as indicated in the table below that exceeds the applicable insurer deductible:

Calendar Year	Federal Share of Terrorism Losses
2015	85%
2016	84%
2017	83%
2018	82%
2019	81%
2020 or later	80%

However, if aggregate insured losses attributable to "certified acts of terrorism" under the federal Terrorism Risk Insurance Act, as amended (TRIA) exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion. The United States Government has not charged any premium for their participation in covering terrorism losses.

#### **B. Cap On Insurer Liability For Terrorism Losses**

A "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 under TRIA. The criteria contained in TRIA for a "certified act of terrorism" include the following:

1. The act results in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to TRIA; and

2. The act results in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and
3. 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 "certified acts of terrorism" under TRIA exceed \$100 billion in a calendar year and we have met, or will meet, our insurer deductible under TRIA we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, your coverage for terrorism losses may be reduced on a pro-rata basis in accordance with procedures established by the Treasury, based on its estimates of aggregate industry losses and our estimate that we will exceed our insurer deductible. In accordance with Treasury procedures, amounts paid for losses may be subject to further adjustments based on differences between actual losses and estimates.

#### **C. Application Of Other Exclusions**

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



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

## PROPERTY CHOICE BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM - ADDITIONAL COVERAGES

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. Words and phrases that appear in quotation marks have special meaning. Refer to Form PC 00 90 **PROPERTY CHOICE CONDITIONS AND DEFINITIONS** for definitions.

This endorsement modifies insurance under the following:

### PROPERTY CHOICE BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM

#### SUMMARY of COVERAGE LIMITS and INDEX

- o This is a summary of the limits of insurance and coverages provided by this endorsement.
- o No coverage is provided by this summary.

Item No.	PROPERTY CHOICE BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM - ADDITIONAL COVERAGES:	LIMIT OF INSURANCE (Apply in any one occurrence unless otherwise noted)
1.	<b>BUSINESS TRAVEL:</b>	Included in Business Income and Extra Expense Limit of Insurance.
2.	<b>CIVIL AUTHORITY (72 HOUR WAITING PERIOD APPLIES):</b>	30 Days.
3.	<b>DEPENDENT PROPERTIES INCLUDING WORLDWIDE COVERAGE TERRITORY (72 HOUR WAITING PERIOD APPLIES):</b>	\$100,000. From All Dependent Properties.
4.	<b>SECONDARY DEPENDENCIES - CONTRIBUTING AND RECIPIENT LOCATIONS</b>	Included in Dependent Properties Limit of Insurance.
5.	<b>EXTENDED INCOME (180 DAYS):</b>	Included in Business Income and Extra Expense Limit of Insurance.
6.	<b>FUNGUS, WET ROT, DRY ROT, BACTERIA AND VIRUS - LIMITED COVERAGE:</b>	Actual Loss Sustained for 30 Days.
7.	<b>FUTURE EARNINGS:</b>	Included in Business Income and Extra Expense Limit of Insurance.
8.	<b>INGRESS AND EGRESS (24 HOUR WAITING PERIOD APPLIES):</b>	30 Days
9.	<b>LESSOR'S TENANT MOVE BACK EXPENSE:</b>	\$10,000.
10.	<b>MACHINERY TESTING AND TRAINING:</b>	Included in Business Income and Extra Expense Limit of Insurance.

11.	<b>NEWLY ACQUIRED PREMISES:</b>	Included in Business Income and Extra Expense Limit of Insurance.
12.	<b>ORDINANCE OR LAW COVERAGE (INCREASED PERIOD OF RESTORATION):</b>	Included in Business Income and Extra Expense Limit of Insurance.
13.	<b>POLLUTANTS AND CONTAMINANTS CLEANUP:</b>	\$25,000. In any one "Policy Year".
14.	<b>SEWER AND DRAIN BACKUP:</b>	Included in Business Income and Extra Expense Limit of Insurance.
15.	<b>TRANSIT:</b>	\$100,000.
16.	<b>UNNAMED PREMISES:</b>	\$100,000.
	<b>UNNAMED PREMISES: AT ANY ONE INSTALLATION:</b>	Included in Business Income and Extra Expense Limit of Insurance.
	<b>UNNAMED PREMISES: AT ANY ONE EXHIBITION:</b>	Included in Business Income and Extra Expense Limit of Insurance.
17.	<b>UTILITY SERVICE INTERRUPTION (24 HOUR WAITING PERIOD APPLIES):</b>	\$25,000.
18.	<b>WEB SITE AND INTERNET SERVICES (12 HOUR WAITING PERIOD APPLIES):</b>	Lesser of Actual Loss Sustained for 30 days or \$100,000.

**A. ADDITIONAL COVERAGES** - The following Additional Coverages are added to the Property Choice Business Income and Extra Expense Coverage Form unless otherwise indicated in the Property Choice Schedule of Premises and Coverage or by endorsement to this policy:

Unless otherwise stated in the ADDITIONAL COVERAGES below, or by endorsement, the Limits of Insurance applicable to the Additional Coverages are included in and are not in addition to the Limit of Insurance applicable to BUSINESS INCOME AND EXTRA EXPENSE as stated in the Property Choice Schedule of Premises and Coverages. For Insurance that may apply to a Specific "Scheduled Premises" see: Property Choice Schedule of Premises and Coverage - Scheduled Premises section.

**1. Business Travel**

a. We will pay for the actual loss of Business Income and the actual, necessary and reasonable Extra Expenses you incur due to direct physical loss or direct physical damage by a Covered Cause of Loss to Your Business Personal Property including Sales Representative Samples while in the custody of:

- (1) Your sales representatives; or

- (2) Any officer, employee or yourself; while traveling on authorized company business.

b. With respect to the coverage provided under this Additional Coverage - Business Travel, the Coverage Territory General Condition found in the Property Choice Conditions and Definitions form does not apply.

**2. Civil Authority**

a. This insurance is extended to apply to the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur when access to your "Scheduled Premises" is specifically prohibited by order of a civil authority as the direct result of a Covered Cause of Loss to property in the immediate area of your "Scheduled Premises".

b. The coverage for Business Income will begin after a Waiting Period of 72 hours (unless a different Waiting Period is either shown in the Property Choice Schedule of Premises and Coverage or is shown by endorsement) after the order of a civil authority and coverage will end at the earlier of:

(1) When access is permitted to your "Scheduled Premises"; or

(2) 30 consecutive days after the order of the civil authority.

c. The coverage for Extra Expense will begin immediately after the order of a civil authority and coverage will end at the earlier of:

(1) When access is permitted to your "Scheduled Premises"; or

(2) 30 consecutive days after the order of the civil authority.

### 3. Dependent Properties

a. We will pay for the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur due to the necessary suspension of your operations during the Period of Restoration. The suspension must be caused by direct physical loss of or direct physical damage to a Dependent Property caused by or resulting from a Covered Cause of Loss. However, coverage under this Additional Coverage does not apply when the only loss to a Dependent Property is loss or damage to "Electronic Data", including destruction or corruption of "Electronic Data". If the Dependent Property sustains loss or damage to "Electronic Data" and other property, coverage under this endorsement will not continue once the other property is repaired, rebuilt or replaced. The term "Electronic Data" has the meaning set forth in the Coverage Form to which this endorsement applies.

b. Period of Restoration, with respect to Dependent Property means the period of time that:

(1) Begins 72 hours (unless a different Waiting Period is either shown in the Property Choice Schedule of Premises and Coverages or is shown by endorsement) after the time of the Covered Cause of Loss occurred for Business Income Coverage;

(2) Begins immediately after the time of the Covered Cause of Loss for Extra Expense Coverage;

(3) Ends on the earlier of:

(a) the date when the property at the premises of the Dependent Property should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(b) when the applicable limit of insurance is exhausted.

Period of Restoration does not include any increased period required due to the enforcement of or compliance with 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 and Contaminants".

The expiration date of this policy will not cut short the Period of Restoration.

c. Dependent Properties means property at premises owned and operated by others that you depend on to:

(1) Deliver materials or services to you, or to others for your account (Contributing Location);

But any property which delivers any of the following services is not a Contributing Location with respect to such services:

(a) Water supply services;

(b) Power supply services; or

(c) Wastewater removal services; or

(d) Communication supply services, including services relating to internet access or access to any electronic network;

(2) Accept your products or services (Recipient Location);

(3) Manufacture products for delivery to your customers under contract of sale (Manufacturing Location); or

(4) Attract customers to your business premises (Leader Locations).

d. With respect to the coverage provided under this Additional Coverage - Dependent Properties, the Coverage Territory General Condition found in the Property Choice Conditions and Definitions form does not apply.

e. The most we will pay for the sum of all actual loss of Business Income and actual, necessary and reasonable Extra Expense you incur in any one occurrence regardless of the types or number of Dependent Properties involved in any one occurrence under this Additional Coverage is \$100,000. This is an additional amount of insurance.

#### 4. Secondary Dependencies - Contributing and Recipient Locations

- 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 direct physical damage to property at a secondary contributing location or at a secondary recipient location, caused by or resulting from a Covered Cause of Loss, which in turn results in partial or complete interruption of the materials or services provided to you by a dependent property, thereby resulting in the suspension of your operations.
- b. This Additional Coverage does not apply when the only loss at the secondary contributing location or secondary recipient location is loss or damage to "Electronic Data", including destruction or corruption of "Electronic Data". If the secondary contributing location or secondary recipient location sustains loss or damage to "Electronic Data" and other property, coverage under this endorsement will not continue once the other property is repaired, rebuilt or replaced. The term "Electronic Data" has the meaning set forth in the Coverage Part to which this provision applies.
- c. With respect to a suspension of your operations covered under this provision, the maximum amount payable is the Limit of Insurance applicable to Dependent Properties. This provision, does not increase the Limit Of Insurance for Dependent Properties, as any amount payable under this provision is considered part of, not in addition to, such Dependent Properties Limit of Insurance, even if the suspension of your operations is caused by direct physical loss of or damage to dependent property and property at one or more secondary contributing locations or secondary recipient locations.
- d. Secondary contributing location is an entity which:
  - (1) Is not owned or operated by a Contributing Location; and
  - (2) Delivers materials or services to a Contributing Location, which in turn are used by that Contributing Location in providing materials or services to you.

A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or

structure is not a secondary contributing location.

- e. Any property which delivers any of the following services is not a secondary contributing location with respect to such services:
  - (1) Water supply services;
  - (2) Power supply services;
  - (3) Wastewater removal services; or
  - (4) Communication supply services, including services relating to Internet access or access to any electronic network.
- f. Secondary recipient location is an entity which:
  - (1) Is not owned or operated by a Recipient Location; and
  - (2) Accepts materials or services from a Recipient Location, which in turn accepts your materials or services.

A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or structure is not a secondary recipient location.

- g. With respect to the coverage provided under this provision (Secondary Dependencies - Contributing and Recipient Locations), the Coverage Territory General Condition found in the Property Choice Conditions and Definitions form does not apply.

#### 5. Extended Income

- a. If the necessary suspension of your operations (applies to all operations except educational institutional 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:
  - (1) Begins on the date property (except "Stock" you have finished manufacturing) is actually repaired, rebuilt or replaced and business operations are resumed; and
  - (2) Ends on the earlier of:
    - (a) The date you could restore your business operations, with reasonable speed, to the level which would generate the Business Income amount that would have existed if no direct physical loss or direct physical damage had occurred; or
    - (b) 180 days that immediately follows after the date determined in a. (1) above.

- b. As respects educational operations, the following applies:

In the event of a covered Business Income loss, we will pay for the actual loss of Business Income you sustain during the school term following the date the property is actually repaired, rebuilt or replaced, if that date is 60 days or less before the scheduled opening of the next school term.

- c. 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 insured premises are located.
- d. Loss of Business Income must be caused by direct physical loss or direct physical damage at the insured premises caused by or resulting from a Covered Cause of Loss.

**6. "Fungus", Wet Rot, Dry Rot, Bacteria and Virus - Limited Coverage**

- a. The coverage described below only applies when the "fungus", wet rot, dry rot, bacteria or virus is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- (1) A "specified cause of loss" other than fire or lightning;
- (2) Equipment breakdown accident occurs to Equipment Breakdown Property, if Equipment Breakdown applies to the effected premises; or
- (3) Flood, if the Causes of Loss - Flood endorsement applies to the effected premises.

- b. The following applies only if Business Income and/or Extra Expense coverage applies to the "Scheduled Premises" and only if the necessary interruption of your business operations satisfies all terms and conditions of this Coverage Part.

- (1) If the loss which results in "fungus", wet rot, dry rot, bacteria or virus does not in itself necessitate a necessary interruption of your business operations, but such interruption is necessary due to loss or damage to property caused by "fungus", wet rot, dry rot, bacteria or virus, then our payment under

Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

- (2) If a covered necessary interruption of your business operations was caused by loss or damage other than "fungus", wet rot, dry rot, bacteria or virus prolongs the Period of Restoration, we will pay for loss and/or expense sustained during the delay (regardless of when such delay occurs during the Period of Restoration), but such coverage is limited to 30 days in total. The days need not be consecutive.

**7. Future Earnings**

- a. In the event of a covered Business Income loss at "Scheduled Premises", we will pay for the actual loss of Business Income you subsequently and necessarily sustain after the Period of Restoration and the Extended Income period ends and that the actual loss in Business Income is directly attributable to the Covered Cause of Loss occurrence.
- b. However, Future Earnings 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 insured premises are located.
- c. This coverage will apply to the actual loss of business income you sustain within 2 years from the date the Covered Cause of Loss occurred.

**8. Ingress or Egress**

- a. This insurance is extended to apply to the actual loss of Business Income you sustain when ingress or egress to your "Scheduled Premises" is specifically prohibited as the direct result of a Covered Cause of Loss to property at premises that is contiguous to your "Scheduled Premises".
- b. Coverage for Business Income will begin after a Waiting Period of 24 hours (unless a different Waiting Period applicable to this Additional Coverage is shown by endorsement) after the time of the Covered Cause of Loss and will end at the earlier of:
  - (1) When ingress or egress is permitted to or from your "Scheduled Premises"; or
  - (2) 30 consecutive days.



- c. This Additional Coverage does not apply if:
  - (1) The direct physical loss or direct physical damage is caused by or results from flood or earthquake even if flood or earthquake are Covered Causes of Loss; or
  - (2) The ingress to or egress from your "Scheduled Premises" is prohibited by civil authority.

**9. Lessor's Tenant Move Back Expenses**

- a. In the event that your tenants must temporarily vacate the covered Building property at "Scheduled Premises" due to untenability caused by direct physical loss or direct physical damage by a Covered Cause of Loss to the covered Building, we will pay for the following expenses you actually incur to move those tenants back into your covered Building. We will only pay for the following expenses:
  - (1) Packing, transporting and unpacking the tenants' Business Personal Property, including the cost of insuring the move back and any necessary assembly or setup of furniture and equipment, and
  - (2) The net cost to re-establish the tenants' utility and telephone services, after any refunds due the tenants.
- b. We will only pay for these expenses that you actually incur within 60 days from the date that the damaged building has been repaired or rebuilt and if needed a certificate of occupancy has been granted.
- c. The most we will pay the sum in any one occurrence of covered loss under this Additional Coverage is \$10,000. This is an additional amount of insurance.

**10. Machinery Testing and Training**

In the event it was necessary to replace machinery damaged by a Covered Cause of Loss, we will extend the Period of Restoration to include:

- a. The additional time to test that replacement machinery; and
- b. The additional time to train employees on the differences in operating the damaged machinery and the replacement machinery.

**11. Newly Acquired Premises**

- a. We will pay for the actual loss of Business Income you sustain due to direct physical loss or direct physical damage caused by or resulting from a Covered Cause of Loss to Newly

Acquired Premises. Newly Acquired Premises means premises you acquire, purchase or lease after the inception of this policy, but does not include:

- (1) Any premises acquired through any foreclosure process;
- (2) Any premises of others where you are temporarily working, such as installing property or performing maintenance or service work; or
- (3) Any premises covered by any other part of this Coverage Form.

- b. Insurance for each Newly Acquired Premises will end when any of the following first occurs, but will not cut short the Period of Restoration:

- (1) This policy expires;
- (2) 180 days expire after you acquire the property;
- (3) You report values to us; or
- (4) The property is more specifically insured.

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

**12. Ordinance or Law - Increased Period of Restoration**

- a. If a Covered Cause of Loss occurs to property at "Scheduled Premises", coverage is extended to include the amount of the actual loss of Business Income and the actual, necessary and reasonable Extra Expense you incur during the increased period of suspension of operations caused by or resulting from a requirement to comply with any ordinance or law that:

- (1) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the insured premises;
- (2) Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss; and
- (3) Is in force at the time of loss.

- b. Coverage is not extended under this Additional Coverage to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law:

- (1) Which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot, bacteria or virus; or

- (2) 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 and Contaminants", "fungus", wet or dry rot, bacteria or virus.

- c. Period of Restoration is revised to include any increased period required to repair or reconstruct the property to comply with the minimum standards of any ordinance or law, in force at the time of loss that regulates the construction or repair, or requires the tearing down of any property.

### 13. "Pollutants and Contaminants" Clean Up

- a. This insurance is extended to apply to the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur if business operations are interrupted due to the enforcement of any ordinance or law that requires you to extract "Pollutants and Contaminants" from land or water at "Scheduled Premises" caused by or resulting from a Covered Cause of Loss that occurs during the policy period.
- b. Such loss must be reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.
- c. The most we will pay for the sum of all Business Income and Extra Expense in any one "Policy Year" under this Additional Coverage is \$25,000. This is an additional amount of insurance.

### 14. Sewer and Drain Backup

- a. We will pay for the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur due to direct physical loss of or direct physical damage to property at "Scheduled Premises", Newly Acquired Premises and Unnamed Premises caused by or resulting from water or other materials that backs up from a sewer or drain.

#### b. THIS IS NOT FLOOD INSURANCE.

This Additional Coverage does not apply to loss or damage caused by or resulting from Flood regardless of the proximity of the back-up or overflow to such conditions.

Flood as used in this provision means:

- (1) Surface water, waves, tidal water, tidal waves, tsunamis, or overflow of any natural or man made body of

water from its boundaries, all whether driven by wind or not; or

- (2) Mudslide or mudflow, meaning a river or flow of liquid mud directly or indirectly caused by flooding or the accumulation of water under the ground.
- (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.
- (4) Flood includes water or other material that backs up or overflows from any sewer or septic tank or drain, if such back-up is caused by any of the conditions in (1) or (3) above regardless of the proximity of the back-up to such conditions.
- (5) All flooding in a continuous or protracted event will constitute a single flood.

### 15. Transit

- a. This insurance is extended to apply to the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur caused by direct physical loss of or direct physical damage to the following property while in the due course of transit:
  - (1) Your Business Personal Property; and
  - (2) Business Personal Property owned by others.
- b. This Coverage will continue to apply to such property in the due course of transit, after the expiration or cancellation of this policy, until arrival at and accepted by an authorized representative at the invoiced destination, but for no longer than 30 days after the date of the shipment origination, but this will not cut short the Period of Restoration.
- c. You must retain accurate records of all shipments of Covered Property for one year.
- d. The most we will pay for the sum of all Business Income and Extra Expense in any one occurrence under this Additional Coverage is \$100,000. This is an additional amount of insurance.

- e. For the Transit Additional Coverage, the Coverage Territory is within or between the United States of America, (including its territories and possessions), Puerto Rico and Canada; however, waterborne shipments are covered only if on inland waterways or in territorial waters, within 12 miles of land.

#### 16. Unnamed Premises

- a. This insurance is extended to apply to the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur caused by direct physical loss of or direct physical damage by a Covered Cause of Loss to Property while at:
  - (1) Premises that you own, lease, or occupy other than at a "Scheduled Premises";
  - (2) Premises not described in the Property Choice Schedule of Premises and Coverages, which you do not own, lease or occupy;
  - (3) Premises where you are temporarily performing work or installing Business Personal Property and your insurable interest continues until the installation is accepted by the customer.
- b. Unnamed Premises does not include any:
  - (1) Premises or property covered under any other coverage of this Coverage Form;
  - (2) Waste disposal or transfer sites;
  - (3) Intermediate site while in the due course of transit; or
  - (4) Premises of a Web Site or Internet Services provider.
- c. The most we will pay for the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur in any one occurrence under this Additional Coverage at all unnamed premises other than at any one installation or at any one exhibition is \$100,000.
- d. The most we will pay for the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur in any one occurrence under this Additional Coverage at any one installation is the limit of insurance applicable to Business Income and Extra Expense. This is included in the Business Income and Extra Expense Limit of Insurance.

- e. The most we will pay for the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur in any one occurrence under this Additional Coverage at any one exhibition is the limit of insurance applicable to Business Income and Extra Expense Limit.

#### 17. Utility Service Interruption

- a. This insurance is extended to apply to the actual loss of Business Income you sustain and the actual, necessary and reasonable Extra Expense you incur at "Scheduled Premises", "Newly Acquired Premises" and Unnamed Premises caused by the interruption of specific services.

The interruption must result from direct physical loss or direct physical damage by a Covered Cause of Loss to property outside the insured premises boundary and which provides the following services:

  - (1) Water Supply Property, meaning the following types of property supplying water to the described premises:
    - (a) Pumping stations; and
    - (b) Water mains.
  - (2) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the described premises, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

Coverage does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.
  - (3) Communication Supply Property, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:
    - (a) Communication transmission lines, including optic fiber transmission lines;
    - (b) Coaxial cables; and
    - (c) Microwave radio relays except satellites.
  - (4) Power Supply Property, meaning the following types of property supplying

electricity, steam or gas to the described premises:

- (a) Utility generating plants;
- (b) Switching stations;
- (c) Substations;
- (d) Transformers; and
- (e) Transmission lines.

- b. As used in this Additional Coverage, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.
- c. This Additional Coverage does not include any loss or damage due to temperature change or spoilage.
- d. This Additional Coverage does not apply to the Dependent Properties Additional Coverage.
- e. We will not pay for Business Income loss you sustain during the 24 hours (unless a different Waiting Period is either shown in the Property Choice Schedule of Premises and Coverages or is shown by endorsement) that immediately follow after the Covered Cause of Loss. This Waiting Period does not apply to Extra Expense.
- f. The most we will pay for the sum of all actual loss of Business Income and the actual, necessary and reasonable Extra Expense you incur in any one occurrence under this Additional Coverage is \$25,000. This is an additional amount of insurance.

#### **18. Web Site and Internet Services**

- a. This insurance is extended to apply to the actual loss of Business Income you sustain and the actual necessary and reasonable Extra Expense you incur caused by direct physical loss or direct physical damage by a Covered Cause of

Loss to property that you depend on for Website and Internet Services.

Website and Internet Services means:

- (1) Internet access, e-mail, web hosting and application software services at the premises of others, or
- (2) Router infrastructure services, including cable and wireless, located outside your premises boundary.

- b. We will not pay for any Business Income loss under this Coverage that you sustain during the 12 hours (unless a different Waiting Period for this Coverage is indicated in the Property Choice Schedule of Premises and Coverages or by endorsement) that immediately follow the time when you first discovered the Covered Cause of Loss. This Waiting Period does not apply to Extra Expense.
- c. The most we will pay for the actual loss of Business Income or necessary and reasonable Extra Expense in any one occurrence under this Additional Coverage is the lesser of:
  - (1) The amount of the actual loss of Business Income you sustain during the 30 day period immediately following the Waiting Period and the necessary and reasonable Extra Expense you incur when you first discovered the Covered Cause of Loss (during the Waiting Period) and for a 30 day period immediately following the Waiting Period; or
  - (2) \$100,000.
- d. With respect to Web Sites, this coverage applies only if you have a back-up copy of your Web Page stored at a location other than the site of the Web Site vendor.
- e. This is an additional amount of insurance.



## LEGAL LIABILITY - BUILDING COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance. Other words and phrases that appear in quotation marks have special meaning. Refer to Form PC 00 90 **PROPERTY CHOICE CONDITIONS AND DEFINITIONS** for definitions.

### A. COVERAGE

We will pay up to the applicable Legal Liability - Building Limit of Insurance stated in the Property Choice Schedule of Premises and Coverages or in an endorsement attached to this Coverage Part for those sums that you become legally obligated to pay as damages because of direct physical loss or direct physical damage, including loss of use, to Covered Building Property caused by accident and arising out of a Covered Cause of Loss. We will have the duty to defend any suit seeking those damages. Suit includes an arbitration proceeding to which you must submit or submit with our consent. However, we have no duty to defend you against a suit seeking damages for direct physical loss or damage to which this insurance does not apply. We may investigate and settle any claim or suit at our discretion. But our duty to defend ends when we have used up the Legal Liability Building Limit of Insurance in the payment of judgments or settlements.

#### 1. Covered Building Property

Covered Building Property means buildings or structures of others in your care, custody or control.

#### 2. Covered Causes Of Loss

See the Property Choice - Covered Causes of Loss and Exclusions Form.

#### 3. Additional Coverages

##### a. Supplementary Payments

We will pay, with respect to any claim or any suit against you that we defend:

- (1) All expenses we incur.
- (2) 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.

- (3) All reasonable expenses incurred by you at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (4) All costs taxed against you in the suit.
- (5) Prejudgment interest awarded against you 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.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within our Limit of Insurance.

Payments under this Additional Coverage are in addition to the applicable Limit of Insurance.

##### b. Additional Insureds

Throughout this Coverage Form, if the Named Insured stated in the Property Choice Declarations is:

- (1) A partnership or corporation, the words "you" and "your" include partners, executive officers, trustees, directors and stockholders of such partnership or corporation;
- (2) A limited liability company, the words "you" and "your" include member and manager;

but only with respect to their duties as such.

The existence of one or more Additional Insureds does not increase the Limit of Insurance.

**c. Newly Acquired Organizations**

Throughout this Coverage Form, the words "you" and "your" also include any organization (other than a partnership, joint venture or limited liability company) you newly acquire or form and over which you maintain ownership or majority interest if there is no other similar insurance available to that organization.

This Additional Coverage ends:

- (1) 90 days after you acquire or form the organization; or
- (2) At the end of the policy period stated in the Property Choice Declarations; whichever is earlier.

This Additional Coverage does not apply to direct physical loss or direct physical damage that occurred before you acquired or formed the organization.

The existence of one or more Newly Acquired Organizations does not increase the Limit of Insurance.

**d. Newly Acquired Building Property**

- (1) You may extend the insurance that applies to Covered Building Property, as used in this Coverage Form, to apply to your liability for Building property of others that comes under your care, custody or control after the beginning of the current policy period. This Additional Coverage is subject to all terms and Conditions of this Coverage Form.

The most we will pay as the result of any one accident for loss or damage to buildings covered under this Additional Coverage is \$25,000 at each building.

- (2) Insurance under this Additional Coverage will end when any of the following first occurs:
  - (a) This policy expires;
  - (b) 180 days expire after the building property has come under your care, custody or control;
  - (c) You report values to us; or
  - (d) The property is more specifically insured.

We will charge you additional premium for values reported from the date the property comes under your care, custody or control.

- (3) This Additional Coverage does not apply to direct physical loss or direct physical damage that occurred before the building property came under your care, custody or control.

**B. EXCLUSIONS AND LIMITATIONS**

1. See the Property Choice - Covered Causes of Loss and Exclusions Form.
2. The following additional exclusions apply to insurance under this Coverage Form:

**a. Contractual Liability**

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

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

**b. Nuclear Hazard**

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

**C. LIMITS OF INSURANCE**

The most we will pay in damages as the result of any one accident is the applicable Limit of Insurance shown for Legal Liability - Building Limit of Insurance as shown in the Property Choice Schedule of Premises and Coverages or in an endorsement to this Coverage Part.

Payments under the Additional Coverages are in addition to the Limits of Insurance.

The existence of one or more:

1. Additional Insureds, or
  2. Newly Acquired Organizations,
- does not increase the Limit of Insurance.

**D. DEDUCTIBLE**

No deductible provision applies to this Coverage Form.

## E. PROPERTY CHOICE CONDITIONS CHANGES

For Coverage provided under this Coverage Form, the following changes are made to the Property Choice Conditions:

### 1. Duties In The Event Of Accident, Claim Or Suit

The General Duties in Event of Loss Condition is replaced by the following:

- a. You must see to it that we are notified promptly of any accident that may result in a claim. Notice should include:

- (1) How, when and where the accident took place; and
- (2) The names and addresses of any witnesses.

Notice of an accident is not notice of a claim.

- b. If a claim is made or suit is brought against you, you must see to it that we receive prompt written notice of the claim or suit.

- c. You must:

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

- d. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

### 2. Legal Action Against Us

The **Legal Action Against Us General Condition** is replaced by the following:

No person or organization has a right under this Coverage Form:

- a. To join us as a party or otherwise bring us into a suit asking for damages from you; or
- b. To sue us on this Coverage Form 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 you obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

### 3. Transfer Of Rights (Subrogation)

The **Transfer of Rights of Recovery Against Others To Us General Condition** is replaced by the following:

If you have rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. You must do nothing after loss to impair them. At our request, you will bring suit or transfer those rights to us and help us enforce them.

## F. ADDITIONAL CONDITIONS

The following conditions are added and apply in addition to the Common Policy Conditions, and the Property Choice Conditions:

### 1. Bankruptcy

Bankruptcy or insolvency of you or your estate will not relieve us of our obligations under this Coverage Form.

### 2. Separation Of Insureds

The insurance under this Coverage Form applies separately to you and each additional insured, except with respect to the Limits of Insurance.



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

## **PROPERTY CHOICE - COVERED CAUSES OF LOSS AND EXCLUSIONS FORM**

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to Form PC 00 90 **PROPERTY CHOICE CONDITIONS AND DEFINITIONS** for definitions.

### **A. COVERED CAUSES OF LOSS**

Covered Causes of Loss means direct physical loss or direct physical damage that occurs during the Policy Period and in the Coverage Territory unless the loss or damage is excluded or limited in this policy.

### **B. EXCLUSIONS**

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

#### **a. Acts, Errors or Omissions**

Acts, errors or omissions by you or others, whether before or after the acquisition of any Covered Property, in any of the following activities:

- (1) Planning, zoning, developing, surveying, testing or siting property;
- (2) Establishing or enforcing any building code, or any standard, ordinance or law about the construction, use or repair of any property or materials, or requiring the tearing down of any property, including the removal of its debris; or
- (3) Any of the following as to any part of land, buildings, roads, water or gas mains, sewers, drainage ditches, levees, dams, other structures or facilities, or to or for any Covered Property:

(a) Design, specifications, construction, grading, compaction; or

(b) Furnishing of work, materials, parts or equipment in connection with the

design, specifications, construction, renovation, remodeling, grading or compaction.

The Acts, Errors or Omissions Exclusion applies whether or not the property or facilities described above are Covered Property under this policy or on or away from a "Scheduled Premises".

But if direct physical loss or direct physical damage to Covered Property by fire, explosion or "Sprinkler Leakage" results, we will pay for the resulting loss or damage caused by that fire, explosion or "Sprinkler Leakage".

#### **b. Workmanship and Repair**

We will not pay for the cost of correcting defects in Covered Property, or loss or damage to Covered Property that was caused by, resulting from, or arising out of improper or defective workmanship or repair done on Covered Property by you, your employees, or others working on your behalf.

But if direct physical loss or direct physical damage by a "Specified Cause of Loss" ensues to Covered Property or if Equipment Breakdown coverage is provided under this policy and an Equipment Breakdown Accident ensues to Equipment Breakdown Equipment, we will pay for such ensuing loss or damage.

#### **c. Animals**

We will not pay for loss or damage to animals unless caused by a "Specified Cause of Loss". All other loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.



**d. Collapse**

**(Related to Earth Movement or Flood)**

Collapse, cracking, separating, shrinking, bulging, expansion, shifting, rising, settling, sinking, lateral movement or other movement, or other loss or damage to buildings or structures, including concrete or paved surfaces, which would not have occurred but for Earth Movement or Flood.

**e. Earth Movement**

- (1) Earthquake, meaning a shaking or trembling of the earth's crust, including tremors and aftershocks, resulting in breaking, shifting, rising, settling, sinking or lateral movement or other movement, including any related earth sinking, rising or shifting;
- (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 part of buildings or structures. Soil conditions include contraction, expansion, freezing, thawing, erosion, improper compaction of soil and the action of water under the ground surface.

This Exclusion applies regardless of whether any of the above is caused by weather, an act of nature or by an artificial, man-made or other cause.

But if direct physical loss or direct physical damage to Covered Property by fire or explosion results, we will pay for the resulting loss or damage caused by that fire or explosion.

**f. Water**

- (1) Flood, which means surface water, waves, tidal water, tidal waves, tsunamis, or overflow of any natural or man-made body of water from its boundaries, all whether driven by wind or not (including storm surge).
- (2) Mudslide or mudflow, directly or indirectly caused by flooding or the accumulation of water under the ground.
- (3) Water or other material that backs up or overflows from any sewer, septic tank, sump or drain.

(4) Release of water held by a dam, levee or dike, or by a water or flood control device.

(5) 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.

(6) Waterborne material or other property carried or otherwise moved by any of the water referred to in Paragraphs (1), (3) or (4), or by mudslide or mudflow.

But if direct physical loss or direct physical damage to Covered Property by fire, explosion or "Sprinkler Leakage" results, we will pay for the resulting loss or damage caused by that fire, explosion or "Sprinkler Leakage".

This Exclusion applies regardless of whether any of the above, in Paragraphs (1) through (6), is caused by weather, an act of nature or by an artificial, man-made, or other cause.

**g. "Fungus", Wet Rot, Dry Rot, Bacteria or Virus**

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

But if direct physical loss or direct physical damage to Covered Property by a "Specified Cause of Loss" results, we will pay for the resulting loss or damage caused by that "Specified Cause of Loss".

This Exclusion does not apply:

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

**h. Governmental Action**

- (1) Seizure or destruction of property by order of governmental authority.
- (2) But we will pay for direct physical loss or direct physical damage caused by or resulting from acts of destruction ordered by governmental authority

and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

- (3) This Exclusion does not apply to coverage as provided under the Ordinance or Law Additional Coverage(s).

**i. Nesting or Infestation**

- (1) We will not pay for loss or damage caused by, resulting from, or arising out of nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.
- (2) If direct physical loss or direct physical damage by a Covered Cause of Loss ensues to Covered Property, we will pay only for such ensuing loss or damage.
- (3) This Exclusion does not apply to:
  - (a) "Computer Equipment" and "Valuable Papers"; and
  - (b) Accounts Receivable and Fine Arts Additional Coverages.

**j. Nuclear Hazard**

- (1) Nuclear reaction, nuclear radiation or radioactive contamination, however caused, whether intentional or unintentional. This includes, but is not limited to, the release, dispersal or application of radioactive material, or the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination or radioactive force.
- (2) When state standard fire policy law requires that we cover any resulting fire damage, we will pay only for the resulting damage caused by that resulting fire. We will pay only the Actual Cash Value for the damaged property. Therefore, we will not pay for any indirect or related loss(es), such as business income, extra expenses, legal liability, or leasehold interest loss(es).

**k. Ordinance or Law**

- (1) The enforcement of, or compliance with, 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 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 while in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

**l. Pathogenic or Poisonous Biological or Chemical Materials**

- (1) The deliberate or intentional dispersal or application of any pathogenic or poisonous biological or chemical materials.
- (2) But if direct physical loss or direct physical damage to Covered Property by fire results, we will pay for the resulting loss or damage caused by that fire.

**m. "Pollutants and Contaminants"**

- (1) Discharge, dispersal, seepage, migration, release or escape of "Pollutants and Contaminants".
- (2) But if direct physical loss or direct physical damage to Covered Property by a "Specified Cause of Loss" results, we will pay for the resulting loss or damage caused by that "Specified Cause of Loss".
- (3) This Exclusion does not apply if the discharge, dispersal, seepage, migration, release or escape is itself caused by a "Specified Cause of Loss".
- (4) This Exclusion does not apply to:
  - (a) "Computer Equipment" and "Valuable Papers";
  - (b) Accounts Receivable, Business Travel, Exhibitions, Fine Arts and Transit Additional Coverages; or
  - (c) The accidental or malicious application of chemicals to glass that is a part of a building, structure or showcase.

**n. Utility Services Interruption**

The failure of power, communication, water or other utility service supplied to a "Scheduled Premises" if the failure:

- (1) Originates away from a "Scheduled Premises"; or

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

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

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

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

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

- (3) This Exclusion does not apply to:

- (a) "Valuable Papers",
- (b) Accounts Receivable and Fine Arts Additional Coverages; and
- (c) Coverage provided under the Utility Service Additional Coverage(s).

**o. War and Military Action**

- (1) War, including undeclared war;
- (2) Hostile or warlike action, in time of peace or war, including action in hindering, combating or defending against an actual or expected attack; by any of the following:
  - (a) Government or sovereign power (including quasi and de facto forms), or by any authority maintaining or using military, naval or air forces;
  - (b) Military, naval or air forces; or
  - (c) An agent of any such government, power, authority or forces.
- (3) Invasion, insurrection, rebellion, revolution, civil war, usurped power, including action in hindering, combating or defending against any such actual or expected event by any government, power, authority, forces or agents described in Paragraph (2)(a)-(c).above.

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

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

**a. Artificially Generated Electrical, Magnetic or Electromagnetic Energy**

Artificially generated electrical, magnetic or electromagnetic energy, including electric arcing, that damages, disturbs, disrupts or otherwise interferes with any electrical or electronic wire, device, appliance, system or network.

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

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

But if direct physical loss or direct physical damage to Covered Property by fire results, we will pay for the resulting loss or damage caused by that fire.

**b. Accounting Errors**

Errors or omissions in accounting, arithmetic, bookkeeping, or billing.

**c. Change of Temperature, Dampness or Dryness**

- (1) Dampness or dryness of atmosphere; or
- (2) Changes in or extremes of temperature.

But if direct physical loss or direct physical damage to Covered Property by a Covered Cause of Loss results, we will pay for the resulting loss or damage caused by that Covered Cause of Loss.

- (3) This Exclusion does not apply to:

- (a) "Computer Equipment" and "Valuable Papers";
- (b) Accounts Receivable and Fine Arts Additional Coverages; and
- (c) Coverage provided for Spoilage under the Cause of Loss Equipment Breakdown if applicable.

**d. Delay, Loss of Use or Loss of Market**

We will not pay for loss or damage caused by, resulting from, or arising out of delay, loss of use, or loss of market.

**e. Dishonest Acts**

Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This Exclusion:

- (1) Applies whether or not an act occurs during your normal hours of operation;
- (2) Does not apply to:
  - (a) Acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered; or
  - (b) Property entrusted to carriers for hire.

**f. Docks, Piers, Wharves**

- (1) Action of water or ice to bulkheads, docks, piers, seawalls, wharves, or property on such structures.
- (2) But if direct physical loss or direct physical damage to Covered Property by a "Specified Cause of Loss" results, we will pay for the resulting loss or damage caused by that Covered Cause of Loss.

**g. Electronic Vandalism or Corruption of "Electronic Data" or Corruption of "Computer Equipment"**

Electronic Vandalism or Corruption of "Electronic Data" or Corruption of "Computer Equipment" which means:

- (1) A virus, malicious code or similar instruction introduced into or enacted on a computer system (including "Electronic Data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation.
- (2) Unauthorized viewing, copying or use of electronic data (or any proprietary or confidential information or intellectual property in any form) by any person, even if such activity is characterized as "Theft";

- (3) Errors, omissions or deficiency in programming, processing or storing "Electronic Data";
- (4) Errors, omissions or deficiency in design, installation, maintenance, repair or modification of your computer system or any computer system or network to which your system is connected or on which your system depends (including "Electronic Data");
- (5) Manipulation of your computer system, including "Electronic Data", by any person(s), for the purpose of diverting or destroying "Electronic Data" or causing fraudulent or illegal transfer of any property;
- (6) Interruption in normal computer function or network service or function due to insufficient capacity to process transactions or to an overload of activity on the system or network;
- (7) Unexplained or indeterminable failure, malfunction or slowdown of a computer system, including "Electronic Data" or the inability to access or properly manipulate the "Electronic Data";
- (8) Complete or substantial failure, disablement or shutdown of the Internet, regardless of the cause;
- (9) The inability of a computer system to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

But if direct physical loss or direct physical damage to Covered Property by fire, explosion or "Sprinkler Leakage" results, we will pay for the resulting loss or damage caused by that fire, explosion or "Sprinkler Leakage".

**h. Loss Due To By-Products of Production or Processing Operations**

- (1) We will not pay for loss or damage to "Scheduled Premises", caused by or resulting from smoke, vapor, gas or any substance released in the course of production operations or processing operations performed at the "Scheduled Premises". This exclusion applies regardless of whether such operations are:
  - (a) Legally permitted or prohibited;
  - (b) Permitted or prohibited under the terms of the lease; or
  - (c) Usual to the intended occupancy of the premises.

This exclusion does not apply to loss or damage by fire or explosion that results from the release of a by-product of the production or processing operation.

- (2) If the loss or damage described in Paragraph (1) results in Business Income loss or Extra Expense, there is no coverage for such loss or expense under the business income and/or extra expense forms listed in this policy, or under any other business interruption insurance if provided under this policy.
  - (3) The conduct of an insured or tenant production or processing operations will not be considered to be vandalism of the premises regardless of whether such operations are:
    - (a) Legally permitted or prohibited;
    - (b) Permitted or prohibited under the terms of a lease; or
    - (c) Usual to the intended occupancy of the premises.
- i. **Mechanical Breakdown**

Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the direct physical loss or direct physical damage caused by that elevator collision.
  - j. **Missing Property**

Disappearance of property when there is no clear evidence to show what happened to it. This would include a shortage disclosed on taking inventory or auditing records. This Exclusion does not apply to property in the custody of a carrier for hire.
  - k. **Neglect to Protect Property**

Neglect to use all reasonable means to save and preserve property from further damage at and after time of the direct physical loss or damage.
  - l. **Rain, Snow, Ice, Sleet to Property in the Open**

Rain, snow, ice or sleet to personal property while in the open. This Exclusion does not apply to property in the custody of a carrier for hire.
  - m. **Settling, Cracking to Buildings or Structures**
    - (1) Settling, cracking, shrinking or expansion of buildings or structures, bridges, roadways, walks, patios or concrete or paved surfaces.
      - (2) But if direct physical loss or damage to Covered Property by a Covered Cause of Loss results, we will pay for the resulting loss or damage caused by that Covered Cause of Loss.
  - n. **Smoke (Agricultural or Industrial)**

Smoke, vapor or gas from agricultural smudging or industrial operations.
  - o. **Steam Explosions**

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.
  - p. **Testing**
    - (1) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
    - (2) An insulation breakdown test of any type of electrical equipment.
    - (3) But if direct physical loss or damage to Covered Property by a "Specified Cause of Loss" results, we will pay for the resulting loss or damage caused by that "Specified Cause of Loss."
  - q. **Unauthorized Transfer of Property**

Unauthorized transfer of property that has been transferred to any person or to any place outside your premises on the basis of unauthorized instructions.
  - r. **Voluntary Parting**

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.
3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.f. But if direct physical loss or direct physical damage to Covered Property by a Covered Cause of Loss results, we will pay for the resulting loss or damage caused by that Covered Cause of Loss.
    - a. Wear and tear, or change in color, texture, or finish;
    - b. Rust, corrosion, decay, or deterioration;

- c. Hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- d. Maintenance;
- e. Smog; or
- f. Shrinkage, evaporation, or loss of weight of "Stock".

**C. Limitations**

The following limitations apply to all policy forms and endorsements:

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

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. The interior of any building or structure, or personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
  - 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.
4. "Theft" of "Electronic Data".



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

## CAUSES OF LOSS - EARTHQUAKE

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. Words and phrases that appear in quotation marks have special meaning. Refer to Form PC 00 90 **PROPERTY CHOICE CONDITIONS AND DEFINITIONS** for definitions.

This endorsement modifies insurance provided under the following:

### PROPERTY CHOICE COVERAGE PART

#### A. COVERED CAUSES OF LOSS

When Causes of Loss - Earthquake is added to the Property Choice Coverage Part, Covered Causes of Loss is revised to include for designated "Scheduled Premises" and applicable coverages as indicated in the Property Choice Schedule of Premises and Coverages:

Earthquake, meaning a shaking or trembling of the earth's crust, caused by underground tectonic forces resulting in breaking, shifting, rising, settling, sinking or lateral movement or other movement.

All earthquake shocks that occur within any 168-hour period will be deemed to be a single Earthquake occurrence. The expiration of this policy will not reduce the 168-hour period.

#### B. EXCLUSIONS

1. Earthquake does not apply as a Covered Cause of Loss to the following Additional Coverages, found in the Property Choice Specialized Property Insurance Coverage(s) forms and/or any applicable Business Interruption Additional Coverages Form:
  - a. Dependent Properties;
  - b. Newly Acquired Premises, except as provided by this endorsement;
  - c. Unnamed Premises; or
  - d. Utility Service Interruption.
2. We will not pay for loss or damage caused directly or indirectly by Flood, as defined by the Flood Exclusion found in the Property Choice Covered Causes of Loss and Exclusions Form, even if attributable to an Earthquake.
3. This Coverage does not apply to any Earthquake occurrence that began prior to the inception of this Endorsement.

4. Under this Coverage Part, as set forth under Property Not Covered in the Property Choice Coverage Form to which this endorsement is attached, land is not covered property. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land.
5. Earthquake coverage as provided by this endorsement does not apply to the following Coverage Forms even if these Coverage Forms are attached to the Property Choice Coverage Part:
  - a. Legal Liability - Building Coverage Form, PC 00 30.
  - b. Mortgageholders Errors and Omissions Coverage Form, PC 00 40.
  - c. 12 Month Business Income and Expense Coverage Form, PC 00 23.

#### C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the total amount of loss or damage for all coverages exceeds the applicable Deductible shown in the Property Choice Schedule of Premises and Coverages or by endorsement. We will then pay the amount of loss or damage in excess of the deductible up to the applicable Limit of Insurance.

#### D. LIMITS OF INSURANCE

The following is added to section C. Limits of Insurance of the Property Choice Coverage Form

The most we will pay for loss or damage caused by any Earthquake is:

1. The Earthquake "Policy Year" Limit of Insurance stated in the Property Choice Schedule of Premises and Coverages is the

most we will pay for all Earthquake loss or damage that occurs during any one "Policy Year", regardless of the number of premises covered under this policy, or the number of occurrences during the "Policy Year". Any amounts payable under any Coverage or Additional Coverage contained in this Coverage Part do not increase that Limit of Insurance except for Newly Acquired Property, as contained in this endorsement.

2. If two or more Earthquake "Policy Year" limits of Insurance are shown in the Property Choice Schedule of Premises and Coverages, the most we will pay under this policy in total in any one "Policy Year" is the largest Earthquake "Policy Year" limit of insurance even if the loss or damage involves more than one Earthquake "Policy Year" limit of insurance.
3. The Earthquake "Policy Year" Limit of Insurance as stated in the Property Choice Schedule of Premises and Coverages is a part of and is included in the Limit of Insurance which applies to your "Scheduled Premises" as stated in the Property Choice Schedule of Premises and Coverage. The Earthquake "Policy Year" Limit of Insurance is not an additional Limit of Insurance.

4. If a Cause of Loss (such as fire) is covered by means of an exception to the Earth Movement Exclusion, in the Property Choice Covered Causes of Loss and Exclusions Form, we will also pay for the loss or damage caused by that other Covered Cause of Loss. But the most we will pay, for the total of all loss or damage caused by the Earthquake and other Covered Cause of Loss, is the Limit of Insurance applicable to such other Covered Cause of Loss. We will not pay the sum of the two Limits.

5. The most we will pay for loss or damage for Newly Acquired Premises under this endorsement is \$250,000 in any one "Policy Year".

Insurance for each newly acquired premise you acquire by purchase or lease will end when any of the following first occurs:

- a. This policy expires;
- b. 180 days expire after you acquire the property;
- c. You report values to us; or
- d. The property is more specifically insured.

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





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

## CAUSES OF LOSS - FLOOD

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. Words and phrases that appear in quotation marks have special meaning. Refer to Form PC 00 90 **PROPERTY CHOICE CONDITIONS AND DEFINITIONS** for definitions.

This endorsement modifies insurance provided under the following:

### PROPERTY CHOICE COVERAGE PART

#### A. COVERAGE

Flood is added as a Covered Cause of Loss applicable to the coverages provided under the Property Choice Coverage Part as stated in the Property Choice Schedule of Premises and Coverages. This Cause of Loss applies only to "Scheduled Premises" as shown in the Property Choice Schedule of Premises and Coverages.

Flood means:

1. Surface water, waves, tidal water, tidal waves, tsunamis, or overflow of any natural or man made body of water from its boundaries, all whether driven by wind or not; or
2. Mudslide or mudflow, meaning a river or flow of liquid mud directly or indirectly caused by flooding or the accumulation of water under the ground.
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.
4. Flood includes water or other material that backs up or overflows from any sewer or septic tank or drain, if such back-up is caused by any of the conditions in 1. or 3. above regardless of the proximity of the back-up to such conditions.

All flooding in a continuous or protracted event will constitute a single flood.

#### B. EXCLUSIONS

1. Flood does not apply as a Covered Cause of Loss under the following Additional Coverages found in the Property Choice Specialized Property Insurance Coverages Forms and/or

any applicable Business Interruption Additional Coverage Forms. :

- a. Dependent Properties;
  - b. Newly Acquired Premises, except as provided by this endorsement;
  - c. Unnamed Premises; or
  - d. Utility Service Interruption.
2. The following items of property are not Covered Property under this Endorsement, whether or not they are Covered Property:
    - a. Bulkheads, pilings, seawalls, docks, piers, wharves, retaining walls (whether or not attached to covered buildings), fences, and outdoor swimming pools.
    - b. Open structures located on or partially over water.
    - c. Personal property in the open or in open buildings or structures.
    - d. Underground structures or underground equipment, and those portions of walls, driveways and other paved or poured surfaces outside the foundation walls of a covered structure.
    - e. Structures which are primarily containers and their contents including storage tanks or similar equipment. But we will pay for loss of or damage to silos and grain storage buildings and their contents.
    - f. Any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 *et seq.*, and the Coastal Barrier Improvement Act of 1190, Pub. L. 101-591, 16 U.S.C. 3501 *et seq.*
  3. This Coverage does not apply to any Flood that began before the inception of this insurance.

4. Flood coverage as provided by this endorsement does not apply to the following Coverage Forms even if these Coverage Forms are attached to the Property Choice Coverage Part:
  - a. Legal Liability - Building Coverage Form, PC 00 30
  - b. Mortgageholders Errors and Omissions Coverage Form, PC 00 40.
  - c. Property Choice - 12 Month Business Income and Expense Coverage Form, PC 00 23.
5. To the extent that a tsunami causes the overflow of tidal waters, the exclusion of earthquake, in the Earth Movement Exclusion, does not apply.

#### C. DEDUCTIBLE

1. We will not pay for loss or damage in any one occurrence until the amount of loss or damage for all coverages exceeds the applicable deductible shown in the Property Choice Schedule of Premises and Coverages. This deductible applies to all coverages including but not limited to Business Income and Extra Expense if such coverages are provided under this Coverage Part. We will then pay the amount of loss or damage in excess of the deductible, up to the applicable Limit of Insurance.
2. If an hourly deductible is stated in the Property Choice Schedule of Premises and Coverage as applicable to Flood, then that hourly deductible is the only deductible that will apply to the Business Income loss caused by or resulting from Flood.
3. We will not pay that part of the loss that is attributable to any Deductible(s) in the National Flood Insurance Program policy.
4. If Flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause loss or damage, then only the higher deductible applies (e.g., the Flood deductible or the Fire deductible).

#### D. LIMITS OF INSURANCE

1. The Flood "Policy Year" Limit of Insurance stated in the Property Choice Schedule of Premises and Coverages is the most we will pay for all Flood loss or damage that occurs during any one "Policy Year", regardless of the number of premises covered under this policy, or the number of occurrences during the "Policy Year". Any amounts payable under any Coverage or Additional Coverage contained in this Coverage Part do not increase that Limit of Insurance except for Newly Acquired Property, as contained in this endorsement.

2. If two or more Flood "Policy Year" limits of Insurance are shown in the Property Choice Schedule of Premises and Coverages, the most we will pay under this policy in total in any one "Policy Year" is largest Flood "Policy Year" limit of insurance even if the loss or damage involves more than one Flood "Policy Year" limit of insurance.
3. The Flood "Policy Year" Limit of Insurance as stated in the Property Choice Schedule of Premises and Coverages is a part of and is included in the Limit of Insurance which applies to your "Scheduled Premises" as stated in the Property Choice Schedule of Premises and Coverage. The Flood "Policy Year" Limit of Insurance is not an additional Limit of Insurance.
4. In the event of covered ensuing loss, for example, loss caused by fire, explosion or sprinkler leakage which results from the Flood, the most we will pay, for the total of all loss or damage caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to Fire. We will not pay the sum of the Fire and Flood Limits.

#### 5. Excess of Loss Limitation

If EXCESS OF LOSS LIMITATION APPLIES is stated in the Property Choice Schedule of Premises and Coverages at a "Scheduled Premises" and if the flood loss is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only for the amount of loss in excess of the maximum limit that can be insured under that policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for Flood as stated in the Property Choice Schedule of Premises and Coverage.

This provision does not apply to loss which cannot be covered under provisions of the above Act or amendments. If we pay for loss subject to this provision, the benefit of any recovery or salvage on such loss is ours to the extent of our payment.

#### 6. Newly Acquired Premises

The most we will pay for loss or damage for Newly Acquired Premises under this endorsement is \$250,000 which applies to all such loss or damage in any one "Policy Year" regardless of the number of premises covered under this policy, or the number of occurrences during the "Policy Year".

Insurance for each newly acquired property you acquire will end when any of the following first occurs:

- a. This policy expires;
- b. 180 days expire after you acquire the property;
- c. You report values to us; or
- d. The property is more specifically insured.

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

#### **E. ADDITIONAL COVERAGE- DEBRIS REMOVAL**

With respect to Flood Coverage, the Debris Removal Additional Coverage (and any additional limit for Debris Removal under a Limit of Insurance clause or an endorsement) is not applicable and is replaced by the following:

##### **Debris Removal**

1. We will pay your expense to remove debris of Covered Property and other debris that is on the "Scheduled Premises", when such debris is caused by or results from Flood.

However, we will not pay to remove deposits of mud or earth from the grounds of the "Scheduled Premises".

2. We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "Scheduled Premises" by Flood.
3. This coverage for Debris Removal, as set forth in E.1. and E.2. above, does not increase the applicable Limit of Insurance for Flood. Therefore, the most we will pay for the total of debris removal and loss or damage to Covered Property (and if applicable Business Income or Extra Expense) is the Limit of Insurance for Flood that applies to the affected "Scheduled Premises" covered under this endorsement.



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

## **PROPERTY CHOICE - CAUSE OF LOSS - EQUIPMENT BREAKDOWN**

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to Form PC 00 90 **PROPERTY CHOICE CONDITIONS AND DEFINITIONS** for definitions.

### **A. COVERED CAUSE OF LOSS - EQUIPMENT BREAKDOWN**

The definition of Covered Causes of Loss includes Equipment Breakdown Accident to Equipment Breakdown Property, as defined and limited below:

#### **1. Equipment Breakdown**

a. Equipment Breakdown Accident means direct physical loss or direct physical damage as follows:

- (1) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- (2) Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires;
- (3) Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- (4) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
- (5) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

b. Equipment Breakdown Property means property:

- (1) that generates, transmits or utilizes energy, including electronic

communications and data processing equipment; or

- (2) which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

Equipment Breakdown Property may utilize conventional design and technology or new or newly commercialized design and technology.

c. The following is not Equipment Breakdown Property:

- (1) Any structure, foundation, cabinet, or compartment;
- (2) Any insulating or refractory material;
- (3) Any sewer piping, any underground vessels or piping, any piping forming a part of a sprinkler system or water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
- (4) Any draglines, excavation or construction equipment;
- (5) Any equipment manufactured by you for sale;
- (6) Any satellite, or any equipment mounted on a satellite; or
- (7) Any vehicle or any equipment mounted on a vehicle. As used here, vehicle means any machine or apparatus that is used for transportation or moves under its own power. Vehicle includes, but is not

limited to, car, truck, bus, trailer, train, aircraft, spacecraft, watercraft, forklift, bulldozer, tractor or harvester. However, any property that is stationary, permanently installed at a "Scheduled Premises" and that receives electrical power from an external power source will not be considered a vehicle.

d. **Limit of Insurance:** The most we will pay in any one Equipment Breakdown Accident to Equipment Breakdown Property is the lesser of the applicable Limit of Insurance for:

- (1) Building and Business Personal Property or Business Interruption as shown in the Property Choice Schedule of Premises and Coverages or
- (2) Equipment Breakdown Limit of Insurance as shown in the Property Choice Schedule of Premises and Coverages.

## 2. Equipment Breakdown Coverage Extensions

The following Coverage Extensions apply to loss or damage to Covered Property caused by or resulting from an Equipment Breakdown Accident to Equipment Breakdown Property:

### a. CFC Refrigerants

We will pay for the additional costs to repair or replace Covered Property beyond what would have been necessary had no refrigerant containing CFC (chlorinated fluorocarbon) substances been involved in the Equipment Breakdown Accident.

The most we will pay for each occurrence of covered loss or damage under this Coverage Extension is the CFC Refrigerants Limit of Insurance stated in the Property Choice Schedule of Premises and Coverages, but not more than the least amount to:

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

This Coverage Extension is included within the Covered Property Limit of Insurance.

### b. Hazardous Substances

We will pay for the additional costs to repair or replace Covered Property

beyond what would have been necessary had the Equipment Breakdown Accident not caused contamination by a Hazardous Substance. This includes the additional expenses to clean up or dispose of such property.

As used in this Coverage Extension, Hazardous Substance means any substance that has been declared to be hazardous to health by a governmental agency.

The most we will pay for each occurrence of covered loss or damage under this Coverage Extension is the Hazardous Substances Limit of Insurance stated in the Property Choice Schedule of Premises and Coverages.

This Coverage Extension is included within the Covered Property Limit of Insurance.

### c. Spoilage

We will pay for your loss of perishable goods due to:

- (1) Spoilage; or
- (2) Contamination caused by the release of refrigerants, including but not limited to ammonia; caused by or resulting from an Equipment Breakdown Accident to Equipment Breakdown Property located at the premises.

We will not pay for loss or damage as a result of your failure to use all reasonable means to protect the perishable goods from damage following an Equipment Breakdown Accident.

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

If you are unable to replace the perishable goods before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the perishable goods at the time of the Equipment Breakdown Accident, less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

As used in this Coverage Extension, perishable goods means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

The most we will pay for in any one occurrence under this Coverage Extension is the Causes of Loss Equipment Breakdown Spoilage Limit of Insurance as stated in the Property Choice Schedule of Premises and Coverages.

This is included within the Covered Property Limit of Insurance.

**d. Expediting Expenses**

**(Related to Equipment Breakdown)**

(1) In the event of a loss or damage caused by or resulting from an Equipment Breakdown Accident to Equipment Breakdown Property at "Scheduled Premises", "Newly Acquired Premises", and "Unnamed Premises", we will pay for the reasonable and necessary additional expenses you incur to:

- (a) Make temporary repairs;
- (b) Expedite permanent repair or replacement of damaged property; or
- (c) Provide training on replacement machines or equipment.

(2) This includes overtime wages, the extra cost of express or other rapid means of transportation, and expenses to bring computer systems back to operational status.

(3) The most we will pay under this Coverage Extension is the applicable limit of insurance as shown in Property Choice Schedule of Premises and Coverages - Causes Of Loss - Equipment Breakdown Expediting Expenses. This is an additional amount of insurance.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CAUSE OF LOSS - ELECTRONIC VANDALISM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. Words and phrases that appear in quotation marks have special meaning. Refer to Form PC 00 90 **PROPERTY CHOICE CONDITIONS AND DEFINITIONS** for definitions.

This endorsement modifies insurance provided under the following:

### PROPERTY CHOICE COVERAGE PART

#### A. COVERED CAUSE OF LOSS

##### 1. Electronic Vandalism

a. Electronic Vandalism, as defined and limited below, is added as a Covered Cause of Loss.

b. Electronic Vandalism means:

(1) A virus, malicious code or similar instruction introduced into and enacted on a computer system (including "Electronic Data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation; or

(2) Manipulation of your computer system, including "Electronic Data", by any person(s) for the purpose of diverting or destroying "Electronic Data".

whether or not there has been any physical loss or physical damage to "Computer Equipment" or "Electronic Data".

Paragraphs (1) and (5) of Exclusion B.2.g. **Electronic Vandalism** found in the Property Choice Covered Causes of Loss and Exclusions Form do not apply to the insurance specifically provided under this Endorsement. The other paragraphs of the Electronic Vandalism Exclusion continue to apply.

c. Paragraph B.3 **Limitation - Interruption of Computer Operations** found in any Property Choice Business Income Coverage Form, Property Choice Rental Income Coverage Form, or Property Choice Extra Expense Coverage Form

attached to this Coverage Part is deleted and replaced with the following Limitation:

##### 3. Business Income, Rental Income, and Extra Expense Limitation - Network Outage

a. Coverage for Business Income or Rental Income applies only when a suspension of operations is caused by a network outage, which is an actual and measurable failure, interruption, degradation, suspension or delay in service caused by or resulting from Electronic Vandalism.

b. Coverage for Extra Expense applies only when the action is taken to reduce, minimize or stop a suspension of operations caused by network outage, which is an actual and measurable failure, interruption, degradation, suspension or delay in service caused by or resulting from Electronic Vandalism.

##### 2. Coverage Extensions

###### a. Denial of Service - Business Income, Rental Income or Extra Expense

Denial of Service Attack, as defined and limited below, is added as a Covered Cause of Loss with respect to the following coverages, if attached to this Coverage Part: Business Income, Rental Income and Extra Expense. Denial of Service Attack means the malicious direction of a high volume of worthless inquiries to web site or e-mail destinations, effectively denying or limiting legitimate access.

This Coverage applies to Denial of Service Attacks:

- (1) That originate anywhere in the world; and
- (2) Whether or not there has been any physical loss or physical damage to "Electronic Data".
- (3) The most we will pay for the sum of all loss in any one "Policy Year" due to Denial of Service Attack is \$25,000.

**b. Good Faith Advertising Expense**

- (1) If we make payment for loss or damage caused by or resulting from Denial of Service or Electronic Vandalism as provided under Denial of Service - Business Income, Rental Income or Extra Expense, Electronic Extortion Demand, Electronic Vandalism or Web Site and Internet Services Coverages, we will pay for the reasonable advertising expenses you incur solely to regain customer good faith.
- (2) The most we will pay for the sum of all reasonable advertising expenses under this provision in any one "Policy Year" is \$25,000.

**c. Electronic Extortion Demand**

- (1) We will reimburse ransom monies paid by you resulting from a covered electronic extortion demand. Ransom monies mean money that you have surrendered to meet an actual electronic extortion demand which is first made during the "Policy Year". Electronic extortion demand means the introduction of malware into your computer system that causes the loss of use of, inability to access, or inability to manipulate electronic data or the non-functionality of any computer processing equipment coupled with a demand of ransom monies for the subsequent removal of the malware from your computer system. All demands for the same malware attack will be deemed to constitute a single electronic extortion demand.
- (2) We will not pay any ransom monies:
  - (a) In connection with any claim for reimbursement for, based upon, arising from or in any way related to any fraudulent, dishonest or criminal acts by you, or any person authorized by you to have custody of ransom monies.

(b) Due to confiscation or expropriation of ransom monies by any governmental authority.

(c) Due to your failure to realize income.

(d) Due to your failure to comply with any of the following **Additional Conditions**:

- i. You shall give oral or written notice of an electronic extortion demand as soon as practicable to us;
- ii. You shall make every reasonable effort to notify the police or other law enforcement agency having jurisdiction over such "occurrence" and comply with such agencies' recommendations and instructions;
- iii. You shall determine, and aid in determining, that the electronic extortion demand is genuine and has actually occurred;
- iv. You shall use all reasonable efforts not to disclose the existence of this Additional Coverage or any payments made hereunder;
- v. You shall use all due diligence and do all things reasonably practicable to avoid or diminish any payment; and
- vi. You shall furnish to us affirmative proof of payment with full particulars of the loss sustained.

(3) The most we will pay in total in any one "Policy Year" for all electronic extortion demands regardless of the number of electronic extortion demands made in any one "Policy Year" is \$10,000. This is the only Limit of Insurance that applies to Electronic Extortion Demand.

**B. LOSS PAYMENT AND VALUATION**

1. In the event of loss or damage to "Electronic Data" caused by or resulting from Electronic Vandalism, we will determine the value of the "Electronic Data" at the actual, reasonable and necessary costs you incur to restore or replace the "Electronic Data".



We will not pay for costs or expenses you incur to:

- a. Identify or remediate any errors or vulnerabilities or to update, restore, replace, upgrade, maintain or improve any "Computer Equipment" or computer system;
- b. Update, replace, restore or improve any "Electronic Data" to a level beyond the condition in which it existed immediately preceding the Electronic Vandalism; or
- c. Duplicate research that led to development of your "Electronic Data" or any proprietary or confidential information or intellectual property in any form.

To the extent that "Electronic Data" is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the "Electronic Data" was stored, with blank media of substantially identical type.

If you recover from a licensor, lessor or any other party for loss or damage to "Electronic Data", our loss payment to you will be reduced by the amount of such recovery.

2. In the event of loss or damage to "Computer Equipment" caused by or resulting from Electronic Vandalism, we will determine the value at the valuation basis applicable to Business Personal Property.
3. If the Extra Expense coverage applies and in the event you incur actual, necessary and reasonable Extra Expense, as provided and limited under this Coverage Part, then we will not pay for any of the following:
  - a. Costs or expenses incurred to update or improve any "Computer Equipment" or computer system;
  - b. Costs or expenses incurred to identify or remediate vulnerabilities or errors in any "Computer Equipment" or computer system unrelated to the loss or damage;
  - c. Contractual liability, or the value of, or associated with, any contract including, but not limited to, any sums due pursuant to a contractual provision for liquidated damages, agreed penalties, or similar remedy; or
  - d. Ransom monies to restore the use of, ability to access, or ability to manipulate "Electronic Data" or to restore the functionality of any "Computer Equipment" or computer system, except to the extent covered in the Electronic Extortion Demand Coverage Extension.
4. We will not pay for loss or damage caused by "theft," observation, publication, unauthorized access to or loss of confidentiality of "Electronic Data".

#### C. LIMIT OF INSURANCE

1. The most we will pay under this endorsement in total for all loss or damage from all "occurrences" during the "Policy Year", regardless of the number of coverages applicable, the number of premises or the number of "occurrences" during the "Policy Year", is the lesser of:
  - a. The Limits of Insurance applicable to Building, Business Personal Property, Business Income or Rental Income and Extra Expense; or
  - b. "Policy Year" Limit of Insurance applicable to Electronic Vandalism shown in the Property Choice Schedule of Premises and Coverages.
2. Any amounts payable under this endorsement, any Coverage, Additional Coverage or Coverage Extension contained in this Coverage Part including, but not limited to, the Cloud Computing Coverage endorsement or the Website and Internet Services Additional Coverage, are included in and do not increase the Electronic Vandalism "Policy Year" Limit of Insurance.
3. This Coverage does not apply to any "occurrence" that first began prior to "Policy Year" or the inception of this Endorsement.

#### D. DEDUCTIBLE

1. We will not pay for any loss or damage in any one "occurrence" until the amount of loss or damage exceeds the applicable Deductible stated in the Property Choice Schedule of Premises and Coverages. Subject to the "Policy Year" Limit of Insurance, we will then pay the amount of loss in excess of the Deductible, up to the applicable Limit of Insurance.
2. We will not pay for any Business Income loss or Rental Income loss caused by Electronic Vandalism that you sustain during the 6 hours (unless a different Waiting Period for Electronic Vandalism is indicated in the Property Choice Schedule of Premises and Coverages or by endorsement) that immediately follow the time when you first discovered the Electronic Vandalism. This Waiting Period serves as a deductible. No other deductible applies to Business Income or Rental Income coverage. This Waiting Period does not apply to Extra Expense.
3. As respects the Denial of Service Coverage Extension, we will not pay for any loss of Business Income or Rental Income that you sustain during the 12 hours (unless a different Waiting Period for this Coverage is indicated in the Property Choice Schedule of Premises or Coverages or by endorsement) that

immediately follow the time when you first discovered the Denial of Service Attack. This Waiting Period serves as a deductible. No other deductible applies to Business Income or Rental Income coverage. This Waiting Period does not apply to Extra Expense.

**E. DEFINITION**

"Occurrence", as used in this endorsement, means:

1. An individual act or event, including any subsequent acts or events arising from, or enabled by, the original act or event; or

2. The combined total of all separate acts or events, whether or not related, or a series of acts or events, whether or not related committed by the same person or entity acting alone or in collusion with other persons or entities during the Policy Period shown in the Declarations.



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

## **CLOUD COMPUTING COVERAGE**

This Endorsement modifies insurance provided under the following:

### PROPERTY CHOICE COVERAGE PART

- A. Property Choice - Specialized Property Insurance Coverages endorsement is revised as follows:**
- 1. LOSS OF OR DAMAGE TO ELECTRONIC DATA AT CLOUD COMPUTING FACILITY**
    - a.** The following is added to Section A. Additional Coverages - Unnamed Premises:  
We will pay for loss or damage to your "Electronic Data" caused by or resulting from a Covered Cause of Loss while at a Cloud Computing facility located anywhere in the world. A Cloud Computing facility means a facility operated by a Cloud Computing provider with whom you have a written contract.
    - b.** With respect to the coverage provided under this Cloud Computing provision:
      - (1)** Unnamed Premises includes the premises of a Web Site, Communications or Internet Services provider.
      - (2)** The Coverage Territory General Condition found in the Property Choice Conditions and Definitions form does not apply.
      - (3)** This is the only insurance that applies to loss or damage to your "Electronic Data" at Cloud Computing facilities.
  - 2. LIMIT OF INSURANCE**
    - a.** The most we will pay for loss or damage in any one occurrence regardless of the types or number of Cloud Computing facilities or Causes of Loss involved is the Limit of Insurance shown in the applicable Property Choice - Specialized Property Insurance Coverages endorsement: Additional Coverage: Unnamed Premises; At all Unnamed Premises: Business Personal Property.
    - b.** Refer to any optional Covered Cause(s) of Loss endorsement that is attached to this Coverage Part for an applicable "Policy Year" Limit of Insurance.
- B. If a Limit of Insurance is shown in the Property Choice Schedule of Premises and Coverages for Business Income, Rental Income or Extra Expense Coverage then the following applies:**
- The Additional Coverage - Unnamed Premises found in the following endorsements:
- Property Choice Business Income and Extra Expense - Additional Coverages;  
Property Choice Business Income - Additional Coverages;  
Property Choice Professional Business Income - Additional Coverages;  
Property Choice 12 Month Business Income - Additional Coverages;  
Property Choice Rental Income - Additional Coverages; or  
Property Choice Extra Expense - Additional Coverages;
- is revised as follows:
- 1. BUSINESS INCOME, RENTAL INCOME OR EXTRA EXPENSE DUE TO LOSS OF OR DAMAGE TO ELECTRONIC DATA AT CLOUD COMPUTING FACILITY**
    - a.** The following is added to Additional Coverage - Unnamed Premises:  
We will pay for the actual loss of Business Income, Rental Income or Extra Expense you incur, if applicable due to loss or damage to your "Electronic Data", caused by or resulting from a Covered Cause of Loss while at a Cloud Computing facility located anywhere in the world. A Cloud Computing facility means a facility operated by a Cloud Computing provider with whom you have a written contract.

- b. With respect to the coverage provided under this Cloud Computing provision:
  - (1) Unnamed Premises includes the premises of a Web Site, Communications or Internet Services provider.
  - (2) The Coverage Territory General Condition found in the Property Choice Conditions and Definitions form does not apply.
  - (3) This is the only insurance that applies to the actual loss of Business Income, Rental Income or Extra Expense, if applicable, due to loss or damage to your "Electronic Data" at Cloud Computing facilities.
- c. We will not pay for any loss of Business Income or Rental Income until the necessary interruption of your business operations exceeds 12 hours (unless a different Waiting Period for this Coverage is indicated in the Property Choice Schedule of Premises or

Coverages or by endorsement applicable to Unnamed Premises). We will not pay for any loss of Business Income or Rental Income you sustain in any one occurrence during such time period. This Waiting Period does not apply to Extra Expense.

**2. LIMIT OF INSURANCE**

- a. The most we will pay for the actual loss of Business Income or Rental Income sustained or Extra Expense incurred in any one occurrence regardless of the types or number of Cloud Computing facilities involved is the Limit of Insurance shown in the applicable Property Choice Business Income or Rental Income or Extra Expense - Additional Coverage - Unnamed Premises.
- b. Refer to any optional Covered Cause(s) of Loss endorsement that is attached to this Coverage Part for an applicable "Policy Year" Limit of Insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ELECTRONIC COMMUNICATION AND DATA SYSTEMS - OPTIONAL WAITING PERIOD

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

- CAUSE OF LOSS - ELECTRONIC VANDALISM
- BUSINESS INCOME - ADDITIONAL COVERAGES
- RENTAL INCOME - ADDITIONAL COVERAGES

SCHEDULE

WAITING PERIOD: NUMBER OF HOURS

24

A. THIS WAITING PERIOD SUPERSEDES AND REPLACES ANY OTHER WAITING PERIOD THAT MAY BE APPLICABLE TO BUSINESS INCOME OR RENTAL INCOME LOSS AS FOLLOWS

WAITING PERIOD: WE WILL NOT PAY FOR COVERED BUSINESS INCOME OR RENTAL INCOME LOSS YOU SUSTAIN THAT IS:

- 1. CAUSED BY OR RESULTING FROM COVERED CAUSE OF LOSS TO ELECTRONIC COMMUNICATION AND DATA SYSTEMS; OR
- 2. COVERED UNDER:
  - A. CAUSE OF LOSS - ELECTRONIC VANDALISM;
  - B. ELECTRONIC VANDALISM - COVERAGE EXTENSION: DENIAL OF SERVICE; OR
  - C. BUSINESS INCOME OR RENTAL INCOME ADDITIONAL COVERAGES:
    - (1) WEBSITE AND INTERNET SERVICES; OR
    - (2) UTILITY SERVICES;

DURING THE NUMBER OF HOURS STATED IN THE ABOVE SCHEDULE THAT IMMEDIATELY FOLLOW THE TIME WHEN YOU FIRST DISCOVERED THE LOSS. THIS WAITING PERIOD DOES NOT APPLY TO EXTRA EXPENSE.

ELECTRONIC COMMUNICATIONS AND DATA SYSTEMS MEANS "COMPUTER EQUIPMENT" AND "ELECTRONIC DATA" OWNED BY OR USED BY YOU, OR OWNED BY OR USED BY OTHERS, WHETHER ON OR AWAY FROM YOUR PREMISES, FOR ALL COMPUTING, DATA PROCESSING, INTERNET, WEB SITE AND COMMUNICATION PURPOSES.



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

**EXCLUSION - BUSINESS INCOME**  
**(BUSINESS INCOME)**

This endorsement modifies insurance provided under the following:

**BUSINESS INCOME COVERAGE FORMS**

The following exclusion applies to the "Scheduled Premises" stated for **Business Income Exclusion** in the Property Choice - Schedule of Premises and Coverages.

Coverage under any applicable Business Income Coverage Form does not apply to loss caused by or resulting from a Covered Cause of Loss at the specified "Scheduled Premises". This includes loss at other premises which are interdependent with the designated "Scheduled Premises".



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

## FLOOD - BUSINESS INCOME WAITING PERIOD

This endorsement modifies insurance under the following:

**PROPERTY CHOICE SPECIAL BUSINESS INCOME COVERAGE FORM**  
**PROPERTY CHOICE BUSINESS INCOME COVERAGE FORM**  
**PROPERTY CHOICE PROFESSIONAL BUSINESS INCOME COVERAGE FORM**  
**PROPERTY CHOICE 12 MONTH BUSINESS INCOME COVERAGE FORM**  
**CAUSES OF LOSS - FLOOD**

Schedule Information if not stated below, is stated in the Property Choice Schedule of Premises and Coverages

Schedule

Scheduled Premises Number	Waiting Period: Number of Hours

**A. The following is added to COVERAGE:**

1. Coverage for Business Income will begin after the number of hours as indicated in the above Schedule after the time of direct physical loss or direct physical damage caused by or resulting from Flood at the above Scheduled Premises where the loss or damage occurred.
2. The waiting periods as respects Additional Coverages: Civil Authority, Dependent Properties, Electronic Vandalism, Web Site and Communication Services, Utility Service Interruption are not changed.



## QUICK REFERENCE

### BUSINESS CRIME

#### Property Choice Common Crime Coverages Form

- 
- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>A. Insuring Agreements</li> <li>B. Additional Coverage – Claim Expense</li> <li>C. Limit of Insurance</li> <li>D. Deductible</li> <li>E. Exclusions</li> <li>F. Crime Common Conditions           <ul style="list-style-type: none"> <li>1. Conditions applicable to all Insuring Agreements               <ul style="list-style-type: none"> <li>a. Additional Premises or Employees</li> <li>b. Concealment, Misrepresentation or Fraud</li> <li>c. Consolidation – Merger or Acquisition</li> <li>d. Cooperation</li> <li>e. Duties in the Event of Loss</li> <li>f. Employee Benefit Plan(s)</li> <li>g. Extended Period to Discover Loss</li> <li>h. Joint Insured</li> <li>i. Legal Action Against Us</li> </ul> </li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>j. Other Insurance</li> <li>k. Ownership of Property; Interests Covered</li> <li>l. Policy Bridge – Discovery Replacing Loss Sustained</li> <li>m. Records</li> <li>n. Recoveries</li> <li>o. Territory</li> <li>p. Transfer of Your Rights of Recovery Against Others to Us</li> <li>q. Valuation - Settlement</li> <li>2. Conditions Applicable to Insuring Agreement A.1. Employee Theft.</li> <li>3. Conditions Applicable to Insuring Agreement A.2. Forgery or Alteration.</li> <li>4. Condition Applicable To Insuring Agreement A.4. Outside the Premises – Theft of Money and Securities.</li> <li>5. Conditions Applicable To Insuring Agreement A.5. Computer Fraud.</li> </ul> |
|   | <ul style="list-style-type: none"> <li>G. Definitions</li> </ul>  |





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

## **CONNECTICUT CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **PROPERTY CHOICE COVERAGE PART**

**A. The Cancellation Common Policy Condition is replaced by the following:**

#### **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. Cancellation of policies in effect for less than 60 days.**

If this Policy has been in effect for less than 60 days and is not a renewal of a policy we issued, we may cancel this Policy for any reason by giving you written notice of cancellation at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or**
- b. 30 days before the effective date of cancellation if we cancel for any other reason.**

**3. Cancellation of policies in effect for 60 days or more.**

**a. If this Policy has been in effect for 60 days or more or this is a renewal of a policy we issued, we may cancel this Policy by giving you written notice of cancellation at least:**

- (1) 10 days before the effective date of cancellation if we cancel for one or more of the following reasons:**
  - (a) Nonpayment of premium;**
  - (b) Conviction of a crime arising out of acts that increase the hazard insured against;**
  - (c) Discovery of fraud or material misrepresentation by you in**

obtaining the Policy or in perfecting any claim thereunder;

**(d) Discovery of any willful or reckless act or omission by you increasing the hazard insured against; or**

**(e) A determination by the Commissioner that continuation of the Policy would violate or place us in violation of the law.**

**(2) 60 days before the effective date of cancellation if we cancel for one or more of the following reasons:**

**(a) Physical changes in the property which increase the hazard insured against;**

**(b) A material increase in the hazard insured against; or**

**(c) A substantial loss of reinsurance by us affecting this particular line of insurance.**

**b. We may not cancel policies in effect for 60 days or more or renewal policies for any reason other than the reasons described in 3.a. above.**

**c. If we cancel for nonpayment of premium, you may continue the coverage and avoid the effect of the cancellation by payment in full at any time prior to the effective date of cancellation.**

**d. Notice of Cancellation will be delivered or sent by:**

**(1) Registered Mail;**

**(2) Certified Mail; or**

**(3) Mail evidenced by a United States Post Office certificate of mailing.**

4. We will give notice to you at your last mailing address known to us.
5. Notice of cancellation will state the specific reason for the cancellation and the effective date of cancellation. The policy period will end on that date.
6. 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.
7. If notice is mailed, proof of mailing will be sufficient proof of notice.

**B.** The following conditions are added and supersede any other provision to the contrary:

**1. Nonrenewal**

If we decide not to renew this Policy, we will send notice as provided in Paragraph **B.3.** of this endorsement.

**2. Conditional Renewal**

- a. If we conditionally renew this Policy under terms or conditions less favorable to the insured than currently provided under this Policy, then we will send notice as provided in Paragraph **B.3.** of this endorsement.
- b. The conditional renewal notice shall clearly state or be accompanied by a statement clearly identifying any:
  - (1) Reduction in coverage limits;
  - (2) Coverage provisions added or revised that reduce coverage; or
  - (3) Increases in deductibles.

**3. Notices of Nonrenewal and Conditional Renewal**

- a. If we decide not to renew this Policy or conditionally renew this Policy as provided in Paragraphs **B.1.** or **B.2.** of this endorsement, we will mail or deliver to you a written notice of nonrenewal or conditional renewal, stating the specific reason for nonrenewal or conditional renewal, at least 60 days before the expiration date of this Policy. The notice will be sent to your address last known to us.
- b. This notice will be delivered or sent by:
  - (1) Registered mail;
  - (2) Certified mail; or
  - (3) Mail evidenced by a certificate of mailing.If notice is mailed, proof of mailing is sufficient proof of notice.
- c. However, we are not required to send notice of nonrenewal if nonrenewal is due to your failure to pay any advance premium required for renewal.



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

## **CONNECTICUT CHANGES**

This endorsement modifies insurance provided under the following:

### **PROPERTY CHOICE COVERAGE PART**

**A. The following is added:**

If any conditions of The Standard Fire Insurance Policy of the State of Connecticut, as set forth in the General Statutes of Connecticut, are construed to be more liberal than any other policy condition, the conditions of The Standard Fire Insurance Policy will apply.

**B. The following is added to the APPRAISAL Condition:**

- a. You and we must notify the other of the appraiser selected within 20 days of the written demand for appraisal.
- b. If the appraisers do not agree on the selection of an umpire within 15 days, they must request selection of an umpire by a judge of a court having jurisdiction.

**C. As respects Mortgageholders, the MORTGAGEHOLDERS AND LENDER LOSS PAYEES Condition is replaced by the following:**

**MORTGAGEHOLDER'S INTERESTS AND OBLIGATIONS**

If a loss hereunder is made payable, in whole or in part, to a designated mortgageholder not named herein as the insured, such interest in this policy may be cancelled by giving to such mortgageholder a ten days' written notice of cancellation.

If you fail to render proof of loss such mortgageholder, upon notice, shall render proof of loss in the form specified within sixty (60) days thereafter and shall be subject to the provisions hereof relating to appraisal and time of payment and of bringing suit. If we claim that no liability existed as to the mortgagor or owner, we shall, to the extent of payment of loss to the mortgageholder, be subrogated to all the

mortgageholder's rights of recovery, but without impairing mortgageholder's rights to sue; or we may pay off the mortgage debt and require an assignment thereof and of the mortgage. Other provisions relating to the interests and obligations of such mortgageholder may be added hereto by agreement in writing.

**D. When the CRIME COMMON CONDITIONS AND EXCLUSIONS FORM is attached to this policy, paragraph 9.a.(3)(b) of the Valuation - Settlement Condition is deleted.**

**E. When the PROPERTY CHOICE COMMON CRIME COVERAGES FORM is attached to this policy, paragraph E.1.p.(1)(c)(ii) of the Valuation - Settlement Condition is deleted.**

**F. Under the Claim Settlement Condition, in the PROPERTY CHOICE CONDITIONS AND DEFINITIONS FORM, the provision addressing the time period for payment of covered loss or damage is replaced by the following:**

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

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

Prior to expiration of the aforementioned time period, we may make partial payment towards the amount of loss as an advance payment, provided we and you agree to such advance payment in writing. The advance payment will be credited towards the total amount of covered loss or damage. An advance payment does not extend the time for payment of the total amount of covered loss or damage.

G. Paragraph A.1.a.(2) in the Green Choice – Additional Coverages Form is revised as follows:

The standards of a "Green Authority" consistent with the pre-loss "Green" certification level, if the "Scheduled Premises" where the loss or damage occurred was "Green" certified prior to the loss or damage, provided that the "Green" alternatives are otherwise of like kind and quality to the lost or damaged Covered Property.

H. The following is added to any provision which uses the term actual cash value as it pertains to direct loss or damage to a covered building caused by a Covered Cause of Loss:

The actual cash value immediately prior to the time of such loss or damage shall be the amount which it would cost to repair or replace such building with material of like kind and quality, minus reasonable depreciation. Depreciation, as used herein, means a decrease in value over a period of time due to wear and tear.



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

## **NEW JERSEY CHANGES**

This endorsement modifies insurance provided under the following:

### **PROPERTY CHOICE COVERAGE PART**

- A.** The following clause is added to the Additional Coverage of **CLAIM EXPENSES** in Property Choice Coverage Form:  
**Deductible:** No deductible applies to this Coverage.
- B.** The Additional Coverage of **INFLATION GUARD** in Property Choice Coverage Form, does not apply to "stock".
- C.** The following exclusion and related provisions are added:
- 1.** We will not pay for loss or damage arising out of any act committed:
    - a.** By or at the direction of any insured; and
    - b.** With the intent to cause a loss.
  - 2.** However, this exclusion will not apply to deny payment to a co-insured who did not cooperate in or contribute to the creation of the loss if the loss arose out of domestic violence.
  - 3.** If we pay a claim pursuant to Paragraph **C.2.**, our payment to the insured is limited to that insured's insurable interest in the property. In no event will we pay more than the Limit of Insurance.

To the extent that the Concealment, Misrepresentation Or Fraud Condition conflicts with the provisions of Paragraph **C.2.** above, the provisions of **C.2.** will apply.

- D.** The following is added to the **Transfer Of Rights Of Recovery Against Others To Us (Subrogation)** Condition:

If we pay a co-insured for loss arising out of an act of domestic violence by another insured, the rights of the co-insured, who did not cooperate in or contribute to the creation of the loss, to recover damages from the perpetrator of domestic violence are transferred to us to the extent of our payment. Following the loss, the co-insured who did not cooperate in or contribute to the loss may not waive such rights to recover against the perpetrator of domestic violence.

- E.** If this Property Choice Coverage Part includes Business Crime Coverages, the definition of "employee" is amended to include the following:

- 1.** Spouse or party to a civil union recognized under New Jersey law; and
  - 2.** Children over 18 years old;
- who reside with any "employee" who is a building manager, superintendent or janitor.

Each such family is considered to be, collectively, one "employee" for the purposes of this insurance, except that any Termination Condition applies individually to the spouse or party to a civil union, and children.



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

## NEW YORK CHANGES

This endorsement modifies insurance provided under the following:

### PROPERTY CHOICE COVERAGE PART

**A.** If this policy covers the interest of the owner of any of the following types of buildings or structures:

1. Residential, (except owner-occupied single-family or owner-occupied two-family buildings or structures);
2. Commercial; or
3. Industrial;

the following provision is added:

Before payment to you for loss or damage to the above buildings or structures caused by or resulting from fire, we will:

- a. Deduct from your payment the claim of any tax district that issues a certificate of lien in accordance with the Insurance Law; and
- b. Pay directly to the tax district the amount of the claim.

When we pay that claim, we will have no obligation to pay the amount of that claim to you. Our payment of that claim within 30 days of our receipt of the certificate of lien will be a conclusive presumption that the claim was valid and properly paid.

**B.** The **Examination Of Your Books And Records** Common Policy Condition is replaced by the following:

Under the Monthly Reporting Endorsement, the audit may be waived if:

1. The total annual premium attributable to the auditable exposure base is not reasonably expected to exceed \$1,500; or
2. The policy requires notification to the insurer with the specific identification of any additional exposure units (e.g. buildings) for which coverage is requested.

If the audit is not waived, it must be completed within 180 days after:

1. The expiration date of the policy; or
2. The anniversary date, if this is a continuous policy or a policy written for a term longer than one year.

**C.** The **Concealment, Misrepresentation or Fraud** Condition is replaced by the following:

#### Fraud

We do not provide coverage for any insured who has made fraudulent statements or engaged in fraudulent conduct in connection with any loss or damage for which coverage is sought under this policy.

**D.** The following applies to the Innkeepers Coverage Form:

1. The following sentence of Paragraph **A. Guests' Property - Premises Coverage** is deleted:

We have the right and duty to defend any "suit" brought against you seeking damages that are payable under this insurance.

The following sentence is substituted:

We will have the right and duty to defend any "suit" seeking those damages even if the allegations of the "suit" are groundless, false or fraudulent.

2. The following is added to Paragraphs **a.** and **b.** in the **Duties In The Event of Loss, Claim, or Suit** Condition in the Innkeepers Coverage Form:

a. Notice given by or on behalf of the insured, or written notice by or on behalf of the insured person or any other claimant, to any agent of ours in New York State, with particulars sufficient to identify the insured, shall be considered to be notice to us.

b. The failure to give us prompt written notice of any loss, claim or "suit" or to send us copies of any demand, notice, summons or other legal papers received will not invalidate any claim made by you or free us from any responsibility in any "suit" if it can be shown not to have been reasonably possible to give the notice or forward the documents promptly, and that notice was given or the documents were sent as soon as reasonably possible.

E. The following is added with respect to any Condition of this Coverage Part which requires you to notify us of loss or to notify us of an accident, claim or "suit":

1. Notice given by or on your behalf; or
2. Written notice by or on behalf of any claimant; to any of our agents in New York State, which adequately identifies you, will be the same as notice to us.

F. The following apply to both the Legal Liability - Building and the Mortgage Errors and Omissions Coverage Forms:

1. The following changes are made to the **Duties In The Event Of Accident, Claim, Or Suit** Condition E.1. of the Legal Liability - Building Coverage Form; and to **Duties In The Event Of Loss** Condition G.3. of the Mortgageholders Errors and Omissions Coverage Form:

The requirements for prompt notification of claim, suit or loss in Paragraphs E.1.a. and E.1.b. of the Legal Liability - Building Coverage Form and in Paragraph G.3.a.(1)(b) of the Mortgageholders Errors and Omissions Coverage Form, are replaced by requirements for notification to us **as soon as reasonably possible**.

2. The following change applies to the last paragraph of the **Legal Action Against Us** Condition E.2 of the Legal Liability - Building Coverage Form and G.5. of the Mortgageholders Errors and Omissions Coverage Form.

The first sentence of this paragraph as it appears in each form is replaced by the following:

A person or organization may sue us to recover on an agreed settlement or on a final judgment against you, but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the Limit of Insurance.

3. The following sentence is deleted from Paragraph A. of the Legal Liability - Building Coverage Form; and from Paragraph A.3. of the Mortgageholders Errors and Omissions Coverage Form:

We will have the right and duty to defend any "suit" seeking those damages.

In its place, the following sentence applies in both forms:

We will have the right and duty to defend any "suit" seeking those damages even if any of the allegations of the "suit" are groundless, false or fraudulent.

G. The following Condition is added to the Money and Securities Coverage, and to the Innkeepers, Legal Liability - Building, and Mortgageholders Errors and Omissions Coverage Forms:

#### **Transfer Of Duties When A Limit Of Insurance Is Used Up**

1. If we conclude that, based on claims or "suits" which have been reported to us and to which this insurance may apply, the Limit of Insurance shown in the Declarations is likely to be used up in the payment of judgments or settlements, we will notify the first Named Insured, in writing, to that effect.

2. When a Limit of Insurance described in Paragraph 1. above has actually been used up in the payment of judgments or settlements;

- a. We will notify the first Named Insured, in writing, as soon as practicable, that such a limit has actually been used up and our duty to defend "suits" seeking damages subject to that limit has also ended.

- b. We will initiate and cooperate in the transfer of control to any appropriate insured, of all claims and "suits" seeking damages which are subject to that limit and which are reported to us before that limit is used up. That insured must cooperate in the transfer of control of said claims and "suits".

We agree to take such steps as we deem appropriate to avoid a default in, or continue the defense of such "suits", until such transfer is completed, provided the appropriate insured is cooperating in completing such transfer.

We will take no action whatsoever with respect to any claim or "suit" seeking damages that would have been subject to that limit, had it not been used up, if the claim or "suit" is reported to us after that Limit of Insurance has been used up.

- c. The first Named Insured, and any other insured involved in a "suit" seeking damages subject to that limit, must arrange for the defense of such "suit" within such time period as agreed to between the appropriate insured and us. Absent any such agreement, arrangements for the defense of such "suit" must be made as soon as practicable.

3. The first Named Insured will reimburse us for expenses we incur in taking those steps we deem appropriate in accordance with Paragraph G.2.b. above.

The duty of the first Named Insured to reimburse us will begin on:

- a. The date on which the applicable Limit of Insurance is used up, if we sent notice in accordance with Paragraph **G.1.** above; or
  - b. The date on which we sent notice in accordance with Paragraph **G.2.a.** above, if we did not send notice in accordance with Paragraph **G.1.** above.
4. The exhaustion of any Limit of Insurance by the payments of judgments or settlements, and the resulting end of our duty to defend, will not be affected by our failure to comply with any of the provisions of this Condition.

**H.** The **Appraisal** Condition is replaced by the following:

**Appraisal**

1. If we and you disagree on the value of the property, the extent of the loss or damage or the amount of the loss or damage, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of such demand.
2. If we or you fail to proceed with the appraisal of the covered loss after a written demand is made by either party, then either party may apply to a court having jurisdiction for an order directing the party that failed to proceed with the appraisal to comply with the demand for the appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of such order.
3. The two appraisers will select an umpire. If they cannot agree within 15 days upon such umpire, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property, the extent of the loss or damage and the amount of the loss or damage. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding.
4. 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.

**I.** The following provision is added to the **Property Choice Coverage Part**:

Upon request, we will furnish you, or your representative, with a written estimate of damages

to real property, specifying all deductions, provided such an estimate has been prepared by us or has been prepared on our behalf for our own purposes. This estimate will be provided within thirty days after your request or its preparation, whichever is later.

**J.** The following provision is added to the **Legal Liability - Building Coverage Form** and supersedes any provision to the contrary:

Failure to give prompt notice to us, as required under this Coverage Form, shall not invalidate any claim made by you or any other claimant, unless the failure to provide such timely notice has prejudiced us. However, no claim made by you or any other claimant will be invalidated if it shall be shown not to have been reasonably possible to give such timely notice and that notice was given as soon as was reasonably possible thereafter.

**K.** If the **Property Choice Common Crime Coverage Form** is attached to this Coverage Part then the following applies:

1. However Paragraph **E.1.b** does not apply to an "employee" who was convicted of one or more criminal offenses in this state or any other jurisdiction prior to becoming employed by you if, after learning about the "employee's" past criminal conviction or convictions, you made a determination to hire or retain the "employee" utilizing the factors set out in New York Correction Law Article 23-A.
2. However Paragraph **F.2.a.(1)** does not apply to an "employee" whose "theft" or other dishonest act was committed prior to becoming employed by you and which resulted in the "employee" being convicted of one or more criminal offenses in this state or any other jurisdiction if, after learning about the "employee's" past criminal conviction or convictions, you made a determination to hire or retain the "employee" utilizing the factor set out in New York Correction Law Article 23-A; or
3. Paragraph **F.1.r Estimation of Claims** is added

Upon request, we will furnish you, or your representative, with a written estimate of damage to real property, specifying all deductions, provided such an estimate has been prepared by us or has been prepared on our behalf for our own purposes. This estimate will be provided within 30 days after your request or its preparation, whichever is later.





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

## **NEW YORK CHANGES - REWARDS COVERAGE DELETED**

This endorsement modifies insurance provided under the following:

**PROPERTY CHOICE COVERAGE PART  
PROPERTY CHOICE POLICY**

The REWARDS Coverage provided in the Property Coverage Form is **deleted** and **does not apply** as respects risks located in the state of New York.

POLICY NO. 31 UUN AB7878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

LENDERS LOSS PAYEE

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

PROPERTY CHOICE COVERAGE PART

WELLS FARGO BANK, NATIONAL ASSOCIATION  
AND ITS SUCCESSORS AND/OR ASSIGNS  
100 PARK AVE, 4TH FLOOR  
NEW YORK, NY 10017

HYG FINANCIAL SERVICES, INC.  
5000 RIVERSIDE DR STE 300 EAST  
IRVING, TX 75039  
RE: QUANTITY 4 - 2019 HYSTER N45ZR2 FORKLIFTS  
TOTAL COST \$300,000

THIS ENDORSEMENT DOES NOT CHANGE THE POLICY EXCEPT AS SHOWN.

1  
POLICY NO. 31 UUN AB7878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

LOSS PAYEE(S)

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

PROPERTY CHOICE COVERAGE PART

FILMTRADE EQUIPMENT RENTALS, INC.  
1280 NW 74TH ST  
MIAMI FL 33147  
RE: RENTAL EQUIPMENT VALUED AT \$75,000

T.R.E.C. RENTAL CORP.  
DRIVE IN 24 LLC  
ROOT CAPTURE, INC.  
435 W 18TH ST  
NEW YORK, NY 10011  
RE: RENTED CAMERA EQUIPMENT VALUED AT \$96,000

METROMOTION PRODUCTIONS INC.  
DAYLIGHT STUDIO LLC  
450 W 31ST ST FL 8  
NEW YORK, NY 10001  
RE: RENTED EQUIPMENT VALUED AT \$2,400

FIRST WESTERN BANK & TRUST  
100 PRAIRIE CENTER DR  
EDEN PRAIRIE, MN 55344  
RE: LOCATION 1

THIS ENDORSEMENT DOES NOT CHANGE THE POLICY EXCEPT AS SHOWN.



# Quick Reference Commercial Auto Coverage Part Business Auto Coverage Form

**READ YOUR POLICY CAREFULLY**

## **BUSINESS AUTO COVERAGE FORM DECLARATIONS**

- o Named Insured And Address
- o Coverages, Covered Autos And Limits Of Insurance
- o Rating Exposures, Rates And Estimated Premium

## **BUSINESS AUTO COVERAGE FORM**

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COMMERCIAL AUTO COVERAGE PART  
BUSINESS AUTO COVERAGE FORM DECLARATIONS

POLICY NUMBER: 31UUNAB7878

THIS COMMERCIAL AUTO COVERAGE PART CONSISTS OF:

- A. THIS DECLARATIONS FORM HA00250615,
- B. BUSINESS AUTO COVERAGE FORM, FORM CA00011013; AND
- C. ANY ENDORSEMENTS ISSUED TO FORM A PART OF IT.

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I T E M O N E - N A M E D I N S U R E D A N D A D D R E S S  
-----

THE NAMED INSURED IS STATED IN ITEM 1. OF THE COMMON POLICY DECLARATIONS.

ADVANCE PREMIUM	\$	██████████
AUDIT PERIOD:		
	NYMVLEF: \$	██████████

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F O R M N U M B E R S O F S C H E D U L E S A N D  
E N D O R S E M E N T S F O R M I N G P A R T O F T H I S  
C O V E R A G E P A R T O N I T S E F F E C T I V E D A T E :  
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HA00040302 HA00250615T HA00360917T HA00120615T CA00011013 CA22321113  
 HA22070800T CA99031013 CA21570316 CA31070518 CAF-4025-4T CA01071013  
 CA23441116 CA99101013T CA99231013T CA99391013T CA99441013 HA01061017  
 HA20070917T HA99080614 HA99160312 HA99481214

INCLUDES COPYRIGHTED MATERIAL OF INSURANCE SERVICES OFFICE, INC., WITH  
ITS PERMISSION. COPYRIGHT INSURANCE SERVICES OFFICE, INC.

BUSINESS AUTO COVERAGE FORM DECLARATIONS  
(CONTINUED)

POLICY NUMBER: 31 UUN AB7878

ITEM TWO - SCHEDULE OF COVERAGES AND COVERED AUTOS

THIS POLICY PROVIDES ONLY THOSE COVERAGES WHERE A CHARGE IS SHOWN IN THE PREMIUM COLUMN BELOW. EACH OF THESE COVERAGES WILL APPLY ONLY TO THOSE "AUTOS" SHOWN AS COVERED "AUTOS." "AUTOS" ARE SHOWN AS COVERED "AUTOS" FOR A PARTICULAR COVERAGE BY THE ENTRY OF ONE OR MORE OF THE SYMBOLS FROM THE COVERED AUTO SECTION OF THE BUSINESS AUTO COVERAGE FORM NEXT TO THE NAME OF THE COVERAGE. THIS INSURANCE IS SUBJECT TO ALL OF THE TERMS OF THE POLICY THAT APPLY.

COVERAGES	COVERED AUTOS	LIMIT - THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS	ADVANCE PREMIUM
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LIABILITY	01	\$ 1,000,000 EACH "ACCIDENT"	\$ [REDACTED]
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PERSONAL INJURY PROTECTION (OR EQUIVALENT NO-FAULT COVERAGE)	05	SEPARATELY STATED IN EACH PERSONAL INJURY PROTECTION ENDORSEMENT LISTED BELOW MINUS ANY DEDUCTIBLE SHOWN BELOW	\$ [REDACTED]
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STATE ENDORSEMENT DEDUCTIBLE  
NY CA22321113

PAYMENTS MEDICAL PAYMENTS LIMITS

UNINSURED MOTORISTS	07	STATE	
		CT	\$ [REDACTED]
		\$ 1,000,000 EACH "ACCIDENT"	

NY \$ [REDACTED]  
\$ 1,000,000 EACH "ACCIDENT"  
SUPPLEMENTARY UNINSURED/UNDERINSURED MOTORISTS

SUPPLEMENTARY UNINSURED MOTORISTS COVERAGE (SUM)  
THE MAXIMUM AMOUNT PAYABLE UNDER SUM COVERAGE SHALL BE THE POLICY'S SUM LIMITS REDUCED AND THUS OFFSET BY MOTOR VEHICLE BODILY INJURY LIABILITY INSURANCE POLICY OR BOND PAYMENTS RECEIVED FROM, OR ON BEHALF OF, ANY NEG-LIGENT PARTY INVOLVED IN THE ACCIDENT, SPECIFIED IN THE SUM ENDORSEMENT.

UNDERINSURED MOTORISTS (WHEN NOT INCLUDED IN UNINSURED MOTORISTS COVERAGE)	07	STATE	
		CT	\$ [REDACTED]
		\$ 1,000,000 EACH "ACCIDENT"	

BUSINESS AUTO COVERAGE FORM DECLARATIONS  
(CONTINUED)

POLICY NUMBER: 31 UUN AB7878

-----  
ITEM TWO - SCHEDULE OF COVERAGES AND  
COVERED AUTOS (CONTINUED)  
-----

COVERAGES	COVERED AUTOS	LIMIT - THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS	ADVANCE PREMIUM
-----			
PHYSICAL DAMAGE			
COMPREHENSIVE COVERAGE	07 08	ACTUAL CASH VALUE, COST OF REPAIR, OR THE STATED AMOUNT SHOWN IN ITEM THREE, WHICHEVER IS SMALLEST, MINUS ANY DEDUCTIBLE SHOWN IN ITEM THREE FOR EACH COVERED "AUTO." NO DEDUCTIBLE APPLIES TO "LOSS" CAUSED BY FIRE OR LIGHTNING.	\$ [REDACTED]
COLLISION COVERAGE	07 08	ACTUAL CASH VALUE, COST OF REPAIR, OR THE STATED AMOUNT SHOWN IN ITEM THREE, WHICHEVER IS SMALLEST, MINUS ANY DEDUCTIBLE SHOWN IN ITEM THREE FOR EACH COVERED "AUTO."	\$ [REDACTED]
TOWING AND LABOR	07	REFER TO SCHEDULE HA0012 FOR TOWING AND LABOR PER DISABLEMENT AMOUNT FOR PRIVATE PASSENGER "AUTOS"	\$ [REDACTED]

-----  
ENDORSEMENT PREMIUM (NOT INCLUDED IN ABOVE COVERAGE PREMIUMS)

FORM NUMBER	TITLE	ADVANCE PREMIUM
CA99101013	DRIVE OTHER CAR COVERAGE - BROADENED COVERAGE FOR NAMED INDIVIDUALS	\$ [REDACTED]
HA99160312	COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT	INCLUDED
CA99231013	RENTAL REIMBURSEMENT COVERAGE	\$ [REDACTED]
TOTAL ADVANCE PREMIUM		\$ [REDACTED]

-----

1  
FORM HA00250614

BUSINESS AUTO COVERAGE FORM DECLARATIONS  
(CONTINUED)

POLICY NUMBER: 31 UUN AB7878

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I T E M T W O - S C H E D U L E O F C O V E R A G E S A N D  
C O V E R E D A U T O S (CONTINUED)  
-----



FORM HA00250295

BUSINESS AUTO COVERAGE FORM DECLARATIONS  
(CONTINUED)

POLICY NUMBER: 31UUNAB7878

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I T E M T H R E E - S C H E D U L E O F C O V E R E D A U T O S  
Y O U O W N  
-----

THIS ITEM IS COMPLETED BY ENTRIES ON ENDORSEMENT(S) TITLED "SCHEDULE OF COVERED AUTOS YOU OWN" ISSUED TO FORM A PART OF THIS POLICY.

-----  
I T E M F O U R - S C H E D U L E O F H I R E D O R B O R R O W E D  
A U T O C O V E R A G E A N D P R E M I U M S  
-----

LIABILITY COVERAGE - RATING BASIS IS [REDACTED].

[REDACTED]

[REDACTED]

ADVANCE PREMIUM: [REDACTED]

-----  
ADVANCE TOTAL PREMIUM: [REDACTED]

-----  
I T E M F I V E - S C H E D U L E F O R N O N - O W N E R S H I P  
L I A B I L I T Y  
-----

FOR A BUSINESS OTHER THAN A SOCIAL SERVICE AGENCY.

ESTIMATED NUMBER OF EMPLOYEES: 152

ADVANCE PREMIUM: [REDACTED]

-----  
ADVANCE TOTAL PREMIUM: [REDACTED]

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
COVERAGE PART DECLARATIONS  
BUSINESS AUTO COVERAGE FORM  
TRUCKERS COVERAGE FORM  
(HIRED AUTO PHYSICAL DAMAGE)

-----  
ITEM FOUR - SCHEDULE OF HIRED OR BORROWED AUTO COVERAGE AND PREMIUMS  
-----

THE DECLARATIONS IS CHANGED TO INCLUDE THE FOLLOWING COVERAGES:

PHYSICAL DAMAGE COVERAGE  
RATING BASIS IS [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

COVERAGES                   LIMIT OF INSURANCE  
                                  THE MOST WE WILL PAY  
                                  DEDUCTIBLE

COMPREHENSIVE               ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER  
                                  IS LESS, MINUS \$1,000 DEDUCTIBLE FOR  
                                  EACH COVERED "AUTO", BUT NO DEDUCTIBLE APPLIES  
                                  TO "LOSS" CAUSED BY FIRE OR LIGHTNING.

ESTIMATED ANNUAL   RATE PER                   ADVANCE  
[REDACTED]           [REDACTED]                   PREMIUM  
                                  [REDACTED]  
[REDACTED]                   [REDACTED]                   [REDACTED]

SPECIFIED CAUSES OF LOSS           ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER  
                                  IS LESS, MINUS \$           DEDUCTIBLE FOR EACH  
                                  COVERED "AUTO" FOR "LOSS" CAUSED BY MISCHIEF OR  
                                  VANDALISM.

ESTIMATED ANNUAL   ESTIMATED ANNUAL   RATE PER                   ADVANCE  
[REDACTED]           [REDACTED]                   PREMIUM  
                                  [REDACTED]  
[REDACTED]                   [REDACTED]                   [REDACTED]

COLLISION                   ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER  
                                  IS LESS, MINUS \$1,000 DEDUCTIBLE FOR EACH COVERED  
                                  "AUTO"

ESTIMATED ANNUAL   ESTIMATED ANNUAL   RATE PER                   ADVANCE  
[REDACTED]           [REDACTED]                   PREMIUM  
                                  [REDACTED]  
[REDACTED]                   [REDACTED]                   [REDACTED]

TOTAL ADVANCE PREMIUM:           [REDACTED]

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POLICY NUMBER: 31 UUN AB7878 K1 COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY NUMBER: 31 UUN AB7878

ABSENCE, IF ANY, OF A LIMIT ENTRY MEANS THAT THE LIMIT ENTRY SHOWN IN THE CORRESPONDING ITEM TWO OF THE DECLARATIONS LIMIT COLUMN APPLIES INSTEAD.

NO. 00001 05 HYUN SPORT UTILITY VEHI ID NO. KM8SC73D55U874668
GARAGED: GREENWICH CT TERR: 030 CLASS: 73910
ORIG. COST NEW: \$ 23,249 USE: PPT
TAX LOC: ZIP CODE: 06830

Table with 3 columns: COVERAGES, SEQ. NO. 00001, and PREMIUMS. Rows include LIABILITY, AUTO MEDICAL PAYMENTS (\$ 5,000 EACH "INSURED"), UNINSURED MOTORISTS, UNDERINSURED MOTORISTS, COMPREHENSIVE \$ 1,000 DEDUCTIBLE, COLLISION \$ 1,000 DEDUCTIBLE, TOWING AND LABOR \$ 50 PER DISABLEMENT, ENDORSEMENT PREMIUM, and RENTAL REIMBURSEMENT.

NO. 00002 17 PORS SEDAN ID NO. WP0AB2A78HL123724
GARAGED: NEW ROCHELLE NY TERR: 097 CLASS: 73910
ORIG. COST NEW: \$126,240 USE: PPT
TAX LOC: 5732 ZIP CODE: 10804

Table with 3 columns: COVERAGES, SEQ. NO. 00002, and PREMIUMS. Rows include LIABILITY, PERSONAL INJURY PROTECTION, UNINSURED MOTORISTS, COMPREHENSIVE \$ 1,000 DEDUCTIBLE, COLLISION \$ 1,000 DEDUCTIBLE, TOWING AND LABOR \$ 50 PER DISABLEMENT, ENDORSEMENT PREMIUM, and RENTAL REIMBURSEMENT.

NO. 00003 19 LINC SPORT UTILITY VEHI ID NO. 5LMJJ3TTOKEL01312
GARAGED: GREENWICH CT TERR: 030 CLASS: 73910
ORIG. COST NEW: \$101,720 USE: PPT LOSS PAYEE NO. 1
TAX LOC: ZIP CODE: 06830

Table with 3 columns: COVERAGES, SEQ. NO. 00003, and PREMIUMS. Rows include LIABILITY, AUTO MEDICAL PAYMENTS (\$ 5,000 EACH "INSURED"), UNINSURED MOTORISTS, UNDERINSURED MOTORISTS, COMPREHENSIVE \$ 1,000 DEDUCTIBLE (INCLUDES WINDOW GLASS COVERAGE), COLLISION \$ 1,000 DEDUCTIBLE, TOWING AND LABOR \$ 50 PER DISABLEMENT, ENDORSEMENT PREMIUM, and RENTAL REIMBURSEMENT.

POLICY NUMBER: 31 UUN AB7878

K1

COMMERCIAL AUTO

SCHEDULE OF COVERED AUTOS YOU OWN (CONTINUED)

POLICY NUMBER: 31 UUN AB7878

ABSENCE, IF ANY, OF A LIMIT ENTRY MEANS THAT THE LIMIT ENTRY SHOWN IN THE  
CORRESPONDING ITEM TWO OF THE DECLARATIONS LIMIT COLUMN APPLIES INSTEAD.

---

LOSS PAYEES

EXCEPT FOR TOWING, ALL PHYSICAL DAMAGE "LOSS" IS PAYABLE TO YOU AND THE  
LOSS PAYEE NAMED BELOW AS INTERESTS MAY APPEAR AT THE TIME OF "LOSS."

1. LINCOLN AFS  
PO BOX 390910  
MINNEAPOLIS

MN 55439

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## BUSINESS AUTO COVERAGE FORM

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

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

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

### SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

<b>19</b>	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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**B. Owned Autos You Acquire After The Policy Begins**

1. If Symbols 1, 2, 3, 4, 5, 6 or 19 are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

**C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos**

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

**SECTION II -- COVERED AUTOS LIABILITY COVERAGE**

**A. Coverage**

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

**1. Who Is An Insured**

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

## 2. Coverage Extensions

### a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

### b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

## B. Exclusions

This insurance does not apply to any of the following:

### 1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

### 2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or

b. That the "insured" would have in the absence of the contract or agreement.

### 3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

#### 4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

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

This exclusion applies:

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

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

#### 5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph a. above.

#### 6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

#### 7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

#### 8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

#### 9. Operations

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

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

#### 10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.



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

#### 11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

#### 12. War

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

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution; usurped power or action taken by governmental authority in hindering or defending against any of these.

#### 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

#### C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

### SECTION III – PHYSICAL DAMAGE COVERAGE

#### A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

##### a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

##### b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

##### c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

#### 2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

#### 3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

#### 4. Coverage Extensions

##### a. Transportation Expenses

We will pay up to \$20 per day, to a maximum of \$600, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

##### b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

## B. Exclusions

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

### a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

### b. War Or Military Action

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

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

- b. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.

- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.

- d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";

- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or

- d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

## C. Limits Of Insurance

1. The most we will pay for:

- a. "Loss" to any one covered "auto" is the lesser of:

- (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or

- (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;

- (2) Removable from a permanently installed housing unit as described in Paragraph **b.(1)** above; or
  - (3) An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
  3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

**D. Deductible**

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

**SECTION IV – BUSINESS AUTO CONDITIONS**

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

**A. Loss Conditions**

**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

**2. Duties In The Event Of Accident, Claim, Suit Or Loss**

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
  - (1) How, when and where the "accident" or "loss" occurred;

- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

**3. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

#### 4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

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

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

### B. General Conditions

#### 1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

#### 2. Concealment, Misrepresentation Or Fraud

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

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

#### 3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

#### 4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

#### 5. Other Insurance

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

#### 6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

## 7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

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

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

## 8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

### SECTION V – DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:
  1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or

2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:
  1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H. "Insured contract" means:
1. A lease of premises;
  2. A sidetrack agreement;
  3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
  - b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J. "Loss" means direct and accidental loss or damage.
- K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  2. Vehicles maintained for use solely on or next to premises you own or rent;
  3. Vehicles that travel on crawler treads;

4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a. Power cranes, shovels, loaders, diggers or drills; or
  - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - b. Cherry pickers and similar devices used to raise or lower workers; or
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
  - a. Equipment designed primarily for:
    - (1) Snow removal;
    - (2) Road maintenance, but not construction or resurfacing; or
    - (3) Street cleaning;
  - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

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

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
  1. Damages because of "bodily injury" or "property damage"; or
  2. A "covered pollution cost or expense"; to which this insurance applies, are alleged.
 "Suit" includes:
  - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## NEW YORK MANDATORY PERSONAL INJURY PROTECTION ENDORSEMENT

The Company agrees with the named insured, as follows:

### Section I

#### Mandatory Personal Injury Protection

The Company will pay first-party benefits to reimburse for basic economic loss sustained by an eligible injured person on account of personal injuries caused by an accident arising out of the use or operation of a motor vehicle or a motorcycle during the policy period and within the United States of America, its territories or possessions, or Canada.

#### First-party Benefits

First-party benefits, other than death benefits, are payments equal to basic economic loss, reduced by the following:

- (a) 20 percent of the eligible injured person's loss of earnings from work to the extent that an eligible injured person's basic economic loss consists of such loss of earnings;
- (b) Amounts recovered or recoverable on account of personal injury to an eligible injured person under State or Federal laws providing social security disability or workers' compensation benefits, or disability benefits under article 9 of the New York Workers' Compensation Law;
- (c) The amount of any applicable deductible, provided that such deductible shall apply to each accident, but only to the total of first-party benefits otherwise payable to the named insured and any relative as a result of that accident.

#### Basic Economic Loss

Basic economic loss shall consist of medical expense, work loss, other expense and, when death occurs, a death benefit as herein provided. Except for such death benefit, basic economic loss shall not include any loss sustained on account of death. Basic economic loss of each eligible injured person on account of any single accident shall not exceed \$50,000, except that any death benefit hereunder shall be in addition thereto.

#### Medical Expense

Medical expense shall consist of necessary expenses for:

- (a) Medical, hospital (including services rendered in compliance with article 41 of the Public Health Law, whether or not such services are rendered directly by a hospital), surgical, nursing, dental, ambulance, X-ray, prescription drug and prosthetic services;
- (b) Psychiatric, physical and occupational therapy and rehabilitation;
- (c) Any nonmedical remedial care and treatment rendered in accordance with a religious method of healing recognized by the laws of New York; and
- (d) Any other professional health services.

These medical expenses will not be subject to a time limitation, provided that, within one year after the date of the accident, it is ascertainable that further medical expenses may be sustained as a result of the injury. Payments hereunder for necessary medical expenses shall be subject to the limitations and requirements of section 5108 of the New York Insurance Law.

### **Work Loss**

Work loss shall consist of the sum of the following losses and expenses, up to a maximum payment of \$2,000 per month for a maximum period of three years from the date of the accident:

- (a) Loss of earnings from work which the eligible injured person would have performed had such person not been injured, except that an employee who is entitled to receive monetary payments, pursuant to statute or contract with the employer, or who receives voluntary monetary benefits paid for by the employer, by reason of such employee's inability to work because of personal injury arising out of the use or operation of a motor vehicle or a motorcycle, shall not be entitled to receive first-party benefits for loss of earnings from work to the extent that such monetary payments or benefits from the employer do not result in the employee suffering a reduction in income or a reduction in such employee's level of future benefits arising from a subsequent illness or injury; and
- (b) Reasonable and necessary expenses sustained by the eligible injured person in obtaining services in lieu of those which such person would have performed for income.

### **Other Expenses**

Other expenses shall consist of all reasonable and necessary expenses, other than medical expense and work loss, up to \$25 per day for a period of one year from the date of the accident causing injury.

### **Death Benefit**

Upon the death of any eligible injured person, caused by an accident to which this coverage applies, the Company will pay to the estate of such person a death benefit of \$2,000.

### **Eligible Injured Person**

Subject to the exclusions and conditions set forth below, an eligible injured person is:

- (a) The named insured and any relative who sustains personal injury arising out of the use or operation of any motor vehicle;
- (b) The named insured and any relative who sustains personal injury arising out of the use or operation of any motorcycle, while not occupying a motorcycle;
- (c) Any other person who sustains personal injury arising out of the use or operation of the insured motor vehicle in the State of New York while not occupying another motor vehicle; or

- (d) Any New York State resident who sustains personal injury arising out of the use or operation of the insured motor vehicle outside of New York State while not occupying another motor vehicle.

### **Exclusions**

This coverage does not apply to personal injury sustained by:

- (a) The named insured while occupying, or while a pedestrian through being struck by, any motor vehicle owned by the named insured with respect to which the coverage required by the New York Comprehensive Motor Vehicle Insurance Reparations Act is not in effect;
- (b) Any relative while occupying, or while a pedestrian through being struck by, any motor vehicle owned by the relative with respect to which the coverage required by the New York Comprehensive Motor Vehicle Insurance Reparations Act is not in effect;
- (c) The named insured or relative while occupying, or while a pedestrian through being struck by, a motor vehicle in New York State, other than the insured motor vehicle, with respect to which the coverage required by the New York Comprehensive Motor Vehicle Insurance Reparations Act is in effect; however, this exclusion does not apply to personal injury sustained in New York State by the named insured or relative while occupying a bus or school bus, as defined in sections 104 and 142 of the New York Vehicle and Traffic Law, unless that person is the operator, an owner, or an employee of the owner or operator, of such bus or school bus;
- (d) Any person in New York State while occupying the insured motor vehicle which is a bus or school bus, as defined in sections 104 and 142 of the New York Vehicle and Traffic Law, but only if such person is a named insured or relative under any other policy providing the coverage required by the New York Comprehensive Motor Vehicle Insurance Reparations Act; however, this exclusion does not apply to the operator, an owner, or an employee of the owner or operator, of such bus or school bus;
- (e) Any person while occupying a motorcycle;
- (f) Any person who intentionally causes his or her own personal injury;

- (g) Any person as a result of operating a motor vehicle while in an intoxicated condition or while his or her ability to operate the vehicle is impaired by the use of a drug (within the meaning of section 1192 of the New York Vehicle and Traffic Law) except that coverage shall apply to necessary emergency health services rendered in a general hospital, as defined in section 2801(10) of the New York Public Health Law, including ambulance services attendant thereto and related medical screening. However, where the person has been convicted of violating section 1192 of the New York Vehicle and Traffic Law while operating a motor vehicle in an intoxicated condition or while his or her ability to operate such vehicle is impaired by the use of a drug, and the conviction is a final determination, the Company has a cause of action against such person for the amount of first-party benefits that are paid or payable; or
- (h) Any person while:
  - (i) Committing an act which would constitute a felony, or seeking to avoid lawful apprehension or arrest by a law enforcement officer;
  - (ii) Operating a motor vehicle in a race or speed test;
  - (iii) Operating or occupying a motor vehicle known to that person to be stolen; or
  - (iv) Repairing, servicing or otherwise maintaining a motor vehicle if the conduct is within the course of a business of repairing, servicing or otherwise maintaining a motor vehicle and the injury occurs on the business premises.
- (i) The named insured or relative while not occupying a motor vehicle or a motorcycle when struck by a motorcycle in New York State with respect to which the coverage required by the New York Comprehensive Motor Vehicle Insurance Reparations Act is in effect;
- (j) Any New York State resident, other than the named insured or relative injured through the use or operation of the insured motor vehicle outside of New York State if such resident is the owner or a relative of the owner of a motor vehicle insured under another policy providing the coverage required by the New York Comprehensive Motor Vehicle Insurance Reparations Act;

- (k) Any New York State resident, other than the named insured or relative injured through the use or operation of the insured motor vehicle outside of New York State, if such resident is the owner of a motor vehicle for which the coverage required by the New York Comprehensive Motor Vehicle Insurance Reparations Act is not in effect.

#### **Other Definitions**

When used in reference to this coverage:

- (a) The "insured motor vehicle" means a motor vehicle owned by the named insured and to which the bodily injury liability insurance of this policy applies and for which a specific premium is charged;
- (b) "Motorcycle" means a vehicle as defined in section 123 of the New York Vehicle and Traffic Law and which is required to carry financial security pursuant to article 6, 8 or 48-A of the Vehicle and Traffic Law;
- (c) "Motor vehicle" means a motor vehicle, as defined in section 311 of the New York Vehicle and Traffic Law, and also includes fire and police vehicles, but shall not include any motor vehicle not required to carry financial security pursuant to article 6, 8 or 48-A of the Vehicle and Traffic Law, or a motorcycle as defined above;
- (d) "Named insured" means the person or organization named in the Declarations;
- (e) "Occupying" means in or upon or entering into or alighting from;
- (f) "Personal injury" means bodily injury, sickness or disease;
- (g) "Relative" means a spouse, child, or other person related to the named insured by blood, marriage, or adoption (including a ward or foster child), who regularly resides in the insured's household, including any such person who regularly resides in the household, but is temporarily living elsewhere; and
- (h) "Use or operation" of a motor vehicle or a motorcycle includes the loading or unloading of such vehicle.

#### **Conditions**

**Action Against Company.** No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with the terms of this coverage.

**Notice.** In the event of an accident, written notice setting forth details sufficient to identify the eligible injured person, along with reasonably obtainable information regarding the time, place and circumstances of the accident, shall be given by, or on behalf of, each eligible injured person, to the Company, or any of the Company's authorized agents, as soon as reasonably practicable, but in no event more than 30 days after the date of the accident, unless the eligible injured person submits written proof providing clear and reasonable justification for the failure to comply with such time limitation. If an eligible injured person or that person's legal representative institutes a proceeding to recover damages for personal injury under section 5104(b) of the New York Insurance Law, a copy of the summons and complaint or other process served in connection with such action shall be forwarded as soon as practicable to the Company or any of the Company's authorized agents by such eligible injured person or that person's legal representative.

**Proof of Claim; Medical, Work Loss, and Other Necessary Expenses.** In the case of a claim for health service expenses, the eligible injured person or that person's assignee or representative shall submit written proof of claim to the Company, including full particulars of the nature and extent of the injuries and treatment received and contemplated, as soon as reasonably practicable but, in no event later than 45 days after the date services are rendered. The eligible injured person or that person's representative shall submit written proof of claim for work loss benefits and for other necessary expenses to the Company as soon as reasonably practicable but, in no event, later than 90 days after the work loss is incurred or the other necessary services are rendered. The foregoing time limitations for the submission of proof of claim shall apply unless the eligible injured person or that person's representative submits written proof providing clear and reasonable justification for the failure to comply with such time limitation. Upon request by the Company, the eligible injured person or that person's assignee or representative shall:

- (a) Execute a written proof of claim under oath;
- (b) As may reasonably be required submit to examinations under oath by any person named by the Company and subscribe the same;
- (c) Provide authorization that will enable the Company to obtain medical records; and
- (d) Provide any other pertinent information that may assist the Company in determining the amount due and payable.

The eligible injured person shall submit to medical examination by physicians selected by, or acceptable to, the Company, when, and as often as, the Company may reasonably require.

**Arbitration.** In the event any person making a claim for first-party benefits and the Company do not agree regarding any matter relating to the claim, such person shall have the option of submitting such disagreement to arbitration pursuant to procedures promulgated or approved by the Superintendent of Financial Services.

**Reimbursement and Trust Agreement.** To the extent that the Company pays first-party benefits, the Company is entitled to the proceeds of any settlement or judgment resulting from the exercise of any right of recovery for damages for personal injury under section 5104(b) of the New York Insurance Law. The Company shall have a lien upon any such settlement or judgment to the extent that the Company has paid first-party benefits. An eligible injured person shall:

- (a) Hold in trust, for the Company, all rights of recovery which that person shall have for personal injury under section 5104(b) of the New York Insurance Law;
- (b) Do whatever is proper to secure, and shall do nothing to prejudice, such rights; and
- (c) Execute, and deliver to the Company, instruments and papers as may be appropriate to secure the rights and obligations of such person and the Company established by this provision.

An eligible injured person shall not compromise an action to recover damages brought under section 5104(b) of the New York Insurance Law, except:

- (a) With the written consent of the Company;
- (b) With approval of the court; or
- (c) Where the amount of the settlement exceeds \$50,000.

**Other Coverage.** Where more than one source of first-party benefits required by article 51 of the New York Insurance Law and article 6 or 8 of the New York Vehicle and Traffic Law is available and applicable to an eligible injured person in any one accident, this Company is liable to an eligible injured person only for an amount equal to the maximum amount that the eligible injured person is entitled to recover under this coverage, divided by the number of available and applicable sources of required first-party benefits. An eligible injured person shall not recover duplicate benefits for the same elements of loss under this coverage or any other mandatory first-party motor vehicle or no-fault motor vehicle insurance coverage issued in compliance with the laws of another state.

If the eligible injured person is entitled to benefits under any such mandatory first-party motor vehicle or no-fault motor vehicle insurance for the same elements of loss under this coverage, this Company shall be liable only for an amount equal to the proportion that the total amount available under this coverage bears to the sum of the amount available under this coverage and the amount available under such other mandatory insurance for the common elements of loss. However, where another state's mandatory first-party or no-fault motor vehicle insurance law provides unlimited coverage available to an eligible injured person for an element of loss under this coverage, the obligation of this Company is to share equally for that element of loss with such other mandatory insurance until the \$50,000, or \$75,000 if Optional Basic Economic Loss (OBEL) coverage is purchased, limit of this coverage is exhausted by the payment of that element of loss and any other elements of loss.

## **Section II**

### **Excess Coverage**

If motor vehicle medical payments coverage or any disability coverages or uninsured motorists coverage are afforded under this policy, such coverages shall be excess insurance over any Mandatory PIP, OBEL or Additional PIP benefits paid or payable or which would be paid or payable but for the application of a deductible under this or any other motor vehicle No-Fault insurance policy.

## **Section III**

### **Constitutionality**

If it is conclusively determined by a court of competent jurisdiction that the New York Comprehensive Motor Vehicle Insurance Reparations Act, or any amendment thereto, is invalid or unenforceable in whole or in part, then, subject to the approval of the Superintendent of Financial Services, the Company may amend this policy and may also recompute the premium for the existing or amended policy.

These amendments and recomputations will be effective retroactively to the date that such act or any amendment is deemed to be invalid or unenforceable in whole or in part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FORM TITLE: NEW YORK PERSONAL INJURY PROTECTION

COVERAGE	COVERAGE LIMIT	PREMIUM
MANDATORY BASIC ECONOMIC LOSS	\$ 50,000	\$ [REDACTED]
OPTIONAL BASIC ECONOMIC LOSS	\$ 000	\$ [REDACTED]
ADDITIONAL PERSONAL INJURY PROTECTION	-----	\$ [REDACTED]
AGGREGATE NO-FAULT BENEFITS AVAILABLE	\$ 50,000	\$ [REDACTED]

MAXIMUM MONTHLY WORK LOSS  
 OTHER NECESSARY EXPENSES (PER DAY)  
 DEATH BENEFITS

THIS FORM IS A RECAP OF THE NO-FAULT COVERAGE YOU HAVE PURCHASED,  
 THE PREMIUM IS INCLUDED ON THE DECLARATIONS PAGE.

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

## **AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Coverage**

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

### **B. Who Is An Insured**

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

### **C. Exclusions**

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.

3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

**D. Limit Of Insurance**

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

**E. Changes In Conditions**

The **Conditions** are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONNECTICUT UNINSURED AND UNDERINSURED MOTORISTS COVERAGE

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Connecticut, this endorsement modifies insurance provided under the following:

- AUTO DEALERS COVERAGE FORM
- BUSINESS AUTO COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

<b>Named Insured:</b> MODA LLC SEE FORM IH1204 <b>Endorsement Effective Date:</b> 10/15/19
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### SCHEDULE

Limit Of Insurance	
<b>Uninsured Motorists Coverage:</b>	\$ Each "Accident"
<b>Underinsured Motorists Coverage:</b>	\$ Each "Accident"
<input type="checkbox"/> If indicated by an "X" in the box to the left or in the Declarations, Underinsured Motorists Conversion Coverage applies.	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

## A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle" or "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle" or "underinsured motor vehicle".
2. We will pay only after all liability bonds or policies have been exhausted by judgments or payments.
3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

## B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
  - a. The Named Insured and any "family members".
  - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
  - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

## C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of an "underinsured motor vehicle".

2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. "Bodily injury" sustained by:
  - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
  - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
  - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
4. "Bodily injury" sustained by:
  - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form;
  - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form; or
  - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Underinsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
5. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
6. Punitive or exemplary damages.
7. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

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

**D. Limit Of Insurance**

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for Uninsured Or Underinsured Motorists Coverage shown in the Schedule or Declarations.

The coverage limit for Uninsured And Underinsured Motorists Coverage applies separately to damages caused by an "accident" with an "uninsured motor vehicle" and an "underinsured motor vehicle".

- 2. The Limit of Insurance shall be reduced by:
  - a. All sums paid or payable under any workers' compensation or similar law.
  - b. All sums paid to "insureds" because of "bodily injury" by or for anyone who is legally responsible, including all sums paid under this Coverage Form's Covered Autos Liability Coverage.
- 3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

**E. Changes In Conditions**

The Conditions are changed for Connecticut Uninsured And Underinsured Motorists Coverage as follows:

- 1. **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable similar insurance available under one or more policies or provisions of coverage:

- a. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary, secondary or excess basis.

- b. Subject to Paragraph 1.a. above, with respect to "bodily injury" to an "insured" while:

(1) "Occupying" a vehicle owned by that "insured", only the Uninsured/Underinsured Motorists Coverage applicable to that vehicle will apply, and no other policies or provisions of coverage will apply.

(2) "Occupying" a vehicle not owned by that "insured", or while not "occupying" any vehicle, the following priorities of recovery apply:

<b>First</b>	The Uninsured/Underinsured Motorists Coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident".
<b>Second</b>	Any Coverage Form or policy affording Uninsured/Underinsured Motorists Coverage to the "insured" as an individual Named Insured.
<b>Third</b>	Any Coverage Form or policy affording Uninsured/Underinsured Motorists Coverage to the "insured" as a "family member".

- c. With respect to the second and third priorities, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all limits applicable on the same level of priority.
2. **Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions in the Auto Dealers Coverage Form are changed by adding the following:**
- a. Promptly notify the police if a hit-and-run driver is involved; and
  - b. Promptly send us copies of the legal papers if a "suit" is brought.

3. **Legal Action Against Us** is replaced by the following:

**Legal Action Against Us**

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us under this Coverage Form must be brought within three years after the date of the "accident".
- c. Paragraph 3.b. above of this condition does not apply if, within three years after the date of the "accident", we and the "insured" agree to arbitration in accordance with the provisions of this Coverage Form.

4. **Transfer Of Rights Of Recovery Against Others To Us** is replaced by the following:

**Transfer Of Rights Of Recovery Against Others To Us**

- a. With respect to damages caused by an "accident" with an "uninsured motor vehicle":
  - (1) If any person or organization has rights to recover damages from another, that person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.
  - (2) If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

- (3) If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

- b. With respect to damages caused by an "accident" with an "underinsured motor vehicle", the **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.

5. The following condition is added:

**Arbitration**

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or an "underinsured motor vehicle", or do not agree as to the amount of damages, then the matter may be arbitrated. Both parties must agree to arbitration. If the amount of damages the "insured" demands is \$40,000 or less, both parties will select a single arbitrator. Each party will pay the expenses it incurs and bear the expenses of the arbitrator equally. If the amount of damages the "insured" demands is more than \$40,000, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by the arbitrator(s) will be binding.

**F. Underinsured Motorists Conversion Coverage**

If the Schedule or Declarations indicates that Underinsured Motorists Conversion Coverage applies, the following provisions apply:

- 1. The definition of "underinsured motor vehicle" is replaced by the following:  
 "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all payments received by or on behalf of the "insured", from or on behalf of anyone who is legally responsible, is less than the fair, just and reasonable damages of the "insured".
- 2. With respect to coverage provided under the above definition of "underinsured motor vehicle", Paragraph 2. of the **Limit Of Insurance** Provision does not apply.

## G. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
  - a. To which no bodily injury liability bond or policy applies at the time of the "accident";
  - b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
  - c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must either:
    - (1) Hit an "insured", a covered "auto" or a vehicle the "insured" is "occupying"; or
    - (2) Cause "bodily injury" to the "insured" without physical contact with the "insured", a covered "auto" or a vehicle the "insured" is "occupying". However, in such cases, the "insured" must prove by a fair preponderance of the evidence that the "bodily injury" resulted from the negligence of an unidentified motorist.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or who becomes insolvent and cannot provide the amounts required by that motor vehicle law;
  - b. Owned by a governmental unit or agency; or
  - c. Designed for use mainly off public roads while not on public roads.
4. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all bodily injury liability bonds or policies applicable at the time of the "accident" is less than the Limit of Insurance of this coverage.
- However, "underinsured motor vehicle" does not include any vehicle:
- a. Owned or operated by a self-insurer under any applicable motor vehicle law;
  - b. Owned by a governmental unit or agency;
  - c. Designed for use mainly off public roads while not on public roads; or
  - d. For which an insuring or bonding company denies coverage or is or becomes insolvent.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## NEW YORK SUPPLEMENTARY UNINSURED/UNDERINSURED MOTORISTS ENDORSEMENT

We, the company, agree with you, as the named insured, in return for payment of the premium for this coverage, to provide Supplementary Uninsured/Underinsured Motorists (SUM) coverage, subject to the following terms and conditions:

### INSURING AGREEMENTS

#### 1. Definitions

For purposes of this SUM endorsement, the following terms have the following meanings:

##### a. Insured

The unqualified term "insured" means:

- (1) You, as the named insured and, while residents of the same household, your spouse and the relatives of either you or your spouse;
- (2) Any person while acting in the scope of that person's duties for you, except with respect to the use and operation by such person of a motor vehicle not covered under this policy, where such person is:
  - (a) Your employee and you are a fire department;
  - (b) Your member and you are a fire company, as defined in General Municipal Law section 100;
  - (c) Your employee and you are an ambulance service, as defined in Public Health Law section 3001; or
  - (d) Your member and you are a voluntary ambulance service, as defined in Public Health Law, section 3001;
- (3) Any other person while occupying:
  - (a) A motor vehicle insured for SUM under this policy; or
  - (b) Any other motor vehicle while being operated by you or your spouse; and
- (4) Any person, with respect to damages such person is entitled to recover, because of bodily injury to which this

coverage applies sustained by an insured under Paragraph (1), (2) or (3) above.

##### b. Bodily Injury

The term "bodily injury" means bodily harm, including sickness, disease or death resulting therefrom.

##### c. Uninsured Motor Vehicle

The term "uninsured motor vehicle" means a motor vehicle that, through its ownership, maintenance or use, results in bodily injury to an insured, and for which:

- (1) No bodily injury liability insurance policy or bond applies to such motor vehicle (including a vehicle that was stolen, operated without the owner's permission or unregistered) at the time of the accident; or
- (2) The owner and operator cannot be identified (including a hit-and-run motor vehicle), and which causes bodily injury to an insured by physical contact with the insured or with a motor vehicle occupied by the insured at the time of the accident, provided that:
  - (a) The insured or someone on the insured's behalf:
    - (i) Reported the accident within 24 hours or as soon as reasonably possible to a police, peace or judicial officer or to the Commissioner of Motor Vehicles; and
    - (ii) Filed with the Company a statement under oath that the insured or the insured's legal representative has a cause or causes of action arising out

of such accident for damages against a person or persons whose identity is unascertainable, and setting forth the facts in support thereof; and

- (b) At the request of the Company, the insured or the insured's legal representative makes available for inspection the motor vehicle the insured was occupying at the time of the accident; or
- (3) There is a bodily injury liability insurance coverage or bond applicable to such motor vehicle at the time of the accident, but:
  - (a) The amount of such insurance coverage or bond is less than the third-party bodily injury liability limit of this policy; or
  - (b) The amount of such insurance coverage or bond has been reduced, by payments to other persons injured in the accident, to an amount less than the third-party bodily injury liability limit of this policy; or
  - (c) The insurer writing such insurance coverage or bond denies coverage or such insurer is or becomes insolvent.

The term "uninsured motor vehicle" shall not include a motor vehicle that is:

- (1) Insured under the liability coverage of this policy; or
- (2) Owned by you, the named insured, or your spouse residing in your household; or
- (3) Self-insured within the meaning of the financial responsibility law of the state in which the motor vehicle is registered, or any similar state or federal law, to the extent that the required amount of such coverage is equal to, or greater than, the third-party bodily injury liability limits of this policy; or
- (4) Owned by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any of the foregoing; or
- (5) A land motor vehicle or trailer, while located for use as a residence or premises and not as a motor vehicle or while operated on rails or crawler-treads; or

(6) A farm type vehicle or equipment designed for use principally off public roads, except while actually upon public roads.

**d. Occupying**

The term "occupying" means in, upon, entering into or exiting from a motor vehicle.

**e. State**

The term "state" means a state, territory or possession of the United States, the District of Columbia or a province of Canada.

**2. Damages For Bodily Injury Caused By Uninsured Motor Vehicles**

We will pay all sums that the insured or the insured's legal representative shall be legally entitled to recover as damages from the owner or operator of an uninsured motor vehicle because of bodily injury sustained by the insured, caused by an accident arising out of such uninsured motor vehicle's ownership, maintenance or use, subject to the Exclusions, Conditions, Limits and other provisions set forth in this SUM endorsement.

**3. SUM Coverage Period And Territory**

This SUM coverage applies only to accidents that occur:

- a. During the policy period shown in the Declarations; and
- b. In the United States, its territories or possessions, or Canada.

**EXCLUSIONS**

This SUM coverage does not apply to:

- 1. Bodily injury to an insured, including care or loss of services recoverable by an insured, if such insured, such insured's legal representatives or any person entitled to payment under this coverage, without our written consent, settles any lawsuit against any person or organization that may be legally liable for such injury, care or loss of services, however this provision shall be subject to Condition 9.;
- 2. Bodily injury to an insured incurred while occupying a motor vehicle owned by that insured, if such motor vehicle is not insured for SUM coverage by the policy under which a claim is made or is not a newly acquired or replacement motor vehicle covered under the terms of this policy; or
- 3. Non-economic loss resulting from bodily injury to an insured arising from an accident in New York State, unless the insured has sustained serious injury as defined in Section 5102(d) of the New York Insurance Law.

## CONDITIONS

### 1. Policy Provisions

None of the Insuring Agreements, Exclusions or Conditions of the policy shall apply to this SUM coverage except: "Duties In The Event Of Accident, Claim, Suit Or Loss", "Fraud" and "Ending This Policy" if applicable.

### 2. Notice And Proof Of Claim

As soon as practicable, the insured or other person making a claim shall give us written notice of claim under this SUM coverage.

a. As soon as practicable after our written request, the insured or other person making claim shall give us written proof of claim, under oath if required, including full particulars of the nature and extent of the injuries, treatment and other details we need to determine the SUM amount payable.

b. The insured and every other person making claim hereunder shall, as may reasonably be required, submit to examinations under oath by any person we name and subscribe the same. Proof of claim shall be made upon forms we furnish unless we fail to furnish such forms within 15 calendar days after receiving notice of claim.

### 3. Medical Reports

The insured shall submit to physical examinations by physicians we select when and as often as we may reasonably require. The insured, or in the event of the insured's incapacity, the insured's legal representative (or in the event of the insured's death, the insured's legal representative or the person or persons entitled to sue therefor), shall upon each request from us authorize us to obtain copies of relevant medical reports and records.

### 4. Notice Of Legal Action

If the insured or the insured's legal representative brings any lawsuit against any person or organization legally responsible for the use of a motor vehicle involved in the accident, a copy of the summons and complaint or other process served in connection with the lawsuit shall be forwarded immediately to us by the insured or the insured's legal representative.

### 5. SUM Limits And Maximum Payments

a. The SUM limit payable under this endorsement shall be determined as follows:

- (1) If an accident results in bodily injury excluding death to one or more

persons, then we will provide the SUM limit stated in the Declarations; or

- (2) If an accident results in the death of one or more persons, then we will provide the greater of the SUM limit stated in the Declarations or \$50,000 for such bodily injury resulting in death sustained by one person as the result of any one accident and, subject to this per person limit, \$100,000 for such bodily injury resulting in death sustained by two or more persons as the result of any one accident; or

- (3) If an accident results in both bodily injury to one or more persons and the death of one or more persons, then we will provide the greater of the SUM limits stated in the Declarations or the limits required by the mandatory uninsured motorists (UM) coverage as follows:

\$25,000 per injured person and, subject to this per person limit,

\$50,000 to two or more persons injured as the result of any one accident; and

\$50,000 per person for bodily injury resulting in death and, subject to this per person limit,

\$100,000 to two or more persons for bodily injury resulting in death as the result of any one accident.

- b. Regardless of the number of insureds, our maximum payment under this SUM endorsement shall be the difference between:

- (1) The SUM limit; and

- (2) The motor vehicle bodily injury liability insurance or bond payments received by the insured or the insured's legal representative, from or on behalf of all persons that may be legally liable for the bodily injury sustained by the insured.

- c. The SUM limit shown on the Declarations is the amount of coverage for all damages due to bodily injury in any one accident.

### 6. Non-Stacking

Regardless of the number of motor vehicles involved, persons covered, claims made, motor vehicles or premiums shown in this policy or premium paid, the limits, whether for



UM coverage or SUM coverage, shall never be added together or combined for two or more motor vehicles to determine the extent of insurance coverage available to an insured who was injured in the same accident.

#### 7. Priority Of Coverage

If an insured is entitled to UM coverage or SUM coverage under more than one policy, the maximum amount such insured may recover shall not exceed the highest limit of such coverage for any one motor vehicle under any one policy and the following order of priority shall apply:

- a. A policy covering a motor vehicle occupied by the injured person at the time of the accident;
- b. A policy covering a motor vehicle not involved in the accident under which the injured person is a named insured; and
- c. A policy covering a motor vehicle not involved in the accident under which the injured person is an insured other than a named insured.

Coverage available under a lower priority policy applies only to the extent that it exceeds the coverage of a higher priority policy.

#### 8. Exhaustion Required

Except as provided in Condition 9., we will pay under this SUM coverage only after the limits of liability have been exhausted under all motor vehicle bodily injury liability insurance policies or bonds applicable at the time of the accident in regard to any one person who may be legally liable for the bodily injury sustained by the insured.

#### 9. Release Or Advance

- a. In accidents involving the insured and one or more negligent parties, if such insured settles with any such party for the available limit of the motor vehicle bodily injury liability coverage of such party, a release may be executed with such party after thirty calendar days from our receipt of your written notice to us, unless within this time period we agree to advance such settlement amounts to the insured in return for the cooperation of the insured in our lawsuit on behalf of the insured.
- b. We shall have a right to the proceeds of any such lawsuit equal to the amount advanced to the insured and any additional amounts paid under this SUM coverage. Any excess above those amounts shall be paid to the insured.

- c. An insured shall not otherwise settle with any negligent party, without our written consent, such that our rights would be impaired.

#### 10. Non-Duplication

This SUM coverage shall not duplicate any of the following:

- a. Benefits payable under workers' compensation or other similar laws;
- b. Non-occupational disability benefits under New York Workers' Compensation Law article nine or other similar law;
- c. Any amounts recovered or recoverable pursuant to New York Insurance Law article fifty-one or any similar motor vehicle insurance payable without regard to fault;
- d. Any valid or collectible motor vehicle medical payments insurance; or
- e. Any amounts recovered as bodily injury damages from sources other than motor vehicle bodily injury liability insurance policies or bonds.

#### 11. Arbitration

- a. If any insured makes a claim under this SUM coverage and we do not agree that such insured is legally entitled to recover damages from the owner or operator of an uninsured motor vehicle because of bodily injury sustained by the insured, or we do not agree as to the amount of payment that may be owing under this SUM coverage, then, at the option and upon written demand of such insured, the matter or matters upon which such insured and we do not agree shall be settled by arbitration, administered by the \_\_\_\_\_ (*insert name of designated organization*), pursuant to procedures approved by the Superintendent of Financial Services for this purpose.
- b. If the maximum amount of SUM coverage provided by this endorsement equals the amount of coverage required to be provided by New York Insurance Law section 3420(f)(1) and New York Vehicle and Traffic Law Article 6 or 8, then such disagreement shall be settled by such arbitration procedures upon written demand of either the insured or us. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof, and any such insured and we each agree to be bound

by any award made by the arbitrator as to this SUM coverage. For purposes of this Condition, the term "insured" includes any person authorized to act on behalf of the insured.

**12. Subrogation**

If we make a payment under this SUM coverage, then we have the right to recover the amount of the payment from any person legally responsible for the bodily injury or loss of the person to whom, or for whose benefit, such payment was made to the extent of the payment. The insured or any person acting on behalf of the insured must do whatever is necessary to transfer this right of recovery to us. Except as permitted by Condition 9., such person shall do nothing to prejudice this right.

**13. Payment Of Loss By Company**

We shall pay any amount due under this SUM coverage to the insured or, at our option, to a person authorized by law to receive such payment or to a person legally entitled to recover the damages which the payment represents.

**14. Action Against Company**

No lawsuit shall lie against us unless the insured or the insured's legal representative has first fully complied with all the terms of this SUM coverage.

**15. Survivor Rights**

If you or your spouse, if a resident of the same household, dies, then this SUM endorsement shall cover:

- a. The survivor as named insured;
- b. The decedent's legal representative as named insured, but only while acting within the scope of such representative's duties as such; and
- c. Any relative who was an insured at the time of such death.

NOTICE OF AUTOMOBILE INSURANCE

POLICY NO: 31 UUN AB7878

INSURANCE COMPANY NAME: HARTFORD INSURANCE COMPANY OF THE MIDWEST

EFFECTIVE DATE OF NOTICE: 10/15/19 EXPIRATION DATE OF POLICY: 10/15/20

PRODUCERS CODE AND NAME: 803759 HUB INTERNATIONAL NORTHEAST LTD

NAMED INSURED AND MAILING ADDRESS:

MODA LLC

777 W PUTNAM AVE  
GREENWICH CT 06830

LOSS PAYEE # 01: NAME AND ADDRESS:

LINCOLN AFS

PO BOX 390910  
MINNEAPOLIS MN 55439

THIS NOTICE OF AUTOMOBILE INSURANCE IS APPLICABLE AS INDICATED BELOW.

THIS IS TO CERTIFY THAT THE POLICY OF INSURANCE LISTED ABOVE HAS BEEN ISSUED TO THE INSURED NAMED ABOVE AND IS IN FORCE AT THIS TIME FOR THE AUTO(S) DESCRIBED BELOW. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICY DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICY.

STATE OF NEBRASKA - THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE LISTED POLICY.

LOSS PAYEE - EXCEPT FOR TOWING, ALL PHYSICAL DAMAGE LOSS IS PAYABLE TO THE NAMED INSURED AND THE LOSS PAYEE NAMED ABOVE AS INTEREST MAY APPEAR AT THE TIME OF LOSS.

-----  
SCHEDULE OF AUTOS AND PHYSICAL DAMAGE COVERAGE.  
-----

COVERED AUTO NO. 00003      19 LINC      VIN 5LMJJ3TTOKEL01312

COMPREHENSIVE COVERAGE      \$ 1,000 DEDUCTIBLE  
ACTUAL CASH VALUE

COLLISION COVERAGE      \$ 1,000 DEDUCTIBLE  
ACTUAL CASH VALUE

-----  
THIS CERTIFICATE DOES NOT EVIDENCE LIABILITY INSURANCE  
-----

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

## **CONNECTICUT CHANGES**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Connecticut, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Changes In Covered Autos Liability Coverage**

**1. The following is added to Who Is An Insured:**

If you are an individual, your "family member" is an "insured" while using any covered "auto" you own.

**2. Coverage Extensions** is amended as follows:

**a. Paragraph a.(2) of Supplementary Payments** is replaced by the following:

(2) Up to \$250 for the cost of bail bonds (including bonds for related traffic law violations). We do not have to furnish these bonds.

**b. Supplementary Payments** is amended by the addition of the following:

(7) We will pay all expenses incurred by an "insured" for first aid to others at the time of an "accident".

(8) At your request we will issue (or arrange for the issuance of) a bond to release attachments. The amount of the bond will not exceed the limit of liability stated in the policy.

**3. The Fellow Employee Exclusion** is replaced by the following:

**Fellow Employee**

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business. However, we will cover "bodily injury" caused by your "employee" to his fellow "employee".

**4. The Care, Custody Or Control Exclusion** does not apply to "property damage" to a residence or private garage caused by a covered "auto" of the private passenger type.

### **B. Changes In Conditions**

**Other Insurance** is changed as follows:

a. If you are other than an "auto" dealer or repairer, Covered Autos Liability Coverage applies to and is primary for any temporary substitute for an "auto" you own if the substitute "auto" is operated by an "insured" and owned by an "auto" dealer or repairer.

b. If you are an "auto" dealer or repairer, Covered Autos Liability Coverage is excess for an "auto" you own if operated by a customer to whom you have loaned the "auto".

### **C. Changes In Auto Medical Payments Coverage**

Exclusion C.8. does not apply.

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

## **PUBLIC OR LIVERY PASSENGER CONVEYANCE EXCLUSION**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Changes In Covered Autos Liability Coverage**

The following exclusion is added:

#### **Public Or Livery Passenger Conveyance**

This insurance does not apply to any covered "auto" while being used as a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto".

### **B. Changes In Physical Damage Coverage**

The following exclusion is added:

We will not pay for "loss" to any covered "auto" while being used as a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto".

### **C. Changes In Auto Medical Payments**

If Auto Medical Payments Coverage is attached, then the following exclusion is added:

#### **Public Or Livery Passenger Conveyance**

This insurance does not apply to:

"Bodily injury" sustained by an "insured" "occupying" a covered "auto" while it is being used as a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto".

### **D. Changes In Uninsured And/Or Underinsured Motorists Coverage**

1. If Uninsured and/or Underinsured Motorists Coverage is attached, and:

- a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
- b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

#### **2. Public Or Livery Passenger Conveyance**

This insurance does not apply to any covered "auto" while being used as a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto".

### **E. Changes In Personal Injury Protection Coverage**

1. If Personal Injury Protection, no-fault or other similar coverage is attached, and:

- a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
- b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

## **2. Public Or Livery Passenger Conveyance**

This insurance does not apply to any covered "auto" while being used as a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto".

## **F. Additional Definitions**

As used in this endorsement:

1. "Occupying" means in, upon, getting in, on, out or off.
2. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DRIVE OTHER CAR COVERAGE - BROADENED COVERAGE FOR NAMED INDIVIDUALS

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

B U S I N E S S A U T O C O V E R A G E F O R M

WITH RESPECT TO COVERAGE PROVIDED BY THIS ENDORSEMENT, THE PROVISIONS OF THE COVERAGE FORM APPLY UNLESS MODIFIED BY THE ENDORSEMENT.

NOTE - WHEN UNINSURED MOTORISTS COVERAGE IS PROVIDED AT LIMITS HIGHER THAN THE BASIC LIMITS REQUIRED BY A FINANCIAL RESPONSIBILITY LAW, UNDERINSURED MOTORISTS COVERAGE IS INCLUDED, UNLESS OTHERWISE NOTED. IF UNDERINSURED MOTORISTS COVERAGE IS PROVIDE AS A SEPARATE COVERAGE, MAKE APPROPRIATE ENTRY IN THE SCHEDULE ABOVE

A. THIS ENDORSEMENT CHANGES ONLY THOSE COVERAGES WHERE A PREMIUM IS SHOWN IN THE SCHEDULE.

B. CHANGES IN LIABILITY COVERAGE

1. ANY "AUTO" YOU DON'T OWN, HIRE OR BORROW I S A COVERED "AUTO" FOR LIABILITY COVERAGE WHILE BEING USED BY ANY INDIVIDUAL NAMED IN THE SCHEDULE OR BY HIS OF HER SPOUSE WHILE A RESIDENT OF THE SAME HOUSEHOLD EXCEPT:

A. ANY "AUTO" OWNED BY THAT INDIVIDUAL OR BY ANY MEMBER OF HIS OR HER HOUSEHOLD.

B. ANY "AUTO" USED BY THAT INDIVIDUAL OR HIS OR HER SPOUSE WHILE WORKING IN A BUSINESS OF SELLING, SERVICING, REPAIRING OR PARKING "AUTOS."

2. THE FOLLOWING IS ADDED TO WHO IS AN INSURED:

ANY INDIVIDUAL NAMED IN THE SCHEDULE AND HIS OR HER SPOUSE, WHILE A RESIDENT OF THE SAME HOUSEHOLD, ARE "INSUREDS" WHILE USING ANY COVERED "AUTO" DESCRIBED IN PARAGRAPH B.1. OF THIS ENDORSEMENT.

C. CHANGES IN AUTO MEDICAL PAYMENTS AND UNINSURED AND UNDERINSURED MOTORIST COVERAGES.

THE FOLLOWING IS ADDED TO WHO IS AN INSURED:

ANY INDIVIDUAL NAMED IN THE SCHEDULE AND HIS OR HER "FAMILY MEMBERS" ARE "INSUREDS" WHILE "OCCUPYING" OR WHILE A PEDESTRIAN WHEN BEING STRUCK BY ANY "AUTO" YOU DON'T OWN EXCEPT:

ANY "AUTO" OWNED BY THAT INDIVIDUAL OR BY ANY "FAMILY MEMBER."

DRIVE OTHER CAR COVERAGE - BROADENED COVERAGE FOR NAMED INDIVIDUALS  
(CONTINUED)

## D. CHANGES IN PHYSICAL DAMAGE COVERAGE

ANY PRIVATE PASSENGER TYPE "AUTO" YOU DON'T OWN, HIRE OR BORROW IS A COVERED "AUTO" WHILE IN THE CARE, CUSTODY OR CONTROL OF ANY INDIVIDUAL NAMED IN THE SCHEDULE OR HIS OR HER SPOUSE WHILE A RESIDENT OF THE SAME HOUSEHOLD EXCEPT:

1. ANY "AUTO" OWNED BY THAT INDIVIDUAL OR BY ANY MEMBER OF HIS OR HER HOUSEHOLD.
2. ANY "AUTO" USED BY THAT INDIVIDUAL OR HIS OR HER SPOUSE WHILE WORKING IN A BUSINESS OF SELLING, SERVICING, REPAIRING OR PARKING "AUTOS."

## E. ADDITIONAL DEFINITION

AS USED IN THIS ENDORSEMENT:

"FAMILY MEMBER" MEANS A PERSON RELATED TO THE INDIVIDUAL NAMED IN THE SCHEDULE BY BLOOD, MARRIAGE OR ADOPTION WHO IS A RESIDENT OF THE INDIVIDUAL'S HOUSEHOLD, INCLUDING A WARD OR FOSTER CHILD.

## S C H E D U L E

LIABILITY LIMITS: REFER TO ITEM TWO OF THE DECLARATIONS

AUTO MEDICAL PAYMENTS LIMITS: \$5,000 FOR "BODILY INJURY" FOR EACH "INSURED"

UNINSURED MOTORISTS LIMITS: \$1,000,000 EACH "ACCIDENT" - CT

UNDERINSURED MOTORISTS LIMITS: \$1,000,000 EACH "ACCIDENT" - CT



POLICY NUMBER: 31 UUN AB7878

K1

COMMERCIAL AUTO

DRIVE OTHER CAR COVERAGE - BROADENED COVERAGE FOR NAMED INDIVIDUALS  
(CONTINUED)

SCHEDULE (CONTINUED)

PREMIUMS PER NAMED INDIVIDUAL

LIABILITY	AUTO MEDICAL PAYMENTS	UNINSURED MOTORISTS	UNDERINSURED MOTORISTS
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
		DEDUCTIBLE	PREMIUM
COMPREHENSIVE		\$1,000	[REDACTED]
COLLISION		\$1,000	[REDACTED]

NAME OF INDIVIDUAL

JORGE CORTEZ  
MARC FISHER

POLICY NUMBER: 31 UUN AB7878 K1 COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RENTAL REIMBURSEMENT COVERAGE

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

B U S I N E S S A U T O C O V E R A G E F O R M

WITH RESPECT TO COVERAGE PROVIDED BY THIS ENDORSEMENT, THE PROVISIONS OF THE COVERAGE FORM APPLY UNLESS MODIFIED BY THE ENDORSEMENT.

- A. THIS ENDORSEMENT PROVIDES ONLY THOSE COVERAGES WHERE A PREMIUM IS SHOWN IN THE SCHEDULE. IT APPLIES ONLY TO A COVERED "AUTO" DESCRIBED OR DESIGNATED IN THE SCHEDULE.
- B. WE WILL PAY FOR RENTAL REIMBURSEMENT EXPENSES INCURRED BY YOU FOR THE RENTAL OF AN "AUTO" BECAUSE OF "LOSS" TO A COVERED "AUTO". PAYMENT APPLIES IN ADDITION TO THE OTHERWISE APPLICABLE AMOUNT OF EACH COVERAGE YOU HAVE ON A COVERED "AUTO". NO DEDUCTIBLES APPLY TO THIS COVERAGE.
- C. WE WILL PAY ONLY FOR THOSE EXPENSES INCURRED DURING THE POLICY PERIOD BEGINNING 24 HOURS AFTER THE "LOSS" AND ENDING, REGARDLESS OF THE POLICY'S EXPIRATION, WITH THE LESSER OF THE FOLLOWING NUMBER OF DAYS:
  - 1. THE NUMBER OF DAYS REASONABLY REQUIRED TO REPAIR OR REPLACE THE COVERED "AUTO". IF "LOSS" IS CAUSED BY THEFT, THIS NUMBER OF DAYS IS ADDED TO THE NUMBER OF DAYS IT TAKES TO LOCATE THE COVERED "AUTO" AND RETURN IT TO YOU.
  - 2. THE NUMBER OF DAYS SHOWN IN THE SCHEDULE.
- D. OUR PAYMENT IS LIMITED TO THE LESSER OF THE FOLLOWING AMOUNTS:
  - 1. NECESSARY AND ACTUAL EXPENSES INCURRED.
  - 2. THE MAXIMUM PAYMENT STATED IN THE SCHEDULE APPLICABLE TO "ANY ONE DAY" OR "ANY ONE PERIOD".
- E. THIS COVERAGE DOES NOT APPLY WHILE THERE ARE SPARE OR RESERVE "AUTOS" AVAILABLE TO YOU FOR YOUR OPERATIONS.
- F. IF "LOSS" RESULTS FROM THE TOTAL THEFT OF A COVERED "AUTO" OF THE PRIVATE PASSENGER TYPE, WE WILL PAY UNDER THIS COVERAGE ONLY THAT AMOUNT OF YOUR RENTAL REIMBURSEMENT EXPENSES WHICH IS NOT ALREADY PROVIDED FOR UNDER THE PHYSICAL DAMAGE COVERAGE EXTENSION.

RENTAL REIMBURSEMENT COVERAGE  
(CONTINUED)

SCHEDULE

AUTO NO.		MAXIMUM PAYMENT EACH COVERED AUTO			PREMIUM
		ANY ONE DAY	NO. OF DAYS	ANY ONE PERIOD	
1	COMPREHENSIVE COLLISION	\$ 50	30	\$ 1,500	\$ [REDACTED]
2	COMPREHENSIVE COLLISION	\$ 50	30	\$ 1,500	\$ [REDACTED]
3	COMPREHENSIVE COLLISION	\$ 50	30	\$ 1,500	\$ [REDACTED]

1  
POLICY NUMBER: 31 UUN AB7878 K1 COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GLASS COVERAGE - CONNECTICUT

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

B U S I N E S S A U T O C O V E R A G E F O R M

S C H E D U L E

DESIGNATION OR DESCRIPTION OF COVERED "AUTOS" TO WHICH THIS INSURANCE APPLIES:

EACH COVERED "AUTO" DESCRIBED BELOW.

PHYSICAL DAMAGE COVERAGE FOR A COVERED "AUTO" LICENSED OR PRINCIPALLY GARAGED IN CONNECTICUT AND DESCRIBED OR DESIGNATED IN THE SCHEDULE OR IN THE DECLARATIONS IS CHANGED AS FOLLOWS:

- A. NO DEDUCTIBLE APPLIES TO "LOSS" OF GLASS USED IN THE WINDSHIELD OR WINDOWS.
- B. ALL OTHER PHYSICAL DAMAGE COVERAGE PROVISIONS APPLY.

COVERED "AUTOS:"

00003

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

## **LOSS PAYABLE CLAUSE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. We will pay, as interest may appear, you and the loss payee named in the policy for "loss" to a covered "auto".
  - B. The insurance covers the interest of the loss payee unless the "loss" results from conversion, secretion or embezzlement on your part.
  - C. We may cancel the policy as allowed by the Cancellation Common Policy Condition.
  - D. If we make any payments to the loss payee, we will obtain his or her rights against any other party.
- Cancellation ends this agreement as to the loss payee's interest. If we cancel the policy, we will mail you and the loss payee the same advance notice.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## NEW YORK CHANGES IN BUSINESS AUTO AND MOTOR CARRIER COVERAGE FORMS

For a covered "auto" licensed or principally garaged in New York, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### A. Changes In Covered Autos Liability Coverage

1. The third paragraph of A. **Coverage** is replaced by the following:

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense", even if the allegations of the "suit" are groundless, false or fraudulent. However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered "Autos" Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

2. Who Is An Insured does not include anyone loading or unloading a covered "auto" except you, your "employees", a lessee or borrower or any of their "employees".

3. **Supplementary Payments** is amended as follows:

- a. Paragraph (5) is replaced by the following:

(5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.

- b. The following paragraphs are added:

(7) All expenses incurred by an "insured" for first aid to others at the time of an "accident".

(8) The cost of appeal bonds.

4. Paragraph b. **Out-of-state Coverage Extensions** in the Business Auto and Motor Carrier Coverage Forms is replaced by the following:

- b. While a covered "auto" is used or operated in any other state or Canadian province, we will provide at least the minimum amount and kind of coverage which is required in such cases under the laws of such jurisdiction.

5. **Exclusions** is changed as follows:

- a. The **Employee Indemnification And Employer's Liability Exclusion** is replaced by the following:

#### **Employee Indemnification And Employer's Liability**

This insurance does not apply to:

"Bodily injury" to an "employee" of the "insured" arising out of and in the course of:

- (1) Employment by the "insured"; or
- (2) Performing the duties related to the conduct of the "insured's" business.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

- b. The **Fellow Employee Exclusion** is replaced by the following:

**Fellow Employee**

This insurance does not apply to:

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

However, this exclusion only applies if the fellow "employee" is entitled to benefits under any of the following: workers' compensation, unemployment compensation or disability benefits law, or any similar law.

- c. The **Handling Of Property Exclusion** does not apply.
- d. The **Movement Of Property By Mechanical Device Exclusion** does not apply.
- e. The **Operations Exclusion** does not apply.
- f. The **Completed Operations Exclusion** does not apply.
- g. The **Pollution Exclusion** does not apply.
- h. The **War Exclusion** is replaced by the following:

**War**

"Bodily injury" or "property damage" caused by war, whether or not declared, civil war, insurrection, rebellion or revolution, or any act or condition incident to any of the foregoing.

- i. The **Racing Exclusion** does not apply.

6. If the **Limit Of Insurance** for Covered Autos Liability Coverage shown in the Declarations is equal to or greater than \$160,000, the **Limit Of Insurance** provision is changed by the following:

**Limit Of Insurance** applies except that we will apply the **Limit Of Insurance** for Covered Autos Liability Coverage shown in the Declarations to first provide the separate limits required by the New York Motor Vehicle Safety Responsibility Act for:

- a. "Bodily injury" not resulting in death of any one person caused by any one "accident";
- b. "Bodily injury" not resulting in death of two or more persons caused by any one "accident";
- c. "Bodily injury" resulting in death of any one person caused by any one "accident";

- d. "Bodily injury" resulting in death of two or more persons caused by any one "accident"; or

- e. "Property damage" in any one "accident".

This provision will not change our total **Limit of Insurance**.

7. If the **Limit Of Insurance** for Covered Autos Liability Coverage shown in the Declarations is less than \$160,000, the **Limit Of Insurance** provision is replaced by the following:

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident", is the **Limit Of Insurance** for Covered Autos Liability Coverage shown in the Declarations, except for those damages for "bodily injury" resulting in death. We will apply the **Limit Of Insurance** for Covered Autos Liability Coverage shown in the Declarations to first provide the separate limits required by the New York Motor Vehicle Safety Responsibility Act as follows:

- a. "Bodily injury" not resulting in death of any one person caused by any one "accident";
- b. "Bodily injury" not resulting in death of two or more persons caused by any one "accident"; or
- c. "Property damage" in any one "accident".

This provision will not change our total **Limit of Insurance**.

All "bodily injury" and "property damage" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

In addition, our **Limit of Insurance** for "bodily injury" resulting in death is as follows:

- a. Up to \$50,000 for "bodily injury" resulting in death of any one person caused by any one "accident"; and
- b. Up to \$100,000 for "bodily injury" resulting in death of two or more persons caused by any one "accident", subject to a \$50,000 maximum for any one person.

If the **Limit Of Insurance** for Covered Autos Liability Coverage shown in the Declarations is not exhausted by payment of damages for:

- a. "Bodily injury" not resulting in death;
- b. "Property damage"; or
- c. "Covered pollution cost or expense";

any remaining amounts will be used to pay damages for "bodily injury" resulting in death,

to the extent the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations is not increased.

8. If forming part of the Policy, the Nuclear Energy Liability Exclusion (Broad Form) Endorsement does not apply to the Commercial Auto Coverage Part.

#### **B. Changes In Trailer Interchange Coverage**

Paragraph A.2. of Section III - Trailer Interchange Coverage in the Motor Carrier Coverage Form is replaced by the following:

2. We have the right and duty to defend any "insured" against a "suit" asking for these damages, even if the allegations of the "suit" are groundless, false or fraudulent. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "loss" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

#### **C. Changes In Physical Damage Coverage**

1. The **Owned Autos You Acquire After The Policy Begins** provision of Section I - Covered Autos is replaced by the following:

##### **Owned Autos You Acquire After The Policy Begins**

- a. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
- b. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - (1) We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - (2) You tell us within 30 days after you acquire it that you want us to cover it for that coverage.
- c. Notwithstanding the provisions of Paragraphs a. and b., during the term of the Coverage Part, Physical Damage Coverage for an additional or replacement private passenger "auto" shall not become effective until you notify us and request coverage for the "auto".

However, if you replace a private passenger "auto" currently insured with us for a continuous period of at least 12 months, we will provide the same coverage which applied to the replaced "auto", without a coverage request, for five calendar days beginning on the date you acquired the replacement "auto". After five calendar days, coverage will not apply until you request coverage for the "auto".

2. The **War Or Military Action** Exclusion is replaced by the following:

##### **War Or Military Action**

War, whether or not declared, civil war, insurrection, rebellion or revolution, or any act or condition incident to any of the foregoing.

3. **Deductible** is replaced by the following:

##### **Deductible**

For each covered "auto", our obligation to pay for, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations.

4. The following provisions are added to **Physical Damage Coverage** and apply in place of any conflicting policy provisions:

##### **a. Mandatory Inspection For Physical Damage Coverage**

- (1) We have the right to inspect any private passenger "auto", including a non-owned "auto", insured or intended to be insured under this Coverage Part before physical damage coverage shall become effective, except to the extent that this right is prescribed and limited by New York State Department of Financial Services' Insurance Regulation No. 79 (11 NYCRR 67) or Section 3411 of the New York Insurance Law.
- (2) When an inspection is required by us, you must cooperate and make the "auto" available for the inspection.

##### **b. "Auto" Repairs Under Physical Damage Coverage**

Payment of a physical damage "loss" shall not be conditioned upon the repair of the "auto". We may not require that repairs be made by a particular repair shop or concern.

##### **c. Recovery Of Stolen Or Abandoned "Autos"**

If a private passenger "auto" insured under this Coverage Part for physical damage



coverage is stolen or abandoned, we or our authorized representative shall, when notified of the location of the "auto", have the right to take custody of the "auto" for safekeeping.

#### D. Changes In Conditions

1. Paragraphs a. and b.(2) of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition in the Business Auto and Motor Carrier Coverage Forms are replaced by the following:

We have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us:

- a. In the event of "accident", claim, "suit" or "loss", you or someone on your behalf must give us or our authorized representative notice as soon as reasonably possible of the "accident" or "loss". Include:

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

Written notice by or on behalf of the injured person or any other claimant to our authorized representative shall be deemed notice to us.

- b. Additionally, you and any other involved "insured" must:

- (2) Send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit" as soon as reasonably possible.

2. The **Legal Action Against Us** Condition in the Business Auto and Motor Carrier Coverage Forms is replaced by the following:

##### **Legal Action Against Us**

- a. Except as provided in Paragraph b., no one may bring a legal action against us until:

- (1) There has been full compliance with all of the terms of the Coverage Form; and
- (2) Under Covered Autos Liability Coverage, we, by written agreement with the "insured" and the claimant, agree that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No person or organization has any right

under this Policy to bring us into any action to determine the "insured's" liability.

- b. With respect to "bodily injury" claims, if we deny coverage or do not admit liability because an "insured" or the injured person, someone acting for the injured person or other claimant fails to give us written notice as soon as practicable, then the injured person, someone acting for the injured person or other claimant may bring an action against us, provided the sole question is whether the denial of coverage or nonadmission of liability is based on the failure to provide timely notice.

However, the injured person, someone acting for the injured person or other claimant may not bring an action if within 60 days after we deny coverage or do not admit liability, we or an "insured":

- (1) Brings an action to declare the rights of the parties under the Policy; and
- (2) Names the injured person, someone acting for the injured person or other claimant as a party to the action.

3. Paragraph d. of the **Other Insurance** Condition in the Business Auto Coverage Form and Paragraph h. **Other Insurance - Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

When this Coverage Form and any valid and collectible insurance under any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

4. The following provision is added and supersedes any provision to the contrary:

Failure to give notice to us as soon as practicable, as required under this Coverage Part, shall not invalidate any claim made by the "insured", injured person or any other claimant, unless the failure to provide such timely notice has prejudiced us. However, no claim made by the "insured", injured person or other claimant will be invalidated if it shall be shown not to have been reasonably possible to give such timely notice and that notice was given as soon as was reasonably possible thereafter.

5. The **Loss Payment - Physical Damage Coverages** Condition is replaced by the following:

**Loss Payment - Physical Damage Coverages**

At our option, we may:

- a. Pay for or replace damaged or stolen property; or
- b. Return the stolen or damaged property, at our expense. We will pay for any damage that results to the "auto" from the "loss".

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

6. The **Two Or More Coverage Forms Or Policies Issued By Us** Condition in the Business Auto and Motor Carrier Coverage Forms is changed as follows:

This condition does not apply to liability coverage.

7. The **Premium Audit** Condition is amended by the addition of the following:

An audit to determine the final premium due or to be refunded will be completed within 180 days after the expiration date of the Policy or the anniversary date, if this is a continuous policy or a policy written for a term longer than one year. But the audit may be waived if:

- a. The total annual premium attributable to the auditable exposure base is not reasonably expected to exceed \$1,500; or
- b. The Policy requires notification to the insurer with specific identification of any additional exposure units (e.g., autos) for which coverage is requested.
- c. Except as provided in Paragraphs a. and b. above, the **Examination Of Your Books And Records** Common Policy Condition continues to apply.

**E. Changes In Definitions**

The **Definitions** section in the Business Auto and Motor Carrier Coverage Forms is changed as follows:

1. The "covered pollution cost or expense" definition is replaced by the following:

"Covered pollution cost or expense" means any cost or expense arising out of:

- a. Any request, demand, order or statutory or regulatory requirement; or
- b. Any claim or "suit" by or on behalf of a governmental authority demanding;

that the "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".

2. The "insured contract" definition is replaced by the following:

"Insured contract" means:

- a. A lease of premises;
- b. A sidetrack agreement;
- c. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
- d. Any other easement agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- e. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
- f. That part of any contract or agreement entered into, as part of your business, by you or any of your employees, pertaining to the rental or lease of any "auto"; or
- g. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay damages because of "bodily injury" or "property damage" to a third person or organization, if the contract or agreement is made prior to the "bodily injury" or "property damage". Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

An "insured contract" does not include that part of any contract or agreement:

- a. That pertains to the loan, lease or rental of an "auto" to you or any of your employees, if the "auto" is loaned, leased or rented with a driver;
- b. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority; or
- c. Under which the "insured" assumes liability for injury or damage caused by the dumping, discharge or escape of:
  - (1) Irritants, pollutants or contaminants that are, or that are contained in, any property that is:
    - (a) Being moved from the place where such property or pollutants are

accepted by the "insured" for movement into or onto the covered "auto";

(b) Being transported or towed by the covered "auto";

(c) Being moved from the covered "auto" to the place where such property or pollutants are finally delivered, disposed of or abandoned by the "insured";

(d) Otherwise in the course of transit; or

(e) Being stored, disposed of, treated or processed in or upon the covered "auto" other than fuels, lubricants, fluids, exhaust gases or other similar pollutants that are needed for, or result from, the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts.

(2) Irritants, pollutants or contaminants not described in Paragraph (1) above unless:

(a) The pollutants or any property in which the pollutants are contained is upset, overturned or damaged as a result of the maintenance or use of the covered "auto"; and

(b) The discharge, dispersal, release or escape of the pollutants is caused directly by such upset, overturn or damage.

3. The "mobile equipment" definition is replaced by the following:

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

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers.

e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide

mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers.

f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

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

"Mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

However, the operation of:

a. Equipment described in Paragraphs f.(2) and f.(3) above; or

b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged;

is considered operation of "mobile equipment" and not operation of an "auto".

#### F. Changes In Forms And Endorsements

1. All references to Underinsured Motorists Coverage shall mean Supplementary Uninsured/Underinsured Motorists Coverage.

2. If the Garagekeepers Coverage endorsement or the Garagekeepers Coverage - Customers' Sound-receiving Equipment endorsement is attached, then:
  - a. Paragraph **B.2.** is replaced by the following:
    2. We will have the right and duty to defend any "insured" against a "suit" asking for these damages, even if the allegations of the "suit" are groundless, false or fraudulent. However, we have no duty to defend any "insured" against a "suit" seeking damages for "loss" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.
  - b. Exclusion **3.** is replaced by the following:
    3. We will not pay for "loss" caused by war, whether or not declared, civil war, insurrection, rebellion or revolution, or any act or condition incident to any of the foregoing.
3. If the Auto Medical Payments Coverage endorsement is attached, then Exclusion **C.6.** is replaced by the following:
  6. "Bodily injury" caused by war, whether or not declared, civil war, insurrection, rebellion or revolution, or any act or condition incident to any of the foregoing.
4. If the Single Interest Automobile Physical Damage Insurance Policy is attached, the **War Exclusion** is replaced by the following:
 

This insurance does not apply to "loss" caused by war, whether or not declared, civil war, insurrection, rebellion or revolution, or any act or condition incident to any of the foregoing.
5. If the Stated Amount Insurance endorsement is attached, then Paragraph **C.2.** of that endorsement does not apply.
6. If the Trailer Interchange Coverage endorsement is attached, then Paragraph **A.2.** is replaced by the following:
  2. We have the right and duty to defend any "insured" against a "suit" asking for these damages, even if the allegations of the "suit" are groundless, false or fraudulent. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "loss" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.
7. If the Motor Carrier Endorsement is attached, then Paragraph **B.1.c.** is replaced by the following:
  - c. We have the right and duty to defend any "insured" against a "suit" asking for these damages, even if the allegations of the "suit" are groundless, false or fraudulent. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "loss" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

1  
POLICY NUMBER: 31 UUN AB7878 K1 COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

PRIMARY HIRED AUTO INSURANCE

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

- BUSINESS AUTO COVERAGE FORM
- GARAGE COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM
- TRUCKERS COVERAGE FORM

LIABILITY COVERAGE

AUTOS NOT USED IN YOUR TRUCKING OPERATIONS  
(UNDER MOTOR CARRIER OR TRUCKERS COVERAGE FORMS)

LIABILITY COVERAGE FOR A COVERED "AUTO" LEASED, HIRED, RENTED OR BORROWED BY YOU FROM A PERSON OR ORGANIZATION NAMED BELOW THIS COVERAGE FORM DOES NOT PROVIDE PRIMARY INSURANCE.

STATE	ESTIMATED COST OF HIRE	PRIMARY RATE PER EACH \$100 COST OF HIRE	ADVANCE PREMIUM
-------	------------------------	--	-----------------

TOTAL ADVANCE PREMIUM:

PHYSICAL DAMAGE COVERAGE

THIS COVERAGE FORM PROVIDES PRIMARY INSURANCE FOR ANY COVERED "AUTO" LEASED, HIRED, RENTED OR BORROWED BY YOU

THIS COVERAGE FORM PROVIDES PRIMARY INSURANCE FOR A COVERED "AUTO" LEASED, HIRED, RENTED OR BORROWED BY YOU FROM A PERSON OR ORGANIZATION WHEN NAMED BELOW.

COVERAGES	TYPE AUTO	PRIMARY RATE PER EACH \$100 COST OF HIRE	ADVANCE PREMIUM
COMPREHENSIVE	COVERED AUTOS	003500	████████
COLLISION	COVERED AUTOS	003500	████████
TOTAL ADVANCE PREMIUM			████████

NAMED PERSON(S) OR ORGANIZATION(S):

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WITH ITS PERMISSION)



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

## **POLLUTION LIABILITY COVERAGE PRIVATE PASSENGER TYPE AUTOS**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
AUTO DEALERS COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM**

### **Section I**

- A. The **BUSINESS AUTO COVERAGE FORM** is changed as follows:

For **LIABILITY COVERAGE** for "private passenger type autos", paragraph a. of the **POLLUTION EXCLUSION** applies only to liability assumed under a contract or agreement.

- B. The **MOTOR CARRIER COVERAGE FORM** is changed as follows:

For **LIABILITY COVERAGE** for "private passenger type autos", paragraph a. of the **POLLUTION EXCLUSION** applies only to liability assumed under a contract or agreement.

- C. The **AUTO DEALER COVERAGE FORM** is changed as follows:

For **LIABILITY COVERAGE** for "private passenger type autos", paragraph a. of the **POLLUTION EXCLUSION APPLICABLE TO "AUTO DEALER OPERATIONS" - COVERED "AUTOS"** applies only to liability assumed under a contract or agreement.

### **Section II**

The following is added to the **DEFINITIONS** Section:

"Private passenger type auto" means a private passenger or station wagon type "auto" and includes an "auto" of the pick-up or van type if not used for business purposes. If you are an individual, business purposes does not include farming or ranching.

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

## **COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

To the extent that the provisions of this endorsement provide broader benefits to the "insured" than other provisions of the Coverage Form, the provisions of this endorsement apply.

#### **1. BROAD FORM INSURED**

##### **A. Subsidiaries and Newly Acquired or Formed Organizations**

The Named Insured shown in the Declarations is amended to include:

- (1) Any legal business entity other than a partnership or joint venture, formed as a subsidiary in which you have an ownership interest of more than 50% on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.
- (2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:
  - (a) That is a partnership or joint venture,
  - (b) That is an "insured" under any other policy,
  - (c) That has exhausted its Limit of Insurance under any other policy, or
  - (d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

##### **B. Employees as Insureds**

Paragraph A.1. - WHO IS AN INSURED - of SECTION II - LIABILITY COVERAGE is amended to add:

- d. Any "employee" of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

##### **C. Lessors as Insureds**

Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

- e. The lessor of a covered "auto" while the "auto" is leased to you under a written agreement if:
  - (1) The agreement requires you to provide direct primary insurance for the lessor and
  - (2) The "auto" is leased without a driver.

Such a leased "auto" will be considered a covered "auto" you own and not a covered "auto" you hire.

##### **D. Additional Insured if Required by Contract**

(1) Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

- f. When you have agreed, in a written contract or written agreement, that a person or organization be added as an additional insured on your business auto policy, such person or organization is an "insured", but only to the extent such person or organization is liable for "bodily injury" or "property damage" caused by the conduct of an "insured" under paragraphs a. or b. of Who Is An Insured with regard to the ownership, maintenance or use of a covered "auto."

The insurance afforded to any such additional insured applies only if the "bodily injury" or "property damage" occurs:

- (1) During the policy period, and
- (2) Subsequent to the execution of such written contract, and
- (3) Prior to the expiration of the period of time that the written contract requires such insurance be provided to the additional insured.

(2) How Limits Apply

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- (a) The limits of insurance specified in the written contract or written agreement; or
- (b) The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

(3) Additional Insureds Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

(4) Duties in The Event Of Accident, Claim, Suit or Loss

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the additional insured shall be required to comply with the provisions in LOSS CONDITIONS 2. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - OF SECTION IV - BUSINESS AUTO CONDITIONS, in the same manner as the Named Insured.

**E. Primary and Non-Contributory if Required by Contract**

Only with respect to insurance provided to an additional insured in 1.D. - Additional Insured If Required by Contract, the following provisions apply:

(3) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in Other Insurance 5.d.

(4) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (3) and (4) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, by the method described in Other Insurance 5.d.

**2. AUTOS RENTED BY EMPLOYEES**

Any "auto" hired or rented by your "employee" on your behalf and at your direction will be considered an "auto" you hire.

The OTHER INSURANCE Condition is amended by adding the following:



If an "employee's" personal insurance also applies on an excess basis to a covered "auto" hired or rented by your "employee" on your behalf and at your direction, this insurance will be primary to the "employee's" personal insurance.

### 3. AMENDED FELLOW EMPLOYEE EXCLUSION

EXCLUSION 5. - FELLOW EMPLOYEE - of SECTION II - LIABILITY COVERAGE does not apply if you have workers' compensation insurance in-force covering all of your "employees".

Coverage is excess over any other collectible insurance.

### 4. HIRED AUTO PHYSICAL DAMAGE COVERAGE

If hired "autos" are covered "autos" for Liability Coverage and if Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow, subject to the following limit.

The most we will pay for "loss" to any hired "auto" is:

- (1) \$100,000;
- (2) The actual cash value of the damaged or stolen property at the time of the "loss"; or
- (3) The cost of repairing or replacing the damaged or stolen property,

whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will also cover loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss, subject to a maximum of \$1000 per "accident".

This extension of coverage does not apply to any "auto" you hire or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

### 5. PHYSICAL DAMAGE - ADDITIONAL TEMPORARY TRANSPORTATION EXPENSE COVERAGE

Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to provide a limit of \$50 per day and a maximum limit of \$1,000.

### 6. LOAN/LEASE GAP COVERAGE

Under SECTION III - PHYSICAL DAMAGE COVERAGE, in the event of a total "loss" to a covered "auto", we will pay your additional legal obligation for any difference between the actual cash value of the "auto" at the time of the "loss" and the "outstanding balance" of the loan/lease.

"Outstanding balance" means the amount you owe on the loan/lease at the time of "loss" less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; lease termination fees; security deposits not returned by the lessor; costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and carry-over balances from previous loans or leases.

### 7. AIRBAG COVERAGE

Under Paragraph B. EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

### 8. ELECTRONIC EQUIPMENT - BROADENED COVERAGE

a. The exceptions to Paragraphs B.4 - EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE are replaced by the following:

Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- (1) Permanently installed in or upon the covered "auto";
- (2) Removable from a housing unit which is permanently installed in or upon the covered "auto";
- (3) An integral part of the same unit housing any electronic equipment described in Paragraphs (1) and (2) above; or

- (4) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

b. Section III – Version CA 00 01 03 10 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C.2 and Version CA 00 01 10 01 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C are each amended to add the following:

\$1,500 is the most we will pay for "loss" in any one "accident" to all electronic equipment (other than equipment designed solely for the reproduction of sound, and accessories used with such equipment) that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (2) Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or
- (3) An integral part of such equipment.

c. For each covered "auto", should loss be limited to electronic equipment only, our obligation to pay for, repair, return or replace damaged or stolen electronic equipment will be reduced by the applicable deductible shown in the Declarations, or \$250, whichever deductible is less.

#### **9. EXTRA EXPENSE - BROADENED COVERAGE**

Under Paragraph A. - COVERAGE - of SECTION III - PHYSICAL DAMAGE COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you.

#### **10. GLASS REPAIR - WAIVER OF DEDUCTIBLE**

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

#### **11. TWO OR MORE DEDUCTIBLES**

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

If another Hartford Financial Services Group, Inc. company policy or coverage form that is not an automobile policy or coverage form applies to the same "accident", the following applies:

- (1) If the deductible under this Business Auto Coverage Form is the smaller (or smallest) deductible, it will be waived;
- (2) If the deductible under this Business Auto Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

#### **12. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS**

The requirement in LOSS CONDITIONS 2.a. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - of SECTION IV - BUSINESS AUTO CONDITIONS that you must notify us of an "accident" applies only when the "accident" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) A member, if you are a limited liability company; or
- (4) An executive officer or insurance manager, if you are a corporation.

#### **13. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure.

#### **14. HIRED AUTO - COVERAGE TERRITORY**

Paragraph e. of GENERAL CONDITIONS 7. - POLICY PERIOD, COVERAGE TERRITORY - of SECTION IV - BUSINESS AUTO CONDITIONS is replaced by the following:

- e. For short-term hired "autos", the coverage territory with respect to Liability Coverage is anywhere in the world provided that if the "insured's" responsibility to pay damages for "bodily injury" or "property damage" is determined in a "suit," the "suit" is brought in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

#### **15. WAIVER OF SUBROGATION**

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - of SECTION IV - BUSINESS AUTO CONDITIONS is amended by adding the following:

We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such waiver because of payments we make for damages under this Coverage Form.

#### **16. RESULTANT MENTAL ANGUISH COVERAGE**

The definition of "bodily injury" in SECTION V-DEFINITIONS is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by any person, including mental anguish or death resulting from any of these.

#### **17. EXTENDED CANCELLATION CONDITION**

Paragraph 2. of the COMMON POLICY CONDITIONS - CANCELLATION - applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail or deliver to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

#### **18. HYBRID, ELECTRIC, OR NATURAL GAS VEHICLE PAYMENT COVERAGE**

In the event of a total loss to a "non-hybrid" auto for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended as follows:

- a. If the auto is replaced with a "hybrid" auto or an auto powered solely by electricity or natural gas, we will pay an additional 10%, to a maximum of \$2,500, of the "non-hybrid" auto's actual cash value or replacement cost, whichever is less,
- b. The auto must be replaced and a copy of a bill of sale or new lease agreement received by us within 60 calendar days of the date of "loss,"

- c. Regardless of the number of autos deemed a total loss, the most we will pay under this Hybrid, Electric, or Natural Gas Vehicle Payment Coverage provision for any one "loss" is \$10,000.

For the purposes of the coverage provision,

- a. A "non-hybrid" auto is defined as an auto that uses only an internal combustion engine to move the auto but does not include autos powered solely by electricity or natural gas.
- b. A "hybrid" auto is defined as an auto with an internal combustion engine and one or more electric motors; and that uses the internal combustion engine and one or more electric motors to move the auto, or the internal combustion engine to charge one or more electric motors, which move the auto.

#### **19. VEHICLE WRAP COVERAGE**

In the event of a total loss to an "auto" for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended to add the following:

In addition to the actual cash value of the "auto", we will pay up to \$1,000 for vinyl vehicle wraps which are displayed on the covered "auto" at the time of total loss. Regardless of the number of autos deemed a total loss, the most we will pay under this Vehicle Wrap Coverage provision for any one "loss" is \$5,000. For purposes of this coverage provision, signs or other graphics painted or magnetically affixed to the vehicle are not considered vehicle wraps.



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

## **COMMERCIAL TOWING AND LABOR ENHANCEMENT ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

This endorsement replaces Paragraph A.2., Towing, of Section III - Physical Damage Coverage in the BUSINESS AUTO COVERAGE FORM and Paragraph A.2., Towing - Private Passenger Type Autos of SECTION IV - PHYSICAL DAMAGE COVERAGE in the MOTOR CARRIER COVERAGE FORM:

A. Coverage

2. We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" with a gross vehicle weight of 10,000 pounds or less is disabled. However, the labor must be performed at the place of disablement.

COMMERCIAL GENERAL LIABILITY  
COVERAGE PART - DECLARATIONS

POLICY NUMBER: 31 UUN AB7878

THIS COMMERCIAL GENERAL LIABILITY COVERAGE PART CONSISTS OF:

- A. THIS DECLARATIONS,
- B. COMMERCIAL GENERAL LIABILITY SCHEDULE,
- C. COMMERCIAL GENERAL LIABILITY COVERAGE FORM, AND
- D. ANY ENDORSEMENTS ISSUED TO BE A PART OF THIS COVERAGE PART AND LISTED BELOW.

LIMITS OF INSURANCE

THE LIMITS OF INSURANCE, SUBJECT TO ALL THE TERMS OF THIS POLICY THAT APPLY, ARE:

EACH OCCURRENCE LIMIT	\$ 1,000,000
DAMAGE TO PREMISES RENTED TO YOU LIMIT - ANY ONE PREMISES	\$ 300,000
MEDICAL EXPENSE LIMIT - ANY ONE PERSON	\$ 10,000
PERSONAL AND ADVERTISING INJURY LIMIT	\$ 1,000,000
GENERAL AGGREGATE LIMIT, (OTHER THAN PRODUCTS-COMPLETED OPERATIONS)	\$ 2,000,000
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$ 2,000,000

-----  
 ADVANCE PREMIUM: \$ XXXXXXXXXX  
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AUDIT PERIOD: ANNUAL AUDIT

EXCEPT IN THIS DECLARATIONS, WHEN WE USE THE WORD "DECLARATIONS" IN THIS COVERAGE PART, WE MEAN THIS "DECLARATIONS" OR THE "COMMON POLICY DECLARATIONS".

FORM NUMBERS OF COVERAGE FORMS AND  
ENDORSEMENTS THAT ARE PART OF THIS  
COVERAGE PART :

HC70010605      CG20100413      HC23140617      HC23700115      HC30060916

COMMERCIAL GENERAL LIABILITY  
COVERAGE PART - DECLARATIONS (CONTINUED)

POLICY NUMBER: 31 UUN AB7878

FORM NUMBERS OF COVERAGE FORMS AND  
ENDORSEMENTS THAT ARE PART OF THIS  
COVERAGE PART : (CONTINUED)

HG00010916	HG21020315	CG20260413	CG24040509	HC04141001
HC21370393	HC21900608	HC12101185T		



# QUICK REFERENCE COMMERCIAL GENERAL LIABILITY COVERAGE PART OCCURRENCE

READ YOUR POLICY CAREFULLY

## DECLARATIONS PAGES

Named Insured and Mailing Address  
Policy Period  
Description of Business and Location  
Coverages and Limits of Insurance

Beginning on Page

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## COMMON POLICY CONDITIONS

Cancellation  
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Premiums  
Transfer of Your Rights and Duties under this Policy

## ENDORSEMENTS

These form numbers are shown on the Coverage Part - Declarations Page or on the Common Policy Declarations Page.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
WELLS FARGO BANK, NATIONAL ASSOCIATION AND ITS SUCCESSORS AND/OR ASSIGNS 100 PARK AVE, 4TH FLOOR NEW YORK, NY 10017	777 W PUTNAM AVE GREENWICH, CT 06830
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.



C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM (EXCESS - BROAD FORM)  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM (EXCESS)

A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

### 2. Exclusions

This insurance does not apply to:

#### g. Aircraft, Auto Or Watercraft

##### (1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph g.(1) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

##### (2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

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

This Paragraph g.(2) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment,

training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph g.(2) does not apply to:

- (a) A watercraft while ashore on premises you own or rent;
- (b) A watercraft you do not own that is:
  - (i) Less than 51 feet long; and
  - (ii) Not being used to carry persons for a charge;
- (c) 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;
- (d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e) "Bodily injury" or "property damage" arising out of:
  - (i) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(ii) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

(f) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

**B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

**C. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.



**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:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONDOMINIUM AND COOPERATIVE DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM  
DATA BREACH COVERAGE FORM  
EDUCATORS PROFESSIONAL CHOICE POLICY  
EMPLOYEE BENEFITS LIABILITY COVERAGE FORM  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
LIBRARY ERRORS AND OMISSIONS LIABILITY COVERAGE FORM  
LIQUOR LIABILITY COVERAGE PART  
MANUFACTURERS' ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRINTER'S ERRORS AND OMISSIONS LIABILITY COVERAGE FORM  
PRODUCT RECALL EXPENSE COVERAGE FORM  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY NEW YORK DEPARTMENT OF TRANSPORTATION

### **A. Disclosure Of Federal Share Of Terrorism Losses**

The United States Department of the Treasury will reimburse insurers for a portion of such insured losses as indicated in the table below that exceeds the applicable insurer deductible:

<b>Calendar Year</b>	<b>Federal Share of Terrorism Losses</b>
<b>2015</b>	<b>85%</b>
<b>2016</b>	<b>84%</b>
<b>2017</b>	<b>83%</b>
<b>2018</b>	<b>82%</b>
<b>2019</b>	<b>81%</b>
<b>2020 or later</b>	<b>80%</b>

However, if aggregate insured losses attributable to "certified acts of terrorism" under the federal Terrorism Risk Insurance Act, as amended (TRIA) exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion. The United States Government has not charged any premium for their participation in covering terrorism losses.

### **B. Cap On Insurer Liability For Terrorism Losses**

A "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 under TRIA. The criteria contained in TRIA for a "certified act of terrorism" include the following:

1. The act results in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to TRIA; and
2. The act results in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and
3. 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 "certified acts of terrorism" under TRIA exceed

\$100 billion in a calendar year and we have met, or will meet, our insurer deductible under TRIA we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, your coverage for terrorism losses may be reduced on a pro-rata basis in accordance with procedures established by the Treasury, based on its estimates of aggregate industry losses and our estimate that we will exceed our insurer deductible. In accordance with Treasury procedures, amounts paid for losses may be subject to further adjustments based on differences between actual losses and estimates.

#### **C. Application of Other Exclusions**

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



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

## **DISCRIMINATION - AMENDMENT OF PERSONAL AND ADVERTISING INJURY DEFINITION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

Paragraph **h.** is added to the definition of "Personal and advertising injury" as follows:

- h.** Discrimination that results in humiliation or other injury to the feelings or reputation of a natural person, provided that such discrimination is not committed by or at your direction, or the direction of any partner, member, manager, "executive officer", director, stockholder or trustee of the insured.



# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

## SECTION I - COVERAGES

### COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

#### 1. Insuring Agreement

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

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

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

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

d. 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".

#### e. Incidental Medical Malpractice And Good Samaritan Coverage

"Bodily injury" arising out of the rendering of or failure to render the following health care services by any "employee" or "volunteer worker" shall be deemed to be caused by an "occurrence" for:

- (1) Professional health care services such as:
  - (a) Medical, surgical, dental, laboratory, x-ray or nursing services or treatment, advice or instruction, or the related furnishing of food or beverages;
  - (b) Any health or therapeutic service, treatment, advice or instruction; or
  - (c) The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances; or

- (2) First aid services, which include:
  - (a) Cardiopulmonary resuscitation, whether performed manually or with a defibrillator; or
  - (b) Services performed as a Good Samaritan.

For the purpose of determining the limits of insurance, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

However, this Incidental Medical Malpractice And Good Samaritan Coverage provision applies only if you are not engaged in the business or occupation of providing any of the services described in this provision.

## 2. Exclusions

This insurance does not apply to:

### a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" 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 even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

### d. Workers' Compensation And Similar Laws

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

### e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:



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

This exclusion applies:

- (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;

- (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"; or

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the

operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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

**g. Aircraft, Auto Or Watercraft**

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

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

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 51 feet long; and
  - (b) Not being used to carry persons 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;

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or

(6) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

**h. Mobile Equipment**

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

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

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

(1) War, including undeclared or civil war;

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

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

**j. Damage To Property**

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement,

enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

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

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" arising from the use of elevators.

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

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at the job site.

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

**k. Damage To Your Product**

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

**l. Damage To Your Work**

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

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

**m. Damage To Impaired Property Or Property Not Physically Injured**

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

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

**n. Recall Of Products, Work Or Impaired Property**

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

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

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

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Access or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

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

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

**q. Employment-Related Practices**

"Bodily injury" to:

- (1) A person arising out of any "employment-related practices"; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**r. Asbestos**

- (1) "Bodily injury" or "property damage" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
  - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
  - (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
  - (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating,

detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

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

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

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or 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.

**Damage To Premises Rented To You - Exception For Damage By Fire, Lightning Or Explosion**

Exclusions c. through h. and j. through n. do not apply to damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

**COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
  - (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
  - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or

settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

## 2. Exclusions

This insurance does not apply to:

### a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" arising out of an offense committed by, at the direction or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

### b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

### c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material whose first publication took place before the beginning of the policy period.

### d. Criminal Acts

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

### e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

### f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement".

### g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

### h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services.

### i. Infringement Of Intellectual Property Rights

(1) "Personal and advertising injury" arising out of any actual or alleged infringement or violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, trade dress, service mark or other designation of origin or authenticity; or

(2) Any injury or damage alleged in any claim or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made by you or by any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to:

(1) Infringement, in your "advertisement", of:

(a) Copyright;

(b) Slogan; or

(c) Title of any literary or artistic work; or

(2) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

### j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web sites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs a., b. and c. of the definition of "personal and advertising injury" under the Definitions Section.

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

### k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the

insured hosts, owns, or over which the insured exercises control.

**i. Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers.

**m. Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**n. Pollution-Related**

Any loss, cost or expense arising out of any:

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

**o. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

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

**p. Internet Advertisements And Content Of Others**

"Personal and advertising injury" arising out of:

- (1) An "advertisement" for others on your web site;
- (2) Placing a link to a web site of others on your web site;
- (3) Content, including information, sounds, text, graphics, or images from a web site of others displayed within a frame or border on your web site; or

(4) Computer code, software or programming used to enable:

(a) Your web site; or

(b) The presentation or functionality of an "advertisement" or other content on your web site.

**q. Right Of Privacy Created By Statute**

"Personal and advertising injury" arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act.

**r. Violation Of Anti-Trust law**

"Personal and advertising injury" arising out of a violation of any anti-trust law.

**s. Securities**

"Personal and advertising injury" arising out of the fluctuation in price or value of any stocks, bonds or other securities.

**t. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or 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.

**u. Employment-Related Practices**

"Personal and advertising injury" to:

- (1) A person arising out of any "employment-related practices"; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**v. Asbestos**

- (1) "Personal and advertising injury" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
  - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
  - (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
  - (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

**w. Access Or Disclosure Of Confidential Or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

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

**COVERAGE C MEDICAL PAYMENTS**

**1. Insuring Agreement**

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;
- provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within three years of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

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

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

**c. Injury On Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

**d. Workers Compensation And Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

**e. Athletics Activities**

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

**f. Products-Completed Operations Hazard**  
Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**  
Excluded under Coverage A.

**SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
  - a. All expenses we incur.
  - b. Up to \$1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
  - c. The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
  - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
  - e. All court costs taxed against the insured in the "suit". However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed to the insured.
  - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
  - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b. This insurance applies to such liability assumed by the insured;
  - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been

assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

(a) Cooperate with us in the investigation, settlement or defense of the "suit";

(b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(c) Notify any other insurer whose coverage is available to the indemnitee; and

(d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

(a) Obtain records and other information related to the "suit"; and

(b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

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

a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or

b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.



## SECTION II - WHO IS AN INSURED

### 1. If you are designated in the Declarations as:

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

### 2. Each of the following is also an insured:

#### a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

- (1) "Bodily injury" or "personal and advertising injury":
  - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
  - (b) To the spouse, child, parent, brother or sister of that co-"employee" or that

"volunteer worker" as a consequence of Paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (1)(b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services:

(a) Subparagraphs (1)(a), (1)(b) and (1)(c) above do not apply to any "employee" or "volunteer worker" providing first aid services; and

(b) Subparagraph (1)(d) above does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such 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. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

#### c. Temporary Custodians Of Your Property

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. Legal Representative If You Die

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

#### e. Unnamed Subsidiary

Any subsidiary, and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of the Coverage Part.

The insurance afforded herein for any subsidiary not named in this Coverage Part as a named insured does not apply to injury or damage with respect to which such insured is also a named insured under another policy or would be a named insured under such policy but for its termination or the exhaustion of its limits of insurance.

### 3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, 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 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

### 4. Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

### 5. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The following person(s) or organization(s) are an additional insured when you have agreed, in a written contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement.

A person or organization is an additional insured under this provision only for that period of time required by the contract or agreement.

However, no such person or organization is an insured under this provision if such person or organization is included as an insured by an endorsement issued by us and made a part of this Coverage Part.

#### a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Sub-paragraphs (d) or (f); or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

**b. Lessors Of Equipment**

(1) Any person(s) or organization(s) from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

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

**c. Lessors Of Land Or Premises**

Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

With respect to the insurance afforded these additional insureds the following additional exclusions apply:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to lease that land; or
2. Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

**d. Architects, Engineers Or Surveyors**

Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or

omissions of those acting on your behalf:

- (1) In connection with your premises; or
- (2) In the performance of your ongoing operations performed by you or on your behalf.

With respect to the insurance afforded these additional insureds, the following additional exclusion applies:

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 services by or for you, including:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
2. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional services by or for you.

**e. Permits Issued By State Or Political Subdivisions**

Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

With respect to the insurance afforded these additional insureds, 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; or
- (2) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

**f. Any Other Party**

Any other person or organization who is not an additional insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- (1) In the performance of your ongoing operations;

- (2) In connection with your premises owned by or rented to you; or
- (3) In connection with "your work" and included within the "products-completed operations hazard", but only if
  - (a) The written contract or agreement requires you to provide such coverage to such additional insured; and
  - (b) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

However:

- (1) The insurance afforded to such additional insured only applies to the extent permitted by law; and
- (2) If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to the insurance afforded to these additional insureds, 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:

- (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional services by or for you.

The limits of insurance that apply to additional insureds is described in Section III - Limits Of Insurance.

How this insurance applies when other insurance is available to the additional insured is described in the Other Insurance Condition in Section IV - Commercial General Liability Conditions.

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

### SECTION III - LIMITS OF INSURANCE

#### 1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

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

#### 2. General Aggregate Limit

The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage C;
- b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage B.

#### 3. Products-Completed Operations Aggregate Limit

The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

#### 4. Personal And Advertising Injury Limit

Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

#### 5. Each Occurrence Limit

Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under Coverage A; and
- b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".

#### 6. Damage To Premises Rented To You Limit

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

#### **7. Medical Expense Limit**

Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

#### **8. How Limits Apply To Additional Insureds**

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- a. The limits of insurance specified in the written contract or written agreement; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

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

### **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

#### **1. Bankruptcy**

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

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

##### **a. Notice Of Occurrence Or Offense**

You or any additional insured 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. Notice Of Claim**

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

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

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

#### **c. Assistance And Cooperation Of The Insured**

You and any other involved insured must:

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

#### **d. Obligations At The Insureds Own Cost**

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.

#### **e. Additional Insureds Other Insurance**

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

#### **f. Knowledge Of An Occurrence, Offense, Claim Or Suit**

Paragraphs a. and b. apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or the additional insured is a partnership;

- (3) Any manager, if you or the additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or the additional insured is a corporation;
- (5) Any trustee, if you or the additional insured is a trust; or
- (6) Any elected or appointed official, if you or the additional insured is a political subdivision or public entity.

This duty applies separately to you and any additional insured.

### 3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

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

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

### 4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

#### a. Primary Insurance

This insurance is primary except when b. below applies. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

#### b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

##### (1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

##### (2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

### (3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

### (4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability;

### (5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion j. of Section I - Coverage A - Bodily Injury And Property Damage Liability;

### (6) When You Are Added As An Additional Insured To Other Insurance

Any other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

### (7) When You Add Others As An Additional Insured To This Insurance

Any other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this coverage part.

#### (a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

#### (b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement, or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**5. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium

computation, and send us copies at such times as we may request.

**6. Representations**

**a. When You Accept This Policy**

By accepting this policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and
- (3) We have issued this policy in reliance upon your representations.

**b. Unintentional Failure To Disclose Hazards**

If unintentionally you should fail to disclose all hazards relating to the conduct of your business that exist at the inception date of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

**7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

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

**8. Transfer Of Rights Of Recovery Against Others To Us**

**a. Transfer Of Rights Of Recovery**

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)**

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the

nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

## SECTION V - DEFINITIONS

1. **"Advertisement"** means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper; or
- b. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
  - b. An interactive conversation between or among persons through a computer network.
2. **"Advertising idea"** means any idea for an "advertisement".
3. **"Asbestos hazard"** means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.
4. **"Auto"** means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

5. **"Bodily injury"** means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. **"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 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 a. above;
- (2) The activities of a person whose home is in the territory described in 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 the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory or in a settlement we agree to.

7. **"Employee"** includes a "leased worker". "Employee" does not include a "temporary worker".

8. **"Employment-Related Practices"** means:

- a. Refusal to employ that person;
- b. Termination of that person's employment; or
- c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person.

9. **"Executive officer"** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.

11. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or your fulfilling the terms of the contract or agreement.

12. **"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, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage to



Premises Rented To You Limit described in Section III - Limits of Insurance;

- b. A sidetrack agreement;
- c. Any easement or license agreement, including an easement or license agreement 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. includes that part of any contract or agreement 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.

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

- (1) 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
- (2) 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 (1) above and supervisory, inspection, architectural or engineering activities.

**13. "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".

**14. "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".

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

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in 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 a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

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

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;

- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

16. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
17. **"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 or organization occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral, written or electronic 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, written or electronic publication, in any manner, of material that violates a person's right of privacy;
  - f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or
  - g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".
18. **"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.
19. **"Products-completed operations hazard"**:
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
    - (1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

- (a) When all of the work called for in your contract has been completed.
- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

- b. Does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

20. **"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.

As used in this definition, computerized or electronically stored data, programs or software are not tangible property. Electronic data means information, facts or programs:

- a. Stored as or on;
- b. Created or used on; or
- c. 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.

**21. "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.

**22. "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.

**23. "Volunteer worker"** means a person who

- a. Is not your "employee";
- b. Donates his or her work;
- c. Acts at the direction of and within the scope of duties determined by you; and
- d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

**24. "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.

**25. "Your work"**:

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions.



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

## **EXCLUSION - SILICA**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONDOMINIUM AND COOPERATIVE DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM  
EDUCATORS PROFESSIONAL CHOICE POLICY  
EMPLOYERS LIABILITY AND STOP GAP COVERAGE FORM  
ERRORS AND OMISSIONS LIABILITY COVERAGE FORM  
MANUFACTURERS' ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY - NEW YORK DEPARTMENT OF  
TRANSPORTATION

**A. The following exclusion is added:**

This insurance does not apply to:

**Silica**

Any injury, damage, loss, cost or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" arising out of, or relating to, in whole or in part, the "silica hazard".

**B. The following is added to the Definitions Section:**

"Silica hazard" means an exposure to, inhalation of or contact with, or threat of exposure to, inhalation of or contact with, the actual or alleged properties of silica or any silica containing materials and includes the mere presence of silica or any silica containing materials in any form.

Silica includes all forms of the compound silicon dioxide, including but not limited to quartz.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

<p><b>Name Of Additional Insured Person(s) Or Organization(s):</b>          THE CITY OF SANTA MONICA, ITS OFFICERS,          OFFICIALS, EMPLOYEES, AND VOLUNTEERS          1685 MAIN ST          SANTA MONICA, CA 90401</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
  2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

## WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### SCHEDULE

<p><b>Name Of Person Or Organization:</b> FULLER MADISON LLC C/O VORNADO OFFICE MANAGEMENT LLC 888 7TH AVE NEW YORK, NY 10106</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions:

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.**

## **EXCLUSION - FOREIGN PRODUCTS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The definition of "coverage territory" in the **Definitions** Section is replaced by the following;

"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 a. above; or
- c. All other parts of the world if the injury or damage arises out of:
  - (1) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
  - (2) "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 the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits, according to the substantive law in such territory or in a settlement we agree to.



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

## **ABSOLUTE LEAD EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
FARM LIABILITY COVERAGE

This insurance does not apply to any damages, judgments, settlements, loss, costs or expenses that:

- a. May be awarded or incurred by reason of any claim or "suit" alleging actual or threatened injury or damage of any nature or kind to person or property which arises out of or would not have occurred in whole or in part but for the lead hazard; or
- b. Arise out of any request, demand or order to:
  1. Identify, abate, test for, sample, monitor, clean up, remove, cover, contain, treat, detoxify, decontaminate, neutralize or mitigate or in any way respond to or assess the effects of the lead hazard; or
  2. As a result of such effects, repair, replace or improve any property.
- c. Arise out of any claim or any "suit" for damages because of:
  1. Identification of, abatement of, testing for, sampling, monitoring, cleaning up, removing, covering, containing, treating, detoxifying, decontaminating, neutralizing or mitigating or in any way responding to or assessing the effects of the lead hazard; or
  2. As a result of such effects, repairing, replacing or improving any property.

As used in this exclusion, lead hazard means an exposure or threat of exposure to the actual or alleged properties of lead and includes the mere presence or suspected presence of lead in any form or combination.





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

## **EXCLUSION - FUNGI, BACTERIA AND VIRUSES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
MANUFACTURERS' ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
EDUCATORS LEGAL LIABILITY COVERAGE FORM  
CONDOMINIUM AND COOPERATIVE DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM

This insurance does not apply to:

1. Injury or damage arising out of or related to the presence of, suspected presence of, or exposure to:
  - a. Fungi, including but not limited to mold, mildew, and yeast;
  - b. Bacteria;
  - c. Viruses; or
  - d. Dust, spores, odors, particulates or byproducts, including but not limited to mycotoxins and endotoxins, resulting from any of the organisms listed in a., b., or c. above;from any source whatsoever.
2. Any loss, cost or expense arising out of the testing for, monitoring of, cleaning up of, removal of, containment of, treatment of, detoxification of, neutralization of, remediation of, disposal of, or any other response to or assessment of, the effects of any of the items in 1.a., b., c. or d. above, from any source whatsoever.

However, this exclusion does not apply to "bodily injury" or "property damage" caused by the ingestion of food.

EMPLOYEE BENEFITS LIABILITY  
COVERAGE PART - DECLARATIONS  
( CLAIMS MADE )

POLICY NUMBER: 31 UUN AB7878

THIS EMPLOYEE BENEFITS LIABILITY COVERAGE PART (CLAIMS MADE) CONSISTS OF:

- A. THIS DECLARATIONS,
- B. COMMERCIAL GENERAL LIABILITY SCHEDULE,
- C. EMPLOYEE BENEFITS LIABILITY COVERAGE FORM, AND
- D. ANY ENDORSEMENTS ISSUED TO BE A PART OF THIS COVERAGE PART AND LISTED BELOW.

RETROACTIVE DATE: 10/15/07. .IF NO DATE IS ENTERED, THE  
RETROACTIVE DATE IS THE INCEPTION DATE OF THE POLICY PERIOD STATED IN  
ITEM 2 OF THE COMMON POLICY DECLARATIONS.

L I M I T S O F I N S U R A N C E

THE LIMITS OF INSURANCE, SUBJECT TO ALL THE TERMS OF THIS POLICY THAT  
APPLY, ARE:

EACH CLAIM	\$ 1,000,000
AGGREGATE	\$ 2,000,000

-----  
 ADVANCE PREMIUM: \$ ██████████  
 -----

AUDIT PERIOD: ANNUAL AUDIT

EXCEPT IN THIS DECLARATIONS, WHEN WE USE THE WORD "DECLARATIONS" IN  
THIS COVERAGE PART, WE MEAN THIS "DECLARATIONS" OR THE "COMMON POLICY  
DECLARATIONS".

FORM NUMBERS OF COVERAGE FORMS AND  
ENDORSEMENTS THAT ARE PART OF THIS  
COVERAGE PART :

HC23700115    HC70110286    HC00210799    HC01281198    HC12101185T



# QUICK REFERENCE EMPLOYEE BENEFITS LIABILITY COVERAGE PART CLAIMS MADE

**READ YOUR POLICY CAREFULLY**

**DECLARATIONS PAGES**

- Named Insured and Mailing Address
- Policy Period
- Description of Business and Location
- Coverages and Limits of Insurance

**SECTION I - COVERAGES**

Coverage EB

	<b>Beginning on Page</b>
Insuring Agreement .....	1
Exclusions .....	1
Supplementary Payments .....	2

<b>SECTION II - WHO IS AN INSURED</b> .....	2
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<b>SECTION III - LIMITS OF INSURANCE</b> .....	2
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<b>SECTION IV - EMPLOYEE BENEFITS LIABILITY CONDITIONS</b> .....	3
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Bankruptcy .....	3
Duties in the Event of Employee Benefits Injury, Claim or Suit .....	3
Legal Action Against Us .....	3
Other Insurance .....	3
Premium Audit .....	4
Representations .....	4
Separation of Insureds .....	4
Transfer of Rights of Recovery Against Others To Us .....	4

<b>SECTION V - EXTENDED REPORTING PERIOD</b> .....	4
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<b>SECTION VI - DEFINITIONS</b> .....	5
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**COMMON POLICY CONDITIONS**

- Cancellation
- Changes
- Examination of Your Books and Records
- Inspections and Surveys
- Premiums
- Transfer of Your Rights and Duties under this Policy

**ENDORSEMENTS**

These form numbers are shown on the Coverage Part - Declarations Page or on the Common Policy Declarations Page.



# EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

COVERAGE EB PROVIDES CLAIMS MADE COVERAGE.  
PLEASE READ THE ENTIRE FORM CAREFULLY.

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

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

The word "insured" means any person or organization qualifying as such under SECTION II - WHO IS AN INSURED.

Other words and phrases that appear in quotation marks have special meaning.

Refer to SECTION VI - DEFINITIONS.

## SECTION I - COVERAGE EB

### 1. INSURING AGREEMENT.

- a. We will pay those sums that the insured becomes legally obligated to pay as "damages" because of "employee benefits injury" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGE EB**. This insurance does not apply to "employee benefits injury" which occurred before the Retroactive Date, if any, shown in the Declarations or which occurs after the policy period. The negligent act, error or omission must take place in the "coverage territory".

We will have the right and duty to defend any "claim" or "suit" seeking such "damages". But:

- (1) The amount we will pay for "damages" is limited as described in **SECTION III - LIMITS OF INSURANCE**;
- (2) We may, at our discretion, investigate any alleged act, error or omission and settle any

"claim" or "suit" that may result; and

- (3) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage EB. This applies both to "claims" and "suits" pending at that time and to those filed thereafter.
- b. This insurance applies to an "employee benefits injury" only if:
  - (1) A "claim" for "damages" because of the "employee benefits injury" is first made against any insured during the policy period; and
  - (2) At the time you applied for this insurance you had no knowledge of any "claim" or "suit" or of any "employee benefits injury" which might reasonably be expected to result in a "claim" or "suit," except as you had reported to us in writing at the time you so applied.
- c. A "claim" by a person or organization seeking "damages" will be deemed to have been made when notice of such "claim" is received and recorded by an insured or by us, whichever comes first.
- d. All "claims" for "damages" because of "employee benefits injury" to the same person or organization will be deemed to have been made at the time the first of those "claims" is made against any insured.

### 2. EXCLUSIONS

This insurance does not apply to:

- a. Any civil or criminal liability imposed on the insured, arising out of:
  - (1) Any failure by the insured to comply with

## EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

any federal or state statutory or regulatory reporting requirement relating to an "employee benefits program;" or

- (2) The commission or omission by an insured of any activity in connection with the management of assets of the "employee benefits program" which is prohibited under any federal or state statute or regulation.

For the purposes of this exclusion, civil or criminal liability includes pre or post judgement costs or expenses.

- b. "Bodily injury," "property damage," "personal and advertising injury."
- c. Any dishonest, fraudulent, criminal or malicious act.
- d. The failure of any investment or saving program to perform as represented by an insured.
- e. An "employee benefits injury" that arises out of advice given by any insured to an "employee" whether to participate or not to participate in any "employee benefits program."
- f. The failure of any insured to:
  - (1) Perform any obligation;
  - (2) Fulfill any guarantee;with respect to:
  - (1) The payment of benefits under any "employee benefits program;" or
  - (2) The providing, handling or investing of funds relating to any of these.

### 3. SUPPLEMENTARY PAYMENTS - COVERAGE EB

We will pay, with respect to any "claim" or "suit" we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All reasonable expenses incurred by the 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.
- d. All costs taxed against the insured in the "suit."
- e. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited

in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

## SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive 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 "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.
  - b. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
  - b. Coverage EB does not apply to "employee benefits injury" that occurred before you acquired or formed the organization.

## EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

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

### SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. "Claims" made or "suits" brought; or
  - c. Person or organizations making "claims" or bringing "suit."
2. The Employee Benefits Liability Aggregate Limit is the most we will pay for all "damages" to which this insurance applies.
3. Subject to 2. above the Each Claim Limit is the most we will pay for all "damages" with respect to any one "claim".

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

### SECTION IV - EMPLOYEE BENEFITS LIABILITY CONDITIONS

#### 1. Bankruptcy.

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

#### 2. Duties in The Event of Employee Benefits Injury, Claim or Suit.

- a. You must see to it that we are notified as soon as practicable of an "employee benefits injury" which may result in a "claim". To the extent possible, notice should include:
  - (1) How, when and where the "employee benefits injury" took place; and
  - (2) The names and addresses of any injured persons and witnesses.Notice of an "employee benefits injury" is not notice of a "claim".
- b. If a written "claim" is made or "suit" is brought against any insured, you must see to it that we receive prompt written notice of the "claim" or "suit".

#### c. You and any other involved insured must:

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

#### d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation or incur any expense, other than for first aid, without our consent.

### 3. Legal Action Against Us.

No person or organization has a right under this Coverage Part:

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

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

### 4. Other Insurance.

If other valid and collectible insurance is available to the insured for a loss we cover, our obligations are limited as follows:

#### a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then we will share with all that other insurance by the method described in c. below.

## EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

### b. Excess Insurance

This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis, that is effective prior to the beginning of the policy period shown in the Declarations of this Coverage Part and applies to "damages" on other than a claims-made basis, if:

- (1) No retroactive date is shown in the Declarations of this Coverage Part; or
- (2) The other insurance has a policy period which continues after the Retroactive Date shown in the Declarations of this Coverage Part.

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

When this insurance is excess, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

### c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

### 5. Premium Audit.

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period.

Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.

- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

### 6. Representations.

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

### 7. Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

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

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

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

## SECTION V - EXTENDED REPORTING PERIODS

1. We will provide one or more Extended Reporting Periods, as described below, if:
  - a. This Coverage Part is cancelled or not renewed; or
  - b. We renew or replace this Coverage Part with insurance that:

## EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

- (1) Has a Retroactive Date later than the date shown in the Declaration of this Coverage Part; or
  - (2) Does not apply to "employee benefits injury" on a claims-made basis.
2. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:
- a. One year for "claims" arising out of an "employee benefits injury" reported to us, not later than 60 days after the end of the policy period, in accordance with paragraph 2.a. of **SECTION IV - EMPLOYEE BENEFITS LIABILITY CONDITIONS**; or
  - b. Sixty days for all other "claims".

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

3. A Supplemental Extended Reporting Period of three years duration is available, but only by an endorsement and for an extra charge. This supplemental period starts:
- a. One year after the end of the policy period for "claims" arising out of an "occurrence" reported to us, not later than 60 days after the end of the policy period, in accordance with paragraph 2.a. of **SECTION IV - EMPLOYEE BENEFITS LIABILITY CONDITIONS**; or
  - b. Sixty days after the end of the policy period for all other "claims".

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Supplemental 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:

- a. The exposures insured;
- b. Previous types and amount of insurance;
- c. Limits of Insurance available under this Coverage Part for future payment of "damages," and
- d. Other related factors.

The additional premium will not exceed 200% of the annual premium for this Coverage Part.

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the

Supplemental 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 Supplemental Extended Reporting Period starts.

4. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" for "employee benefits injury" that occur before the end of the policy period (but not before the Retroactive Date, if any, shown in the Declarations).

"Claims" for such injury which are first received and recorded during the Basic Extended Reporting Period (or during the Supplemental Extended Reporting Period, if it is in effect) will be deemed to have been made on the last day of the policy period.

Once in effect, Extended Reporting Periods may not be cancelled.

5. Extended Reporting Periods do not reinstate or increase the Limits of Insurance applicable to any "claim" to which this Coverage Part applies, except to the extent described in paragraph 6. of this Section.
6. If the Supplemental Extended Reporting Period is in effect, we will provide the separate aggregate limit of insurance described below, but only for "claims" first received and recorded during the Supplemental Extended Reporting Period.

The separate aggregate limit of insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period.

Paragraph 2. of **SECTION III - LIMITS OF INSURANCE** will be amended accordingly.

### SECTION VI - DEFINITIONS

As used in this coverage part:

1. "Administration" means:
  - a. Giving counsel to your employees or their dependents and beneficiaries, with respect to interpreting the scope of your "employee benefits program" or their eligibility to participate in such programs; and
  - b. Handling records in connection with "employee benefits program".
2. "Advertisement" means a dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:



## EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper; or
- b. Any other publication that is given widespread public distribution.

However, "advertisement" does not include the design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products.

3. "Advertising idea" means any idea for an "advertisement".
4. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from any of these at any time.
5. "Claim" means a written demand received by any insured for "damages" alleging "employee benefits injury", including the institution of a "suit" for such "damages" against any insured.
6. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, provided the "employee benefits injury" does not occur in the course of travel or transportation to or from any place not included in a. above.
7. "Damages" include prejudgment interest awarded against the insured on that part of the judgment we pay. "Damages" do not include:
  1. Fines;
  2. Penalties; or
  3. Damages for which insurance is prohibited by the law applicable to the construction of this Coverage Part.
8. "Employee" includes a "leased worker" which is not covered under a labor leasing firm's "employee benefits program". "Employee" does not include a "temporary worker".
9. "Employee benefits injury" means injury that arises out of any negligent act, error or omission in the "administration" of your "employee benefits programs".
10. "Employee benefits program" means a formal program or programs of employee benefits maintained in connection with your business or operation, such as but not limited to:

- a. Group life insurance, group accident or health insurance, profit sharing plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such insurance or plans; and
- b. Unemployment insurance, social security benefits, workers' compensation and disability benefits.

11. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
12. "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".
13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication 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 of material that violates a person's right of privacy.
  - f. Copying, in your "advertisement", a person's or organization's "advertising ideas" or style of "advertisement" or
  - g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".
15. "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 shall be deemed to occur at the time of the "occurrence" that caused it.

## EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

15. "Suit" means a civil proceeding in which damage because of "employee benefits injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.
16. "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.



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

## **CONNECTICUT CHANGES - EXTENDED REPORTING PERIODS**

This endorsement modifies insurance provided under the following:

CONDOMINIUM AND COOPERATIVE DIRECTORS AND OFFICERS LIABILITY COVERAGE PART  
EMPLOYEE BENEFITS LIABILITY COVERAGE PART  
MANUFACTURERS' ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
SCHOOL DISTRICT WRONGFUL ACTS COVERAGE PART

### **SECTION V - EXTENDED REPORTING PERIODS**

I. Paragraph 1. is replaced by the following:

1. We will provide one or more Extended Reporting Periods, as described below, if:
  - a. This coverage Part is cancelled or not renewed; or
  - b. We renew or replace this coverage Part with insurance that does not apply on a claims-made basis.

II. Except for the first subparagraph of Paragraph 3. the following applies:

When any condition of Paragraph 1. applies, we will send you notice of your right to purchase a Supplemental Extended Reporting Period.

After the end of the policy period, you must give us written request for the endorsement within the greater of the following time frames:

1. Within 60 days; or

2. Within 30 days of our notice to you of the availability of the Supplemental Extended Reporting Period.

The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

The additional premium will be the annual premium, as of the inception date, for this Coverage Part.

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental 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 Supplemental Extended Reporting Period starts.



# PRODUCT RECALL EXPENSE COVERAGE PART - DECLARATIONS

POLICY NUMBER: 31 UUN AB7878

## ITEM 1. COVERAGE PART

This Product Recall Expense Coverage Part consists of:

- A. This Declarations,
- B. Commercial General Liability Schedule,
- C. Product Recall Expense Coverage Form, and
- D. Any Endorsement issued to be a part of this Coverage Part and listed below:

## ITEM 2. PREMIUM

Insurance is provided only with respect to those coverages for which a specific premium charge is shown:

COVERAGE	ADVANCE PREMIUM
PRODUCT RECALL EXPENSE COVERAGE	\$ [REDACTED]

## ITEM 3. LIMITS OF INSURANCE

Subject to all the terms of this Policy, the Limits Of Insurance are:

Product Recall Expense Coverage:

Product Recall Expense	\$ 50,000	Each Recall
Good Faith Advertising Expense	\$ 10,000	Each Recall
Product Recall Expense	\$ 100,000	Annual Aggregate

## ITEM 4. DEDUCTIBLE AND PARTICIPATION PERCENTAGE

You are responsible for a portion of the covered Product Recall Expense if there are entries below. Refer to Section IV - Deductible And Participation Provisions in this Coverage Part for a description of how these provisions apply.

	<u>Deductible</u>	<u>Participation Percentage</u>
PRODUCT RECALL EXPENSE - EACH RECALL	\$ 1,000	0 %

## ITEM 5. DESCRIPTION OF PRODUCTS NOT COVERED:

(If no entry appears in item 5. above, the required information to complete the entry will follow the designated products exclusion, if any, shown in the Commercial General Liability Coverage Part forming part of this policy.)

**AUDIT PERIOD: ANNUAL**

When we use the word "Declarations" in this Coverage Part, we mean this "Declarations" or the "Common Policy Declarations".

Form Numbers of Coverage Forms and Endorsements that are part of this Coverage Part.  
HC70150510 HC00320510 HC12101185



# QUICK REFERENCE PRODUCT RECALL EXPENSE COVERAGE PART

READ YOUR POLICY CAREFULLY

## DECLARATIONS PAGES

Named Insured and Mailing Address  
Policy Period  
Description of Business and Location  
Coverages and Limits of Insurance

Beginning on Page

<b>SECTION I - COVERAGES - PRODUCT RECALL EXPENSE COVERAGE</b> .....	1
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Covered Product Recall Expense .....	1
Exclusions .....	2
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Bankruptcy .....	5
Duties In The Event Of A Product Recall, Claim, Suit Or Proceeding .....	5
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## COMMON POLICY CONDITIONS

Cancellation  
Changes  
Examination Of Your Books And Records  
Inspections And Surveys  
Premiums  
Transfer Of Your Rights And Duties Under This Policy

## ENDORSEMENTS

These form numbers are shown on the Coverage Part-Declarations Page or on the Common Policy Declarations Page.



# PRODUCT RECALL EXPENSE COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section VI - Definitions.

## SECTION I - COVERAGES

### PRODUCT RECALL EXPENSE COVERAGE

#### 1. Insuring Agreement

- a. For a "product recall" to which this insurance applies, we will reimburse you for the "product recall" expense described in Paragraph 2. that you paid in excess of the Deductible amount shown in the Declarations and in proportion, if applicable, to the remaining percentage of participation after you have paid the Participation Percentage shown in the Declarations.

A covered "product recall" is one:

- (1) That is made necessary by a reasonable and good faith determination by you or by a ruling by any governmental body, that the use or consumption of "your product" has a substantial probability of causing "bodily injury" or "property damage" solely because of a known or suspected defect, inadequacy or dangerous condition in "your product"; or
- (2) That is made necessary because of product tampering. Product tampering means any actual, alleged or threatened, intentional, or malicious alteration or contamination of "your product", whether or not by an employee, that renders it unfit or dangerous for use or consumption, or conveys that impression to the public.

- b. This insurance applies to a "product recall" only if:

- (1) The "product recall" relates solely to a recall of "your product" in the United States of America (including its territories and possessions), Puerto Rico and Canada; and

- (2) Prior to the inception date or prior to the time "your product" left your control, the insured had no knowledge of:

(a) Any actual, alleged, suspected or threatened defect, inadequacy or dangerous condition in "your product" or any resulting "claim", "suit" or governmental proceeding; or

(b) Any actual, alleged, suspected or threatened defect, inadequacy or dangerous condition in "your product" that could have reasonably been expected to result in a "claim" or "suit" or governmental proceeding.

whether or not notice of any such "product recall", "claim" or "suit" was furnished to any other insurer.

- c. This insurance applies only to a "product recall" that commences during the "policy period". A covered "product recall" will be considered to commence the earliest of the following times:

(1) When a governmental body has suggested, requested or ordered orally or in writing that "your product", or a product of which "your product" forms a part, be recalled; or

(2) When it has been announced by you or others, to the general public, to distributors, to customers, or to employees (not directly involved in the recall decision), that "your product", or a product of which "your product" forms a part, must be recalled.

This provision applies regardless of whether the "product recall" is conducted by you or others.

- d. With respect to the products of which "your product" is a component part, we will only reimburse you the amount to repair or replace "your product".

#### 2. Covered Product Recall Expense

Covered "product recall" expense means only the following enumerated reasonable and necessary costs incurred by you or others solely due to a covered "product recall". Such expenses must be incurred by you or others within 12 months after the commencement of the covered "product recall".

**a. Media**

Telephone and telegraphic communications, radio or television announcements, newspaper advertising, or other media communications used to publicly announce the "product recall";

**b. Mailings**

Stationary, envelopes, postage and production of announcements;

**c. Cost of Hire**

(1) Remuneration paid to regular employees for overtime;

(2) The cost of hire of persons other than regular employees;

(3) Transportation, accommodation and meal expenses of employees while on authorized travel;

**d. Storage**

Rental of additional storage space;

**e. Disposal**

Disposal of "your product", but only to the extent that it is determined by the insured or governmental body that specific methods of destruction other than those employed for trash discarding or disposal are required to avoid "bodily injury" or "property damage" as a result of such disposal. Disposal includes shipping of contaminated products to a location designated by you;

**f. Good Faith Advertising**

Cost or expense incurred solely to regain customer faith and approval. The most we will pay for expenses incurred to regain customer faith and approval is the amount shown in the Declarations for Good Faith Advertising Expense - Each Recall.

**g. Cost To Replace Your Product**

The lesser of your net cost to repair or replace "your product" that was subject to a covered "product recall" as described in Paragraph 1. of Section I - Coverages.

**3. Exclusions**

This insurance does not apply to:

**a. Failure To Accomplish Its Intended Purpose**

Failure of "your product" to accomplish its intended purpose or to meet the level of performance, quality, fitness or durability warranted or represented by you or on your behalf.

**b. Deterioration, Decomposition, Or Transformation**

Deterioration, including wear and tear, decomposition, or transformation of the chemical structure of "your product".

This exclusion does not apply to "product recall" expenses arising out of product tampering.

**c. Violation Of Government Regulation**

Damages, including costs or expenses of resultant litigation or proceedings, arising out of the violation of any government regulation in connection with the manufacture, sale, or distribution of any products.

**d. Hazardous Or Banned Materials Or Substances**

Presence of materials or substances in the manufacturing, service or construction process which have been banned or declared hazardous by any governmental entity.

This exclusion does not apply if "your product" was manufactured before such materials or substances were banned or declared hazardous.

**e. Dishonesty**

Willful, dishonest, fraudulent, criminal or malicious acts, errors or omissions of the insured.

**f. Unauthorized Changes**

Any unauthorized change in "your product" after it leaves your possession or control.

This exclusion does not apply to "product recall" expense paid by you for a covered "product recall" caused by product tampering.

**g. Products Recalled From A Named Insured Or From Interests You Control**

Damages claimed for a "product recall" of "your product":

(1) from any Named Insured under this policy by another Named Insured; or

(2) from persons or organizations that you partially or fully own, control or manage.

**h. Unfair Competition And Theft Of Intellectual Property**

(1) Unfair competition, price fixing, restraint of trade, unfair trade practice, or any other violation of antitrust law;

(2) Infringement of copyright, title, slogan, patent, trademark, trade dress, trade name, service mark, service name or other designation of origin or authenticity; or

(3) Theft or infringement of any other intellectual property.

**i. Assumption Of Liability In A Contract Or Agreement**

Liability assumed by you in any contract or agreement.

This exclusion does not apply to liability for a "claim" for "product recall" expenses that the insured would have in the absence of the contract or agreement.

**j. Damage To Property Not Physically Injured**

Loss of use of tangible property which has not been physically injured or destroyed, resulting from:

- (1) A delay in or lack of performance by you or anyone on your behalf of any contract or agreement; or
- (2) The failure of "your product" to meet the level of performance, quality, fitness or durability warranted or represented by you or on your behalf.

**k. Pollution**

(1) The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order, or statutory 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".

**l. Nuclear Hazard**

"Product recall" made necessary due to actual, alleged or threatened nuclear reaction, nuclear radiation or radioactive contamination.

**m. Expiration Of Shelf Life**

Any "product recall" initiated due to expiration of the designated shelf life of "your product".

**n. Defense Of Claim**

The defense of a claim or "suit" against you for liability arising out of a "product recall".

**o. Third Party Damages, Fines And Penalties**

Any compensatory damages, fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured.

**p. Lead**

- (1) "Product recall" arising out of the "lead hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or "suit" alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "lead hazard".

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others:

- (i) Identify, abate, test for, sample, monitor, clean up, remove, cover, contain, treat, detoxify, decontaminate, neutralize or mitigate or in any way respond to or assess the effects of the "lead hazard"; or
- (ii) As a result of such effects, repair, replace or improve any property; or

(c) Arise out of any claim or "suit" for damages because of:

- (i) Identification of, abatement of, testing for, sampling, monitoring, cleaning up, removing, covering, containing, treating, detoxifying, decontaminating, neutralizing or mitigating or in any way responding to or assessing the effects of a "lead hazard"; or
- (ii) As a result of such effects, repair, replace or improve any property.

**q. Asbestos**

(1) "Product recall" arising out of the "asbestos hazard";

(2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or "suit" alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(c) Arise out of any claim or "suit" for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".



**r. Silica**

"Product recall" arising out of, or relating to, in whole or in part, a "silica hazard".

**s. War**

Any loss, cost or expense, however caused, arising directly or indirectly, out of:

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

**t. Products Not Covered**

Any product(s) shown in the Declarations under Description of Products Not Covered.

**SECTION II – WHO IS AN INSURED**

1. If you are designated in the Declaration as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
  - a. Any person or organization having proper temporary custody of your property if you die, but only until your legal representative has been appointed.
  - b. You legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, 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 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
- b. Coverage under this provision does not apply to "product recalls" that were initiated before you acquired or formed the organization.

**SECTION III - LIMITS OF INSURANCE**

1. The limits of insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. "Claims" made or "suits" brought; or
  - c. "Product recalls" initiated;
  - d. Number of "your products" recalled; or
  - e. Persons or organizations making claims or bringing "suits".
2. The Annual Aggregate Limit for Product Recall Expense shown in the Declarations is the most we will pay for the sum of all of your covered "product recall" expenses.
3. Subject to Paragraph 2. above, the Product Recall Expense - Each Recall Limit is the most we will pay for the sum of all "product recall" expenses, including Good Faith Advertising Expense; and arising out of any one covered "product recall".
4. Subject to Paragraph 3. above, the Good Faith Advertising Expense - Each Recall Limit is the most we will pay for Good Faith Advertising Expense arising out of one covered "product recall".

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

**SECTION IV - DEDUCTIBLE AND PARTICIPATION PROVISIONS**

**1. Deductible**

Subject to the participation percentage described in Paragraph 2. below, our obligation under the insurance provided by this Coverage Part applies

only to the amount of covered Product Recall Expense in excess of the deductible amount shown in the Declarations that applies to Product Recall Expense - Each Recall. We will then pay the covered Product Recall Expenses in excess of the deductible, up to the applicable Limit of Insurance.

## **2. Participation**

If a participation percentage is shown in the Declarations, you will be responsible for that percentage of covered Product Recall Expense. Such percentage payable by you is in excess of the deductible amount shown in the Declarations as applicable to Product Recall - Each Recall. We will pay the percentage remaining after your participation amount that is covered Product Recall Expense above the deductible up to the limit of insurance that applies to covered Product Recall Expense - Each Recall.

## **SECTION V - CONDITIONS**

### **1. Bankruptcy**

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

### **2. Duties In The Event Of A Product Recall, Claim, Suit Or Proceeding**

a. You shall give us as soon as practicable, written notice upon discovery or notification of any actual, alleged, suspected or threatened defect, inadequacy or dangerous condition in "your product" that may require, "your product" to be recalled; and

b. You must cease and desist from further:

- (1) release;
- (2) shipment;
- (3) consignment; or
- (4) any other method of distribution of:

like or similar products until it has been determined that all such products are free from such defects as could be a cause of loss under this Coverage Part.

c. Within sixty (60) days after you incurred the Product Recall Expense, unless such time is extended in writing by us, you shall render to us a proof of loss. This proof of loss must be signed and sworn to by you. It should state that to the best of your knowledge the time and cause of the defect, inadequacy or dangerous condition in "your product" and the actual "product recall" expenses incurred are correct. Such expenses shall be substantiated by the submission, with the proof of loss, of all bills, invoices and other vouchers or certified copies if the originals be lost.

### **3. Other Insurance**

The insurance afforded by this Coverage Part is excess insurance over any other valid and collectible insurance except insurance arranged by the insured to apply in excess of this insurance.

### **4. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the "policy period" is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

### **5. Representations**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us;
- c. We have issued this policy in reliance upon your representations; and
- d. At the time you applied for this policy you had no knowledge of any actual, alleged, suspected or threatened defect, inadequacy or dangerous condition in "your product" that might reasonably be expected to result in a "claim" under this policy, except as you reported to us in writing at the time you applied.

### **6. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

### **7. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

**8. Limitation Of Coverage Under Any Other Coverage Part Forming A Part Of This Policy**

If coverage for a "product recall" is found under this coverage part and any other coverage part forming a part of this policy, the most we will pay for injury or damages arising out of one "product recall" is the Each Recall Limit in this Coverage Part or the Each Occurrence Limit in the Commercial General Liability Coverage Part, whichever is higher.

**SECTION VI - DEFINITIONS**

1. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.
2. "Bodily injury" means physical:
  - a. Injury;
  - b. sickness; or
  - c. diseasesustained by a person and, if arising out of the above, mental anguish or death resulting at any time.
3. "Claim" means a demand received by any insured for "damages", including the institution of a "suit" or arbitration proceeding against any insured.
4. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
5. "Lead hazard" means an exposure or threat of exposure to the actual or alleged properties of lead and includes the mere presence or suspected presence of lead in any form.
6. "Policy period" means the period beginning with the inception date shown in the Declarations and ending with the earlier of:
  - a. The date of cancellation of this policy; or
  - b. The expiration date shown in the Declarations.
7. "Product recall" means the withdrawal, recall, inspection, removal or disposal of:
  - a. "your product"; or
  - b. any property of which "your product" forms a part;from the market or from use by any person or organization.
8. "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.
9. "Property damage" means:
  - a. Physical injury to tangible property, including all resulting loss of use of that property, or

- b. Loss of use of tangible property that is not physically injured.

As used in this definition, computerized or electronically stored data, programs or software are not tangible property. Electronic data means information, facts or programs:

- a. Stored as or on;
- b. Created or used on; or
- c. 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.

10. "Silica hazard" means an exposure to, inhalation of or contact with, or threat of exposure to, inhalation of or contact with, the actual or alleged properties of silica or any silica containing materials and includes the mere presence of silica or any silica containing materials in any form. Silica includes all forms of the compound silicon dioxide, including but not limited to quartz.
11. "Suit" means a civil proceeding in which "product recall" expenses are alleged because of any actual, suspected or threatened defect, inadequacy or dangerous condition in "your product" to which this insurance applies. "Suit" includes:
  - a. An arbitration proceeding in which such "product recall" expenses are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such "product recall" expense is claimed and to which the insured submits with our consent.
12. "Your product" means:
  - a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
    - (1) You;
    - (2) Others trading under your name; or
    - (3) A person or organization whose business or assets you have acquired; and
  - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
  - c. The providing of or failure to provide warnings or instructions."Your product" does not include property rented to or located for the use of others but not sold.  
"Your product" does not include products shown in the Declarations under Description Of Products Not Covered.

COMMERCIAL POLICY NO. 31 UUN AB7878  
GENERAL LIABILITY SCHEDULE

ENTRIES HEREIN, EXCEPT AS SPECIFICALLY PROVIDED ELSEWHERE IN THIS POLICY,  
DO NOT MODIFY ANY OF THE OTHER PROVISIONS OF THIS POLICY.

RATING CLASSIFICATIONS

DESCRIPTION OF HAZARDS: PREMISES/OPERATIONS COVERAGE  
REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)  
PRMS/BLDG. NO: 001/001 TERR: 503  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]  
EXPOSURE: [REDACTED]  
RATE: [REDACTED]  
ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PREMISES/OPERATIONS COVERAGE  
REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)  
PRMS/BLDG. NO: 001/001 TERR: 503  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]  
EXPOSURE: [REDACTED]

RATE: [REDACTED]  
ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PREMISES/OPERATIONS COVERAGE  
REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)  
PRMS/BLDG. NO: 001/001 TERR: 503  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]  
EXPOSURE: [REDACTED]  
RATE: [REDACTED]  
ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PREMISES/OPERATIONS COVERAGE  
REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)  
PRMS/BLDG. NO: 001/001 TERR: 503  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]  
EXPOSURE: [REDACTED]  
RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PREMISES/OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001 TERR: 503  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PREMISES/OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001 TERR: 503  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

---

DESCRIPTION OF HAZARDS: PREMISES/OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001 TERR: 503  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

---

DESCRIPTION OF HAZARDS: PREMISES/OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001 TERR: 503  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

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DESCRIPTION OF HAZARDS: ADDITIONAL INSURED CG2010

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

ADVANCE PREMIUM: [REDACTED] FOR PREMISES 001

DESCRIPTION OF HAZARDS: ADDITIONAL INSURED CG2026

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

ADVANCE PREMIUM: [REDACTED] FOR PREMISES 001

DESCRIPTION OF HAZARDS: PREMISES/OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 003/001 TERR: 503  
LOCATION: 34 PUTNAM GRN APT F  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 63010  
DWELLINGS - ONE-FAMILY (LESSOR'S RISK ONLY) - INCLUDING PRODUCTS AND/OR  
COMPLETED OPERATIONS - PRODUCTS/COMPLETED OPERATIONS LOSSES ARE SUBJECT  
TO THE GENERAL AGGREGATE LIMIT

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PRODUCTS/COMPLETED OPERATIONS COVERAGE



REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]  
EXPOSURE: [REDACTED]  
RATE: [REDACTED]  
ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PRODUCTS/COMPLETED OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]  
EXPOSURE: [REDACTED]  
RATE: [REDACTED]  
ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PRODUCTS/COMPLETED OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PRODUCTS/COMPLETED OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PRODUCTS/COMPLETED OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PRODUCTS/COMPLETED OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PRODUCTS/COMPLETED OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]  
EXPOSURE: [REDACTED]  
RATE: [REDACTED]  
ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: PRODUCTS/COMPLETED OPERATIONS COVERAGE

REFER TO: COMMERCIAL GENERAL LIABILITY  
COVERAGE PART (FORM HC 00 10)

PRMS/BLDG. NO: 001/001  
LOCATION: 777 W PUTNAM AVE  
GREENWICH  
CT. 06830

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 55410  
IMPORTERS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]  
EXPOSURE: [REDACTED]  
RATE: [REDACTED]  
ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: EMPLOYEE BENEFITS COVERAGE

REFER TO: EMPLOYEE BENEFITS LIABILITY  
COVERAGE PART (FORM HC 00 20)

CLASSIFICATION CODE NUMBER  
AND DESCRIPTION: 30195  
EMPLOYEE BENEFITS

PREMIUM AND RATING BASIS: [REDACTED] [REDACTED]

EXPOSURE: [REDACTED]

RATE: [REDACTED]

ADVANCE PREMIUM: [REDACTED]

DESCRIPTION OF HAZARDS: WAIVER TRANSFER OF RIGHTS

REFER TO: WAIVER OF TRANSFER RIGHTS OF RECOVERY  
AGAINST OTHERS TO US (FORM CG 24 04)

ADVANCE PREMIUM: [REDACTED]

ADDITIONAL COVERAGE(S) PREMIUM: [REDACTED]

TOTAL ADVANCE PREMIUM: [REDACTED]

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

P O L I C Y   C H A N G E S

THIS ENDORSEMENT FORMS A PART OF THE POLICY NUMBERED BELOW:

POLICY NUMBER: 31 UUN AB7878 K1

NAMED INSURED: MODA LLC  
SEE FORM IH1204

AGENT OR BROKER: HUB INTERNATIONAL NORTHEAST LTD

POLICY CHANGE EFFECTIVE DATE: 03/25/20

ANY CHANGES IN YOUR PREMIUM WILL BE REFLECTED IN YOUR NEXT BILLING STATEMENT. IF YOU ARE ENROLLED IN REPETITIVE EFT DRAWS FROM YOUR BANK ACCOUNT, CHANGES IN PREMIUM WILL CHANGE FUTURE DRAW AMOUNTS.  
THIS IS NOT A BILL.

NO PREMIUM DUE AT POLICY CHANGE EFFECTIVE DATE.

FORM NUMBERS OF ENDORSEMENTS REVISED  
AT ENDORSEMENT ISSUE: SEE ABOVE FOR COMPANY NAME

IH12011185 LENDERS LOSS PAYEE

THIS ENDORSEMENT DOES NOT CHANGE THE POLICY EXCEPT AS SHOWN.

COUNTERSIGNED BY \_\_\_\_\_  
(WHERE REQUIRED BY LAW) AUTHORIZED REPRESENTATIVE      DATE

POLICY NO. 31 UUN AB7878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

LENDERS LOSS PAYEE

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

PROPERTY CHOICE COVERAGE PART

WELLS FARGO BANK, NATIONAL ASSOCIATION  
AND ITS SUCCESSORS AND/OR ASSIGNS  
100 PARK AVE, 4TH FLOOR  
NEW YORK, NY 10017

HYG FINANCIAL SERVICES, INC.  
5000 RIVERSIDE DR STE 300 EAST  
IRVING, TX 75039  
RE: QUANTITY 4 - 2019 HYSTER N45ZR2 FORKLIFTS  
TOTAL COST \$300,000

XEROX FINANCIAL SERVICES LLC  
C/O INSURANCE CENTER  
PO BOX 3547  
BELLEVUE, WA 98009

RE:  
XEROX COLOR C60 E2B117152; XEROX COLOR E2B117468; XEROX ALTALINK  
C8045 8TB643881; XEROX ALTALINK C8045 8TB6436733; XEROX ALTALINK  
C8045 8TB643678; XEROX COLOR C60 E2B118083; XEROX ALTALINK  
C8045 8TB643695

THIS ENDORSEMENT DOES NOT CHANGE THE POLICY EXCEPT AS SHOWN.