New York Municipal Insurance Reciprocal

COMMERCIAL PACKAGE
INSURANCE POLICY
2026 - 2027

Authorized Signature

Sponsored by:

Association of Towns

Conference of Mayors

Association of Counties

900 Stewart Avenue, Suite 600
Garden City, New York 11530
(516) 227-2120, FAX 227-2352
1-800-NYMIR05

12 Metro Park Road
Colonie, NY 12205-1139
(518) 437-1171
www.nymir.org

NEW YORK MUNICIPAL INSURANCE RECIPROCAL

COMMON POLICY DECLARATIONS

POLICY NUMBER: MPK-TARK-0000001-26 **PREVIOUS POLICY NUMBER:** MPK-TARK-0000001-25

COMPANY NAME 20690	**PRODUCER NAME** A0UU2
New York Municipal Insurance Reciprocal 900 Stewart Ave, Suite 600 Garden City, NY 11530	Arthur J. Gallagher Risk Management Services, LLC. 285 Delaware Avenue, STE. 4000 Buffalo, NY 14202

NAMED INSURED: Town of Arkwright

MAILING ADDRESS: 9543 Center Road
Fredonia, NY 14063

POLICY PERIOD: FROM 09/08/2026 **TO** 09/08/2027
AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

BUSINESS DESCRIPTION	

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

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
COMMERCIAL PROPERTY COVERAGE PART	$5,924.00
COMMERCIAL INLAND MARINE COVERAGE PART	$4,951.00
COMMERCIAL CRIME COVERAGE PART	$329.00
COMMERCIAL GENERAL LIABILITY COVERAGE PART	$2,476.00
PUBLIC OFFICIALS LIABILITY COVERAGE PART	$1,353.00
TOTAL:	$15,033.00
NY Fire Insurance Fee	$31.13
TOTAL PAYABLE:	$15,064.13

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POLICY NUMBER: MPK-TARK-0000001-26

FORMS APPLICABLE TO ALL COVERAGE PARTS (SHOW NUMBERS):
See Schedule of Forms And Endorsements.

Countersigned	**By:**
(Date)	**(Authorized Representative)**

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NEW YORK MUNICIPAL INSURANCE RECIPROCAL

Policy Number: MPK-TARK-0000001-26

NAMED INSURED & MAILING ADDRESS
Town of Arkwright 9543 Center Road Fredonia, NY 14063

COMMERCIAL PROPERTY POLICY

POLICY DECLARATIONS

POLICY PERIOD: FROM 09/08/2026 to 09/08/2027 12:01 A.M. AT THE MAILING ADDRESS OF THE NAMED INSURED STATED ABOVE

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

SUMMARY- BUILDING AND PERSONAL PROPERTY				
COVERAGE: ☒ BUILDING ☒ BUSINESS PERSONAL PROPERTY	CAUSE OF LOSS SPECIAL – INCLUDING THEFT	DEDUCTIBLE Windstorm or Hail: $5,000 Flood/Earthquake: See Form MPR 112 All Other Causes of Loss: $5,000	COINSURANCE 100%	LIMIT OF INSURANCE* Blanket Coverage Limit @ 100% $2,798,608 *For Limit of Insurance for non-blanket locations, see the NYMIR Statement of Values
BUILDING: REPLACEMENT COST* *Unless otherwise specified for building			PERSONAL PROPERTY: REPLACEMENT COST	
AGREED VALUE: Yes *Does not include any locations to which Builders Risk coverage form applies.				

NEW YORK MUNICIPAL INSURANCE RECIPROCAL

Policy Number: MPK-TARK-0000001-26

NAMED INSURED & MAILING ADDRESS
Town of Arkwright 9543 Center Road Fredonia, NY 14063

COMMERCIAL PROPERTY POLICY

POLICY DECLARATIONS

POLICY PERIOD: FROM 09/08/2026 to 09/08/2027 12:01 A.M. AT THE MAILING ADDRESS OF THE NAMED INSURED STATED ABOVE

MUNI PAC COVERAGE EXTENSIONS	
☐ If this box is checked, Muni Pac Coverage Extensions apply to Fire or Rescue Emergency Services Organization	
EXTENSIONS:	LIMIT:
EXTRA EXPENSE	$250,000
ACCOUNTS RECEIVABLE	$75,000
VALUABLE PAPERS AND RECORDS	$75,000

ADDITIONAL COVERAGES (if any)	
COVERAGES:	LIMIT:
EQUIPMENT BREAKDOWN (MECHANICAL AND ELECTRICAL ENERGY)	2,798,608
ORDINANCE OR LAW	
Coverage A	110% Building Value
Coverage B	$500,000
Coverage C	$500,000
FLOOD/EARTHQUAKE (Real & Personal Property as defined in MPR 112)	$1,000,000 Per Occurrence $1,000,000 Aggregate
EXCESS FLOOD/EARTHQUAKE	No Coverage
EXCESS FLOOD	No Coverage
EXCESS EARTHQUAKE	No Coverage

PREMIUM FOR INSURANCE COVERAGE	$5,924.00
NY FIRE INSURANCE FEE	$31.13
TOTAL PREMIUM	$5,955.13

NEW YORK MUNICIPAL INSURANCE RECIPROCAL

Policy Number: MPK-TARK-0000001-26

NAMED INSURED & MAILING ADDRESS
Town of Arkwright 9543 Center Road Fredonia, NY 14063

COMMERCIAL PROPERTY POLICY

POLICY DECLARATIONS

POLICY PERIOD: FROM 09/08/2026 to 09/08/2027 12:01 A.M. AT THE MAILING ADDRESS OF THE NAMED INSURED STATED ABOVE

SCHEDULE OF LOCATIONS			
Location #	**Description**	**Address**	**City, State Zip**
See NYMIR Statement of Values.			

ENDORSEMENTS ATTACHED TO THIS POLICY
See Schedule of Forms and Endorsements.

Authorized Signature

Town of Arkwright
9543 Center Road
Fredonia, NY 14063

Policy Number: **MPK-TARK-0000001-26**
Effective Date: **09/08/2026**
Expiration Date: **09/08/2027**

New York Municipal Insurance Reciprocal
STATEMENT OF VALUES

Please sign and date this form. **Signature of Municipal Administrator:**_____ **Date:** _____

Blanket Property

Location	Building	Address	Building Value	Contents Value
		See Schedule		

Totals:

Blanket Coverage Limit @ Coinsurance:

Non-Blanket Property

Location	Building	Address	Building Value	Contents Value

SCHEDULE

Blanket Property

Location	Building	Address	Building Value	Contents Value
001-001	DPW Garage	9543 Center Road, Fredonia, NY 14063	$2,222,700	$77,251
001-002	Town Hall	9543 Center Road, Fredonia, NY 14063	$288,590	$21,450
001-003	Solar Panels	9543 Center Road, Fredonia, NY 14063	$181,417	
001-004	Property in the Open	9543 Center Road, Fredonia, NY 14063	$7,200	

Totals: $2,699,907 $98,701

Blanket Limit Coverage @ 100% Coinsurance: $2,798,608

New York Municipal Insurance Reciprocal

Policy Number: MPK-TARK-0000001-26

NAMED INSURED & MAILING ADDRESS
Town of Arkwright 9543 Center Road Fredonia, NY 14063

INLAND MARINE POLICY

POLICY DECLARATIONS

POLICY PERIOD: FROM 09/08/2026 to 09/08/2027 12:01 A.M. AT THE MAILING ADDRESS OF THE NAMED INSURED STATED ABOVE

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

COVERAGE, LIMITS OF INSURANCE AND DEDUCTIBLE:
Insurance applies only for coverages shown on Schedule of Forms and Endorsements. The limits of insurance and deductibles for each coverage shown below are per the applicable supplemental declarations attached and as per schedule on file with company.

TOTAL PREMIUM:	$4,951

ENDORSEMENTS ATTACHED TO THIS POLICY
See Schedule of Forms and Endorsements.

New York Municipal Insurance Reciprocal

Policy Number: MPK-TARK-0000001-26

NAMED INSURED & MAILING ADDRESS
Town of Arkwright
9543 Center Road
Fredonia, NY 14063

INLAND MARINE POLICY

POLICY DECLARATIONS

POLICY PERIOD: FROM 09/08/2026 to 09/08/2027 12:01 A.M. AT THE MAILING ADDRESS OF THE NAMED INSURED STATED ABOVE

SCHEDULED PROPERTY	LIMITS OF INSURANCE	DEDUCTIBLE	PREMIUM
Auto Physical Damage	$534,768	$500	$1,882
Auto Physical Damage ≥ $250K	$273,544	$500	$963
Contractor's Equipment	$543,013	$250	$2,031
Small Tools	$20,000	$250	$75

See NYMIR Schedule of Inland Marine for details.

Authorized Signature

Town of Arkwright
9543 Center Road
Fredonia, NY 14063

Policy Number:MPK-TARK-0000001-26

Inception Date: 09/08/2026

Expiration Date: 09/08/2027

NYMIR SCHEDULE OF INLAND MARINE

Category	Item	Coverage Limit	Deductible
Auto Physical Damage	Per Schedule on File	$534,768	$500
Auto Physical Damage	Per Schedule on File	$273,544	$500
Contractor's Equipment	Per Schedule on File	$543,013	$250
Small Tools	$2,000 Max Per Item	$20,000	$250

POLICY NUMBER: MPK-TARK-0000001-26

CRIME AND FIDELITY COVERAGE PART DECLARATIONS (GOVERNMENT ENTITIES)

The Crime And Fidelity Coverage Part (Government Entities) consists of this Declarations form and the Government Crime Coverage Form.

Coverage Is Written:

[x] **Primary** [ ] **Excess** [ ] **Coindemnity** [ ] **Concurrent**

Insuring Agreements	Limit Of Insurance Per Occurrence	Deductible Amount Per Occurrence
1. Employee Theft – Per Loss Coverage	$25,000	$500
2. Employee Theft – Per Employee Coverage	Not Covered	
3. Forgery Or Alteration	Not Covered	
4. Inside The Premises – Theft Of Money And Securities	Not Covered	
5. Inside The Premises – Robbery Or Safe Burglary Of Other Property	Not Covered	
6. Outside The Premises	Not Covered	
7. Computer And Funds Transfer Fraud	Not Covered	
8. Money Orders And Counterfeit Money	Not Covered	

If "Not Covered" is inserted above opposite any specified Insuring Agreement, such Insuring Agreement and any other reference thereto in this Policy are deleted.

If Added by Endorsement:

Insuring Agreement(s)	Limit Of Insurance Per Occurrence	Deductible Amount Per Occurrence
	$** **$ **$**	**$** **$** **$**

TOTAL PREMIUM: $329.00

Endorsements Forming Part Of This Coverage Part When Issued:

See Schedule of Forms and Endorsements.

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Countersignature Of Authorized Representative
Name:
Title:
Signature:
Date:

© Insurance Services Office, Inc., 2012

POLICY NUMBER: MPK-TARK-0000001-26

COMMERCIAL GENERAL LIABILITY DECLARATIONS

COMPANY NAME	PRODUCER NAME
New York Municipal Insurance Reciprocal 900 Stewart Ave, Suite 600 Garden City, NY 11530	-Arthur J. Gallagher Risk Management Services, LLC. 285 Delaware Avenue, STE. 4000 Buffalo, NY 14202

NAMED INSURED Town of Arkwright

MAILING ADDRESS 9543 Center Road
Fredonia, NY 14063

POLICY PERIOD: FROM 09/08/2026 TO 09/08/2027 AT 12:01 A.M. TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

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

LIMITS OF INSURANCE

EACH OCCURRENCE LIMIT	$1,000,000	
DAMAGE TO PREMISES RENTED TO YOU LIMIT	$50,000	Any one premises
MEDICAL EXPENSE LIMIT	$5,000	Any one person
PERSONAL & ADVERTISING INJURY LIMIT	$1,000,000	Any one person or organization
GENERAL AGGREGATE LIMIT		$3,000,000
PRODUCTS/COMPLETED OPERATIONS AGGREGATE LIMIT		$1,000,000

DEDUCTIBLE	EACH OCCURRENCE
SELF INSURED RETENTION	
LOSS ADJUSTMENT EXPENSES INSIDE/OUTSIDE RETENTION	

DESCRIPTION OF BUSINESS

FORM OF BUSINESS: Town

☐ INDIVIDUAL ☐ PARTNERSHIP ☐ JOINT VENTURE ☐ TRUST

☐ LIMITED LIABILITY COMPANY ☒ ORGANIZATION, INCLUDING A CORPORATION (BUT NOT INCLUDING A PARTNERSHIP, JOINT VENTURE OR LIMITED LIABILITY COMPANY)

BUSINESS DESCRIPTION: _____

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CLASSIFICATION AND PREMIUM							
LOC NO.	CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
				Prem/ Ops	Prod/Comp Ops	Prem/ Ops	Prod/Comp Ops
All	Government Subdiv Budget (Towns & Villages)	00023	Appropriations	Incl.	Incl.	Incl.	Incl.
	Streets and Roads	00039	Miles	Incl.	Incl.	Incl.	Incl.

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CLASSIFICATION AND PREMIUM							
LOC NO.	CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
				Prem/ Ops	Prod/Comp Ops	Prem/ Ops	Prod/Comp Ops

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	STATE TAX OR OTHER (if applicable)	Refer to Common Dec
	TOTAL PREMIUM (SUBJECT TO AUDIT)	$2,476
PREMIUM SHOWN IS PAYABLE:	AT INCEPTION	
	AT EACH ANNIVERSARY	
	(IF POLICY PERIOD IS MORE THAN ONE YEAR AND PREMIUM IS PAID IN ANNUAL INSTALLMENTS)	

AUDIT PERIOD (IF APPLICABLE)	☐ ANNUALLY	☐ SEMI-ANNUALLY	☐ QUARTERLY	☐ MONTHLY

ENDORSEMENTS
ENDORSEMENTS ATTACHED TO THIS POLICY:
See Schedule of Forms And Endorsements

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned:	By:
(Date)	(Authorized Representative)

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New York Municipal Insurance Reciprocal

Policy Number: MPK-TARK-0000001-26

NAMED INSURED & MAILING ADDRESS
Town of Arkwright
9543 Center Road
Fredonia, NY 14063

PUBLIC OFFICIALS LIABILITY

POLICY DECLARATIONS

POLICY PERIOD: FROM 09/08/2026 to 09/08/2027 12:01 A.M. AT THE MAILING ADDRESS OF THE NAMED INSURED STATED ABOVE

NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

NOTICE - CLAIMS-MADE POLICY

COVERAGE PROVIDED BY THIS POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE WRITTEN CLAIMS FOR DAMAGES THAT ARE FIRST MADE AGAINST THE INSURED WHILE THE POLICY IS IN FORCE.

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

RETROACTIVE DATE:	09/08/2016

LIMITS OF INSURANCE	
PER CLAIM LIMIT	$1,000,000
ANNUAL AGGREGATE LIMIT	$2,000,000
LAND USE LIABILITY PER CLAIM LIMIT	$1,000,000
LAND USE LIABILITY ANNUAL AGGREGATE LIMIT	$1,000,000

DEDUCTIBLE	$2,500
SELF-INSURED RETENTION	
LOSS ADJUSTMENT EXPENSES INSIDE/OUTSIDE RETENTION	

New York Municipal Insurance Reciprocal

Policy Number: MPK-TARK-0000001-26

NAMED INSURED & MAILING ADDRESS
Town of Arkwright
9543 Center Road
Fredonia, NY 14063

PUBLIC OFFICIALS LIABILITY

POLICY DECLARATIONS

POLICY PERIOD: FROM 09/08/2026 to 09/08/2027 12:01 A.M. AT THE MAILING ADDRESS OF THE NAMED INSURED STATED ABOVE

EXTENDED EMPLOYMENT PRACTICES LIABILITY	
BACK WAGES PER CLAIM LIMIT	$250,000
BACK WAGES ANNUAL AGGREGATE LIMIT	$500,000
BACK WAGES DEDUCTIBLE	$2,500
EEOC PER CLAIM LIMIT	$50,000
EEOC ANNUAL AGGREGATE LIMIT	$100,000
FLSA PER CLAIM LIMIT	$50,000
FLSA ANNUAL AGGREGATE LIMIT	$100,000

TOTAL PREMIUM:	$1,353

ENDORSEMENTS ATTACHED TO THIS POLICY
See Schedule of Forms and Endorsements.

NOTICE REQUIRED BY THE NEW YORK INSURANCE LAW

THIS POLICY PROVIDES INSURANCE ON A CLAIMS-MADE BASIS. THIS POLICY DOES NOT PROVIDE COVERAGE FOR CLAIMS ARISING OUT OF INCIDENTS, OCCURRENCES OR ALLEGED WRONGFUL ACTS WHICH TOOK PLACE PRIOR TO THE RETROACTIVE DATE STATED ON THE DECLARATION PAGE. THE POLICY COVERS ONLY CLAIMS OR INCIDENTS REPORTED TO NYMIR WHILE THE POLICY REMAINS IN EFFECT, AND ALL COVERAGE UNDER THE POLICY, EXCEPT FOR THE 90-DAY EXTENDED REPORTING PERIOD, CEASES UPON THE TERMINATION OF THE POLICY UNLESS THE INSURED PURCHASES OPTIONAL EXTENDED REPORTING ENDORSEMENT COVERAGE. AN OPTIONAL EXTENDED REPORTING PERIOD WILL BE OFFERED FOR ONE (1) YEAR, TWO (2) YEARS, OR THREE (3) YEARS FOR ADDITIONAL PREMIUM. THE RATES FOR THE OPTIONAL EXTENDED REPORTING ENDORSEMENT COVERAGE WILL BE BASED ON THE RATES IN EFFECT AT THE TERMINATION OF COVERAGE AND THESE RATES MAY BE SUBJECT TO SUBSTANTIAL INCREASE OVER RATES CURRENTLY IN EFFECT.

Authorized Signature

SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:
MPK-TARK-0000001-26	09/08/2026

NUMBER	TITLE
	COMMON
IL DS 00 (09-08)	Common Policy Declarations
IL 00 17 (11-98)	Common Policy Conditions
IL 00 23 (07-02)	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
IL 01 83 (04-98)	New York Changes - Fraud
IL 01 85 (07-02)	New York Changes - Calculation of Premium
IL 02 68 (11-05)	New York Changes - Cancellation And Nonrenewal
IL CY (08-21)	Cyber Exclusion
CG 21 07 (05-14)	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - Limited Bodily Injury Exception Not Included
CG 21 32 (05-09)	Communicable Disease Exclusion
CG 26 24 (08-92)	New York Changes - Legal Action Against Us
	PROPERTY
MPR 000 (04-20)	Commercial Property Policy Declarations
MPR SOV (04-20)	Statement of Values
CP 01 78 (08-08)	New York - Exclusion of Loss Due to Virus or Bacteria
CP 10 77 (12-20)	Cyber Incident Exclusion - New York
MPR 001 (06-98)	General Endorsement
MPR 101 (03-93)	Section I. Introduction
MPR 102 (03-93)	Section II. Common Policy Conditions
MPR 103 (03-93)	Section III. Commercial Property Coverage Form
MPR 104 (03-93)	Section IV. Level of Property Protection - Comprehensive Protection
MPR 105 (03-93)	Section V. Commercial Property Conditions
MPR 106 (06-07)	Section VI. Commercial Property Coverage Definitions
MPR 107 (03-93)	Personal Property Automatic Inflation Endorsement
MPR 109 (03-93)	Asbsestos Clean Up, Abatement and Removal
MPR 111 (10-97)	Additional Municipal Property Extensions Endorsement
MPR 112 (09-21)	Flood and Earthquake Coverage Enhancement Endorsement
MPR 114 (01-17)	Equipment Breakdown Coverage
MPR 115 (09-06)	Ordinance or Law Coverage
MPR 116 (11-06)	Enhanced Muni Pac Extensions of Coverage
MPR 117 (08-10)	Extended Pollution Clean-Up
	INLAND MARINE
MIM 000 (06-20)	Inland Marine Policy Declarations
MIM SCHED (06-20)	NYMIR Schedule Of Inland Marine
MIM 010 (02-96)	Common Policy Conditions
MIM 030 (11-95)	Hazardous Materials Reporting Law
MIM 110 (09-19)	Municipal Coverage Form
MIM 112A (10-08)	Flood and Earthquake Inland Marine Coverage Enhancement Endorsement
MIM 500A (09-19)	Manuscript Form - Marine A
MIM 500B (11-95)	Manuscript Form - Marine B (Leased or Rented From Others Endorsement)
MIM 500C (11-95)	Manuscript Form - Marine C (Rental Expense)
MIM 500D (06-07)	Manuscript Form - Marine D (Total Constructive Loss)
	CRIME
CR DS 03 (08-13)	Crime And Fidelity Coverage Part Declarations (Government Entities)
CR 00 25 (11-15)	Government Crime Coverage Form (Loss Sustained Form)

SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:
MPK-TARK-0000001-26	09/08/2026

NUMBER	TITLE
	CRIME
CR 01 55 (07-17)	New York Changes
CR 25 12 (10-10)	Include Treasurers or Tax Collectors as Employees
CR 25 19 (10-10)	Add Faithful Performance of Duty Coverages for Government Employees
CR 25 34 (10-10)	Add Schedule Excess Limit of Insurance for Specified Employees or Positions
CR 25 43 (10-10)	Add Faithful Performance of Duty Coverage For Specified Government Employees or Positions
	GENERAL LIABILITY
CG DS 01 (10-01)	Commercial General Liability Declarations
CG 00 01 (10-01)	Commercial General Liability Coverage Form
CG 00 55 (03-97)	Amendment of Other Insurance Condition (Occurrence Version)
CG 01 04 (12-01)	New York Changes - Premium Audit
CG 01 63 (04-09)	New York Changes - Commercial General Liability Coverage Form
CG 01 66 (01-96)	New York Changes - Volunteer Firefighters Exclusion
CG 20 21 (11-85)	Additional Insured - Volunteers
CG 20 25 (11-85)	Additional Insured - Elective Or Appointive Executive Officers Of Public Corporations
CG 22 51 (07-98)	Exclusion - Law Enforcement Activities
CG 22 58 (11-85)	Exclusion - Described Hazards (Carnivals, Circuses And Fairs)
CG 24 14 (11-85)	Waiver Of Governmental Immunity
CG 25 04 (11-85)	Amendment - Aggregate Limits of Insurance (Per Location)
CG 26 21 (10-91)	New York Changes - Transfer Of Duties When A Limit Of Insurance Has Been Used Up
CG 40 32 (05-23)	Exclusion - Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)
CG 99 01 (11-85)	Motor Vehicle Laws
MGL 204 (03-06)	Knowledge of Occurrence Endorsement
MGL 205 (03-93)	General Endorsement
MGL 206 (03-93)	Unintentional Errors or Omissions Endorsement
MGL 208 (03-93)	Exclusion - Asbestos
MGL 211 (08-07)	Sexual Misconduct Declaratory Endorsement
MGL 212 (03-06)	Exclusion - Airport Liability
MGL 214 (01-13)	Public Utilities Exclusion - Failure To Supply
MGL 217 (01-13)	New York Municipal Limited Pollution Endorsement
MGL 220 (04-08)	Exclusion - Dam, Dike or Levee
MGL 221 (01-26)	Limited Exclusion - Professional Services Liability
MGL 223 (01-20)	Extension of Personal Injury Definition - Unsafe Building Demolition
MGL 262 (01-26)	Additional Insured - Designated Person or Organization
MGL 263 (01-26)	Primary and Noncontributory - Other Insurance Condition
MGL 264 (01-26)	Provide Required Notice of Cancellation to Another Entity
MGL 265 (01-26)	Waiver of Transfer of Rights of Recovery Against Others to Us
	PUBLIC OFFICIALS LIABILITY
MPO 000 (05-20)	Public Officials Declarations Page
MPO 001 (06-98)	General Endorsement
MPO 100 (09-21)	Public Officials Liability (Claims-Made)
MPO 110 (06-20)	Extended Employment Practices Liability Endorsement
MPO 150 (03-93)	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
MPO 200 (06-08)	Land Use Liability Coverage Endorsement
MPO 300 (03-93)	Notice to Insureds - New York Regulation 121

SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:
MPK-TARK-0000001-26	09/08/2026

NUMBER	TITLE
	PUBLIC OFFICIALS LIABILITY
MPO 600 (04-09)	Who Is An Insured Coverage Endorsement
MPO 700 (11-13)	False Lien Coverage

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.

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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 GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY NEW YORK DEPARTMENT OF TRANSPORTATION

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".

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

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

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

"Nuclear facility" means:

(a) Any "nuclear reactor";

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

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

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

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

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

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES – FRAUD

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
BUSINESSOWNERS POLICY
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART – FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS
FARM COVERAGE PART – MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM
FARM COVERAGE PART – LIVESTOCK COVERAGE FORM

The CONCEALMENT, MISREPRESENTATION OR FRAUD Condition is replaced by the following:

FRAUD

We do not provide coverage for any insured ("insured") who has made fraudulent statements or engaged in fraudulent conduct in connection with any loss ("loss") or damage for which coverage is sought under this policy.

However, with respect to insurance provided under the COMMERCIAL AUTOMOBILE COVERAGE PART, we will provide coverage to such "insured" for damages sustained by any person who has not made fraudulent statements or engaged in fraudulent conduct if such damages are otherwise covered under the policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES – CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK

A. For policies with fixed terms in excess of one year, or policies with no stated expiration date, except as provided in paragraph **B.,** the following applies:

The premium shown in the Declarations was computed based on rates and rules in effect at the time the policy was issued. On each renewal or continuation of this policy, we will compute the premium in accordance with our rates and rules then in effect.

B. For policies with fixed terms in excess of one year, where premium is computed and paid annually, the following applies:

1. The premium shown in the Declarations was computed based on rates and rules in effect at the time the policy was issued. Such rates and rules will be used to calculate the premium at each anniversary, for the entire term of the policy, unless the specific reasons described in paragraphs **2.** or **3.** apply.

2. The premium will be computed based on the rates and rules in effect on the anniversary date of the policy only when, subsequent to the inception of the current policy period, one or more of the following occurs:

a. After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and that occurred subsequent to inception of the current policy period;

b. A material physical change in the property insured, occurring after issuance or last anniversary renewal date of the policy, causes the property to become uninsurable in accordance with underwriting standards in effect at the time the policy was issued or last renewed; or

c. A material change in the nature or extent of the risk, occurring after issuance or last anniversary renewal date of the policy, which causes the risk of "loss" to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed.

3. If, subsequent to the inception of the current policy period, the Limit of Insurance is increased, or Additional Coverages or Causes of Loss are insured, the rate and rules in effect at the time of the change will be applied to calculate the premium and will continue to apply to the change at subsequent anniversary dates.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs **1., 2., 3.** and **5.** of the **Cancellation** Common Policy Condition are replaced by the following:

1. The first Named Insured shown in the Declarations may cancel this entire policy by mailing or delivering to us advance written notice of cancellation.

2. Cancellation Of Policies In Effect

a. 60 Days Or Less

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) 30 days before the effective date of cancellation if we cancel for any reason not included in Paragraph **A.2.a.(2)** below.

(2) 15 days before the effective date of cancellation if we cancel for any of the following reasons:

(a) Nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due;

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

(c) Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a claim;

(d) After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and that occurred subsequent to inception of the current policy period;

(e) Material physical change in the property insured, occurring after issuance or last annual renewal anniversary date of the policy, that results in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting standards in effect at the time the policy was issued or last renewed; or material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, that causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;

(f) Required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, our creditors or the public;

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(g) A determination by the Superintendent that the continuation of the policy would violate, or would place us in violation of, any provision of the Insurance Code; or

(h) Where we have reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that the insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. If we cancel for this reason, you may make a written request to the Insurance Department, within 10 days of receipt of this notice, to review our cancellation decision. Also, we will simultaneously send a copy of this cancellation notice to the Insurance Department.

b. For More Than 60 Days

If this policy has been in effect for more than 60 days, or if this policy is a renewal or continuation of a policy we issued, we may cancel only for any of the reasons listed in Paragraph **A.2.a.(2)** above, provided:

(1) We mail the first Named Insured written notice at least 15 days before the effective date of cancellation; and

(2) If we cancel for nonpayment of premium, our notice of cancellation informs the first Named Insured of the amount due.

3. We will mail or deliver our notice, including the reason for cancellation, to the first Named Insured at the address shown in the policy and to the authorized agent or broker.

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.

However, when the premium is advanced under a premium finance agreement, the cancellation refund will be pro rata. Under such financed policies, we will be entitled to retain a minimum earned premium of 10% of the total policy premium or $60, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.

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

7. If one of the reasons for cancellation in Paragraph **A.2.a.(2)** or **D.2.b.(2)** exists, we may cancel this entire policy, even if the reason for cancellation pertains only to a new coverage or endorsement initially effective subsequent to the original issuance of this policy.

C. The following conditions are added:

1. Nonrenewal

If we decide not to renew this policy we will send notice as provided in Paragraph **C.3.** below.

2. Conditional Renewal

If we conditionally renew this policy subject to a:

a. Change of limits;

b. Change in type of coverage;

c. Reduction of coverage;

d. Increased deductible;

e. Addition of exclusion; or

f. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added or increased exposure units; or as a result of experience rating, loss rating, retrospective rating or audit;

we will send notice as provided in Paragraph **C.3.** below.

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 **C.1.** and **C.2.** above, we will mail or deliver written notice to the first Named Insured shown in the Declarations at least 60 but not more than 120 days before:

(1) The expiration date; or

(2) The anniversary date if this is a continuous policy.

b. Notice will be mailed or delivered to the first Named Insured at the address shown in the policy and to the authorized agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice.

c. Notice will include the specific reason(s) for nonrenewal or conditional renewal, including the amount of any premium increase for conditional renewal and description of any other changes.

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d. If we violate any of the provisions of Paragraph **C.3.a., b.** or **c.** above by sending the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice:

(1) Coverage will remain in effect at the same terms and conditions of this policy at the lower of the current rates or the prior period's rates until 60 days after such notice is mailed or delivered, unless the first Named Insured, during this 60 day period, has replaced the coverage or elects to cancel.

(2) On or after the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy for another policy period, at the lower of the current rates or the prior period's rates, unless the first Named Insured, during this additional policy period, has replaced the coverage or elects to cancel.

e. If you elect to renew on the basis of a late conditional renewal notice, the terms, conditions and rates set forth in such notice shall apply:

(1) Upon expiration of the 60 day period; or

(2) Notwithstanding the provisions in Paragraphs **d.(1)** and **d.(2),** as of the renewal date of the policy if we send the first Named Insured the conditional renewal notice at least 30 days prior to the expiration or anniversary date of the policy.

f. We will not send you notice of nonrenewal or conditional renewal if you, your authorized agent or broker or another insurer of yours mails or delivers notice that the policy has been replaced or is no longer desired.

D. The following provisions apply when the Commercial Property Coverage Part, the Farm Coverage Part or the Capital Assets Program (Output Policy) Coverage Part is made a part of this policy:

1. Items **D.2.** and **D.3.** apply if this policy meets the following conditions:

a. The policy is issued or issued for delivery in New York State covering property located in this state; and

b. The policy insures:

(1) For loss of or damage to structures, other than hotels or motels, used predominantly for residential purposes and consisting of no more than four dwelling units; or

(2) For loss of or damage to personal property other than farm personal property or business property; or

(3) Against damages arising from liability for loss of, damage to or injury to persons or property, except liability arising from business or farming; and

c. The portion of the annual premium attributable to the property and contingencies described in **1.b.** exceeds the portion applicable to other property and contingencies.

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

2. Procedure And Reasons For Cancellation

a. We may cancel this entire policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) 15 days before the effective date of cancellation if we cancel for nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due; or

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

b. But if this policy:

(1) Has been in effect for more than 60 days; or

(2) Is a renewal of a policy we issued:

we may cancel this policy only for one or more of the following reasons:

(1) Nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due;

(2) Conviction of a crime arising out of acts increasing the risk of loss;

(3) Discovery of fraud or material misrepresentation in obtaining the policy or in making a claim;

(4) Discovery of willful or reckless acts or omissions increasing the risk of loss;

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(5) Physical changes in the covered property that make that property uninsurable in accordance with our objective and uniformly applied underwriting standards in effect when we:

(a) Issued the policy; or

(b) Last voluntarily renewed the policy;

(6) The Superintendent of Insurance's determination that continuing the policy would violate Chapter 28 of the Insurance Law; or

(7) Required pursuant to a determination by the Superintendent of Insurance that the continuation of our present premium volume would be hazardous to the interests of our policyholders, our creditors or the public.

3. The following are added:

a. Conditional Continuation

Instead of cancelling this policy, we may continue it on the condition that:

(1) The policy limits be changed; or

(2) Any coverage not required by law be eliminated.

If this policy is conditionally continued, we will mail or deliver to the first Named Insured written notice at least 20 days before the effective date of the change or elimination. 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. Delivery of the notice will be the same as mailing.

b. Nonrenewal

If, as allowed by the laws of New York State, we:

(1) Do not renew this policy; or

(2) Condition policy renewal upon:

(a) Change of limits; or

(b) Elimination of coverage;

we will mail or deliver written notice of nonrenewal or conditional renewal:

(a) At least 45 days; but

(b) Not more than 60 days;

before the expiration date of the policy. 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. Delivery of the notice will be the same as mailing.

E. The following is added to the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions, the Commercial Property Coverage Part and the Capital Assets Program (Output Policy) Coverage Part:

When the property is subject to the Anti-Arson Application in accordance with New York Insurance Department Regulation No. 96, the following provisions are added:

If you fail to return the completed, signed and affirmed anti-arson application to us:

1. Or our broker or agent within 45 days of the effective date of a new policy, we will cancel the entire policy by giving 20 days' written notice to you and to the mortgageholder shown in the Declarations.

2. Before the expiration date of any policy, we will cancel the policy by giving written notice to you and to the mortgageholder shown in the Declarations at least 15 days before the effective date of cancellation.

The cancellation provisions set forth in **E.1.** and **E.2.** above supersede any contrary provisions in this policy including this endorsement.

If the notice in **E.1.** or **E.2.** above is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.

F. The following applies to the Commercial Property Coverage Part, the Farm Coverage Part and the Capital Assets Program (Output Policy) Coverage Part:

Paragraphs **f.** and **g.** of the **Mortgageholders** Condition are replaced by the following:

f. Cancellation

(1) If we cancel this policy, we will give written notice to the mortgageholder at least:

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

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

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(2) If you cancel this policy, we will give written notice to the mortgageholder. With respect to the mortgageholder's interest only, cancellation will become effective on the later of:

(a) The effective date of cancellation of the insured's coverage; or

(b) 10 days after we give notice to the mortgageholder.

g. Nonrenewal

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

(2) If you elect not to renew this policy, we will give written notice to the mortgageholder. With respect to the mortgageholder's interest only, nonrenewal will become effective on the later of:

(a) The expiration date of the policy; or

(b) 10 days after we give notice to the mortgageholder.

G. The following provisions apply when the following are made a part of this policy:

Commercial General Liability Coverage Part
Employment-Related Practices Liability Coverage Part
Farm Liability Coverage Form
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

1. The aggregate limits of this policy as shown in the Declarations will be increased in proportion to any policy extension provided in accordance with Paragraph **C.3.d.** above.

2. The last sentence of Limits Of Insurance does not apply when the policy period is extended because we sent the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Cyber Exclusion

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
PUBLIC OFFICIALS LIABILITY POLICY
LAW ENFORCEMENT LIABILITY
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

This insurance does not cover any loss, liability cost, damage, expense, fine or penalty resulting from or arising out of or related to, either directly or indirectly, in whole or in part, by:

> Unauthorized access, theft, alteration, corruption or disclosure of confidential, intellectual, proprietary or personal information and data including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion also excludes any liability for any loss, cost, damage, expense, fine or penalty, loss of use of, corruption of, inability to access, reduction in functionality, directly or indirectly caused by or contributed to or resulting from the following non-exhaustive list of events regardless of any other cause or other event contributing concurrently or in any other sequence to the loss, liability cost, damage, expense, fine or penalty:

a) damage to or loss of data occurring on computer systems,
b) an unauthorized access of computer systems,
c) computer malware on computer systems,
d) human error affecting computer systems,
e) system failure occurring on computer systems,
f) a defect of computer systems,
g) social engineering, or
h) cyber extortion.

This exclusion applies even if loss, damages or expenses are claimed for notification costs, credit monitoring and repair expenses, forensic expenses, public relation expenses or any other loss, damage or expense incurred arising out of any access to or disclosure of any person’s or organization’s confidential, intellectual, proprietary or personal information and data.

All other policy terms and conditions remain unchanged.

GOVERNMENT CRIME COVERAGE FORM (LOSS SUSTAINED FORM)

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 **F.** Definitions.

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit Of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations, except as provided in Condition **E.1.j.** or **E.1.k.,** which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition **E.1.f.:**

1. Employee Theft – Per Loss Coverage

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. Employee Theft – Per Employee Coverage

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by each "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.

3. Forgery Or Alteration

a. We will pay for loss resulting directly 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 **3.a.,** on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay for such legal expenses is in addition to the Limit of Insurance applicable to this Insuring Agreement.

4. Inside The Premises – Theft Of Money And Securities

We will pay for:

a. Loss of "money" and "securities" inside the "premises" or "financial institution premises":

(1) Resulting directly from "theft" committed by a person present inside such "premises" or "financial institution premises"; or

(2) Resulting directly from disappearance or destruction.

b. 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. 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.

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5. Inside The Premises – Robbery Or Safe Burglary Of Other Property

We will pay for:

a. Loss of or damage to "other property":

(1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or

(2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".

b. Loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.

c. Loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

6. Outside The Premises

We will pay for:

a. 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.

b. Loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

7. Computer And Funds Transfer Fraud

a. We will pay for:

(1) Loss resulting directly from a fraudulent:

(a) Entry of "electronic data" or "computer program" into; or

(b) Change of "electronic data" or "computer program" within;

any "computer system" owned, leased or operated by you, provided the fraudulent entry or fraudulent change causes, with regard to Paragraphs **7.a.(1)(a)** and **7.a.(1)(b):**

(i) "Money", "securities" or "other property" to be transferred, paid or delivered; or

(ii) Your account at a "financial institution" to be debited or deleted.

(2) Loss resulting directly from a "fraudulent instruction" directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that account.

b. As used in Paragraph **7.a.(1),** fraudulent entry or fraudulent change of "electronic data" or "computer program" shall include such entry or change made by an "employee" acting, in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a "computer system" covered under this Insuring Agreement.

8. Money Orders And Counterfeit Money

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

a. Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or

b. "Counterfeit money" that is acquired during the regular course of business.

B. Limit Of Insurance

The most we will pay for all loss resulting directly from an "occurrence" is the applicable Limit Of Insurance shown in the Declarations.

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.

C. Deductible

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

D. Exclusions

1. This insurance does not cover:

a. Acts Committed By You

Loss resulting from "theft" or any other dishonest act committed by you, whether acting alone or in collusion with other persons.

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b. Acts Committed By Your 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 officials, not in collusion with the "employee", learned of such "theft" or dishonest act prior to the Policy Period shown in the Declarations.

c. Acts Committed By Your Officials, Employees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of your officials, "employees" 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.** or **A.2.**

d. Confidential Or Personal Information

Loss resulting from:

(1) The disclosure or use of another person's or organization's confidential or personal information; or

(2) The disclosure of your confidential or personal information. However, this Paragraph **1.d.(2)** does not apply to loss otherwise covered under this insurance that results directly from the use of your confidential or personal information.

For the purposes of this exclusion, confidential or personal information includes, but is not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

e. Data Security Breach

Fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

f. Governmental Action

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

g. Indirect Loss

Loss that is an indirect result of an "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 damage to "money", "securities" or "other property";

(2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance; or

(3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

h. 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.3.**

i. Nuclear Hazard

Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

j. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of 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.

k. Virtual Currency

Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

l. War And Similar Action

Loss or damage resulting from:

(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. Insuring Agreements **A.1.** and **A.2.** do not cover:

a. Bonded Employees

Loss caused by any "employee" required by law to be individually bonded.

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 and loss computation.

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

c. Trading

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

d. Treasurers Or Tax Collectors

Loss caused by any treasurer or tax collector by whatever name known.

3. Insuring Agreements **A.4., A.5.** and **A.6.** do not cover:

a. Accounting Or Arithmetical Errors Or Omissions

Loss resulting from 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 semitrailers or equipment and accessories attached to them.

f. Transfer Or Surrender Of Property

(1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "financial institution premises":

(a) On the basis of unauthorized instructions; or

(b) As a result of a threat including, but not limited to:

(i) A threat to do bodily harm to any person;

(ii) A threat to do damage to any property;

(iii) A threat to introduce a denial of service attack into any "computer system";

(iv) A threat to introduce a virus or other malicious instruction into any "computer system" which is designed to damage, destroy or corrupt "electronic data" or "computer programs" stored within the "computer system"; or

(v) A threat to disseminate, divulge or utilize:

i. Your confidential information;

ii. Confidential or personal information of another person or organization; or

iii. Weaknesses in the source code within any "computer system".

(2) However, this exclusion does not apply under Insuring Agreement **A.6.** to loss of "money", "securities" or "other property" 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

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(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 else 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. Insuring Agreement **A.7.** does not cover:

a. Authorized Access

Loss resulting from a fraudulent:

(1) Entry of "electronic data" or "computer program" into; or

(2) Change of "electronic data" or "computer program" within;

any "computer system" owned, leased or operated by you by a person or organization with authorized access to that "computer system", except when covered under Insuring Agreement **A.7.b.**

b. 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.

c. Exchanges Or Purchases

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

d. Fraudulent Instructions

Loss resulting from an "employee" or "financial institution" acting upon any instruction to:

(1) Transfer, pay or deliver "money", "securities" or "other property"; or

(2) Debit or delete your account;

which instruction proves to be fraudulent, except when covered under Insuring Agreement **A.7.a.(2)** or **A.7.b.**

e. 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 and loss computation.

E. 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", such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" is not required, and no additional premium will be charged for the remainder of the Policy Period shown in the 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 conceals or misrepresents 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. Cooperation

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

d. 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 Agreement **A.1., A.2.** or **A.3.**) involves a violation of law, you must also notify the local law enforcement authorities;

(2) Give us a detailed, sworn proof of loss within 120 days;

(3) Cooperate with us in the investigation and settlement of any claim;

(4) Produce for our examination all pertinent records;

(5) Submit to examination under oath at our request and give us a signed statement of your answers; and

(6) Secure all of your rights of recovery against any person or organization responsible for the loss and do nothing to impair those rights.

e. Employee Benefit Plans

The employee benefit plans shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement **A.1.** or **A.2.,** subject to the following:

(1) Any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.

(2) The Deductible Amount applicable to Insuring Agreement **A.1.** or **A.2.** does not apply to loss sustained by any Plan.

f. 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 no later than one year 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 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.

g. 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 official 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 are cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you no later than one year 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.

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

(6) Payment by us to the first Named Insured for loss sustained by any Insured, or payment by us to any employee benefit plan for loss sustained by that Plan, shall fully release us on account of such loss.

h. 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 two 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.

i. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this insurance.

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j. Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate

(1) Loss Sustained Partly During This Insurance And Partly During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place:

(a) Partly during the Policy Period shown in the Declarations; and

(b) Partly during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the policy period(s) of the prior insurance.

(2) Loss Sustained Entirely During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place entirely during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

(a) This insurance became effective at the time of cancellation of the prior insurance; and

(b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the policy period(s) of any other prior insurance.

(3) In settling loss under Paragraphs **j.(1)** and **j.(2):**

(a) The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

(b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under this insurance. If no loss was sustained under this insurance, we will apply the Deductible Amount shown in the Declarations to the amount of loss sustained under the most recent prior insurance.

If the Deductible Amount is larger than the amount of loss sustained under this insurance, or the most recent prior insurance, we will apply the remaining Deductible Amount to the remaining amount of loss sustained during the prior insurance.

We will not apply any other Deductible Amount that may have been applicable to the loss.

(4) The following examples demonstrate how we will settle losses subject to this condition:

Example Number 1

The Insured sustained a covered loss of $10,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B.**

Policy A

The current policy. Written at a Limit of Insurance of $50,000 and a Deductible Amount of $5,000.

Policy B

Issued prior to Policy **A.** Written at a Limit of Insurance of $50,000 and a Deductible Amount of $5,000.

Settlement Of Loss

The amount of loss sustained under Policy **A** is $2,500 and under Policy **B,** $7,500.

The highest single Limit of Insurance applicable to this entire loss is $50,000 written under Policy **A.** The Policy **A** Deductible Amount of $5,000 applies. The loss is settled as follows:

(a) The amount of loss sustained under Policy **A** ($2,500) is settled first. The amount we will pay is nil ($0.00) because the amount of loss is less than the Deductible Amount (i.e., $2,500 loss - $5,000 deductible = $0.00).

(b) The remaining amount of loss sustained under Policy **B** ($7,500) is settled next. The amount recoverable is $5,000 after the remaining Deductible Amount from Policy **A** of $2,500 is applied to the loss (i.e., $7,500 loss - $2,500 deductible = $5,000).

The most we will pay for this loss is $5,000.

Example Number 2

The Insured sustained a covered loss of $250,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B.**

Policy A

The current policy. Written at a Limit of Insurance of $125,000 and a Deductible Amount of $10,000.

Policy B

Issued prior to Policy **A.** Written at a Limit of Insurance of $150,000 and a Deductible Amount of $25,000.

Settlement Of Loss

The amount of loss sustained under Policy **A** is $175,000 and under Policy **B,** $75,000.

The highest single Limit of Insurance applicable to this entire loss is $150,000 written under Policy **B.** The Policy **A** Deductible Amount of $10,000 applies. The loss is settled as follows:

(a) The amount of loss sustained under Policy **A** ($175,000) is settled first. The amount we will pay is the Policy **A** Limit of $125,000 because $175,000 loss - $10,000 deductible = $165,000, which is greater than the $125,000 policy limit.

(b) The remaining amount of loss sustained under Policy **B** ($75,000) is settled next. The amount we will pay is $25,000 (i.e., $150,000 Policy **B** limit - $125,000 paid under Policy **A** = $25,000).

The most we will pay for this loss is $150,000.

Example Number 3

The Insured sustained a covered loss of $2,000,000 resulting directly from an "occurrence" taking place during the terms of Policies **A, B, C** and **D.**

Policy A

The current policy. Written at a Limit of Insurance of $1,000,000 and a Deductible Amount of $100,000.

Policy B

Issued prior to Policy **A.** Written at a Limit of Insurance of $750,000 and a Deductible Amount of $75,000.

Policy C

Issued prior to Policy **B.** Written at a Limit of Insurance of $500,000 and a Deductible Amount of $50,000.

Policy D

Issued prior to Policy **C.** Written at a Limit of Insurance of $500,000 and a Deductible Amount of $50,000.

Settlement Of Loss

The amount of loss sustained under Policy **A** is $350,000; under Policy **B,** $250,000; under Policy **C,** $600,000; and under Policy **D,** $800,000.

The highest single Limit of Insurance applicable to this entire loss is $1,000,000 written under Policy **A.** The Policy **A** Deductible Amount of $100,000 applies. The loss is settled as follows:

(a) The amount of loss sustained under Policy **A** ($350,000) is settled first. The amount we will pay is $250,000 (i.e., $350,000 loss - $100,000 deductible = $250,000).

(b) The amount of loss sustained under Policy **B** ($250,000) is settled next. The amount we will pay is $250,000 (no deductible is applied).

(c) The amount of loss sustained under Policy **C** ($600,000) is settled next. The amount we will pay is $500,000, the policy limit (no deductible is applied).

(d) We will not make any further payment under Policy **D,** as the maximum amount payable under the highest single Limit of Insurance applying to the loss of $1,000,000 under Policy **A** has been satisfied.

The most we will pay for this loss is $1,000,000.

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k. Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate

(1) If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place during the policy period of any prior cancelled insurance that was issued to you or a predecessor in interest by another company, and the period of time to discover loss under that insurance had expired, we will pay for the loss under this insurance, provided:

(a) This insurance became effective at the time of cancellation of the prior insurance; and

(b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

(2) In settling loss subject to this condition:

(a) The most we will pay for the entire loss is the lesser of the Limits of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior cancelled insurance.

(b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under the cancelled insurance.

(3) The insurance provided under this condition is subject to the following:

(a) If loss covered under this condition is also partially covered under Condition **E.1.j.,** the amount recoverable under this condition is part of, not in addition to, the amount recoverable under Condition **E.1.j.**

(b) For loss covered under this condition that is not subject to Paragraph **k.(3)(a),** the amount recoverable under this condition is part of, not in addition to, the Limit of Insurance applicable to the loss covered under this insurance and is limited to the lesser of the amount recoverable under:

(i) This insurance as of its effective date; or

(ii) The prior cancelled insurance had it remained in effect.

l. 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 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 **I.(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;

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 by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

m. Ownership Of Property; Interests Covered

The property covered under this insurance is limited to property:

(1) That you own or lease;

(2) That is held by you in any capacity; or

(3) For which you are legally liable, provided you were liable for the property prior to the time the loss was sustained.

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.

n. Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

o. Recoveries

(1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or by 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.

p. Territory

This insurance covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions) and Puerto Rico.

q. 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.

r. Valuation – Settlement

The value of any loss for purposes of coverage under this Policy shall be determined as follows:

(1) Money

Loss of "money" but only up to and including its face value.

(2) Securities

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:

(a) Pay the market 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

(b) 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) Market value of the "securities" at the close of business on the day the loss was "discovered"; or

(ii) Limit of Insurance applicable to the "securities".

(3) Property Other Than Money And Securities

(a) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. 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 property of comparable material and quality and used for the same purpose; or

(iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

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(b) We will not pay on a replacement cost basis for any loss or damage to property covered under Paragraph **r.(3)(a):**

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

(ii) Unless the repair or replacement is 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.

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

2. Conditions Applicable To Insuring Agreements A.1. And A.2.

a. Indemnification

We will indemnify any of your officials who are required by law to give individual bonds for the faithful performance of their duties against loss through "theft" committed by "employees" who serve under them, subject to the applicable Limit of Insurance.

b. Termination As To Any Employee

These Insuring Agreements terminate as to any "employee":

(1) As soon as:

(a) You; or

(b) Any of your officials or employees authorized to manage, govern or control your "employees" 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; or

(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.

c. Territory

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

3. Conditions Applicable To Insuring Agreement A.3.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement **A.3.**

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 that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.3.**

4. Conditions Applicable To Insuring Agreements A.5. And A.6.

a. Armored Motor Vehicle Companies

Under Insuring Agreement **A.6.,** we will only pay for the amount of loss you cannot recover:

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

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

b. 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.

5. Conditions Applicable To Insuring Agreement A.7.

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. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.7.**

F. Definitions

1. "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".

2. "Computer system" means:

a. Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;

b. Systems and applications software; and

c. Related communications networks;

by which "electronic data" is collected, transmitted, processed, stored or retrieved.

3. "Counterfeit money" means an imitation of "money" which is intended to deceive and to be taken as genuine.

4. "Custodian" means you 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. "Electronic data" means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

7. "Employee":

a. 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) Whom you compensate directly by salary, wages or commissions; and

(c) Whom 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 **7.a.(1),** 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;

(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 **7.a.(2);**

(4) Any natural person who is:

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

(b) Your official while that person is engaged in handling "money", "securities" or "other property" of any employee benefit plan;

(5) Any natural person who is a former official, "employee" or trustee retained by you as a consultant while performing services for you; and

(6) Any natural person who is a guest student or intern pursuing studies or duties.

b. Does not mean:

Any agent, independent contractor or representative of the same general character not specified in Paragraph **7.a.**

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8. "Financial institution" means:

a. With regard to Insuring Agreement **A.4.:**

(1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or

(2) An insurance company.

b. With regard to Insuring Agreement **A.7.:**

(1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution;

(2) An insurance company; or

(3) A stock brokerage firm or investment company.

c. Other than Insuring Agreements **A.4.** and **A.7.,** any financial institution.

9. "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution" as defined in Paragraph **F.8.a.**

10. "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.

11. "Fraudulent instruction" means:

a. With regard to Insuring Agreement **A.7.a.(2):**

(1) A computer, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", which instruction purports to have been issued by you, but which in fact was fraudulently issued by someone else without your knowledge or consent; or

(2) A written instruction (other than those covered under Insuring Agreement **A.3.**) issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.

b. With regard to Insuring Agreement **A.7.b.:**

A computer, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under the Insuring Agreement, which instruction in fact was fraudulently issued by your computer software contractor.

12. "Messenger" means you or any "employee" while having care and custody of property outside the "premises".

13. "Money" means:

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

b. Traveler's checks and money orders held for sale to the public; and

c. In addition, includes:

(1) Under Insuring Agreements **A.1., A.2.** and **A.3.,** deposits in your account at any "financial institution"; and

(2) Under Insuring Agreement **A.7.,** deposits in your account at a "financial institution" as defined in Paragraph **F.8.b.**

14. "Occurrence" means:

a. Under Insuring Agreement **A.1.:**

(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, except as provided under Condition **E.1.j.** or **E.1.k.**

b. Under Insuring Agreement **A.2.:**

(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 each "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.j.** or **E.1.k.**

c. Under Insuring Agreement **A.3.:**

(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, except as provided under Condition **E.1.j.** or **E.1.k.**

d. 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, except as provided under Condition **E.1.j.** or **E.1.k.**

15. "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 specifically excluded under this insurance.

16. "Premises" means the interior of that portion of any building you occupy in conducting your business.

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

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

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

18. "Safe burglary" means the unlawful taking of:

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

b. A safe or vault from inside the "premises".

19. "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".

20. "Theft" means the unlawful taking of property to the deprivation of the Insured.

21. "Transfer account" means an account maintained by you at a "financial institution" from which you can initiate the transfer, payment or delivery of "money" or "securities":

a. By means of computer, telefacsimile, telephone or other electronic instructions; or

b. By means of written instructions (other than those covered under Insuring Agreement **A.3.**) establishing the conditions under which such transfers are to be initiated by such "financial institutions" through an electronic funds transfer system.

22. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

A. The following is added to Exclusion **D.1.b. Acts Committed By Your Employees Learned Of By You Prior To The Policy Period:**

However, this Paragraph **D.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.

B. Under Section **E. Conditions:**

1. The following condition is added to Paragraph **1. Conditions Applicable To All Insuring Agreements:**

Estimation Of Claims

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 30 days after your request or its preparation, whichever is later.

2. Paragraph **(1)** of the **Termination As To Any Employee** Condition is replaced by the following and supersedes any provision in this condition to the contrary:

This insurance 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.

However, this Paragraph **(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 factors set out in New York Correction Law Article 23-A; or

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE TREASURERS OR TAX COLLECTORS AS EMPLOYEES

This endorsement modifies insurance provided under the following:

GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

SCHEDULE

Treasurers Or Tax Collectors
All Treasurers or Tax Collectors employed by the Named Insured
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

1. The definition of "employee" is amended to include your treasurers or tax collectors shown in the Schedule.

2. Exclusion **D.2.d. Treasurers Or Tax Collectors** is deleted.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADD FAITHFUL PERFORMANCE OF DUTY COVERAGE FOR GOVERNMENT EMPLOYEES

This endorsement modifies insurance provided under the following:

GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

and applies to the Insuring Agreements designated below:

SCHEDULE

Insuring Agreement		Limit Of Insurance
X	**Employee Theft – Per Loss Coverage**	$25,000
	Employee Theft – Per Employee Coverage	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

1. The following is added to the Employee Theft Insuring Agreement designated above:

We will pay for loss or damage to "money", "securities" and "other property" resulting directly from the failure of any "employee" to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your covered property. The most we will pay for loss arising out of any one "occurrence" is the Limit Of Insurance shown in the Schedule. That Limit is part of, not in addition to, the Limit Of Insurance shown in the Declarations.

2. The following exclusions are added to Section **D.2. Exclusions:**

a. Loss resulting from the failure of any entity acting as a depository for your property or property for which you are responsible.

b. Damages for which you are legally liable as a result of:

(1) The deprivation or violation of the civil rights of any person by an "employee"; or

(2) The tortious conduct of an "employee", except the conversion of property of other parties held by you in any capacity.

3. The **Indemnification** Condition is replaced by the following:

We will indemnify any of your officials who are required by law to give bonds for the faithful performance of their duties against loss through the failure of any "employee" under the supervision of that official to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your covered property.

4. Paragraph **(1)** of the **Termination As To Any Employee** Condition is replaced by the following:

(1) As soon as:

(a) You; or

(b) Any official or employee authorized to manage, govern or control your "employees" not in collusion with the "employee";

learn of any act committed by the "employee" whether before or after becoming employed by you which would constitute a loss covered under the terms of the Employee Theft Insuring Agreement, as amended by this endorsement.

5. The coverage provided by this endorsement does not apply to any employee benefit plan(s) covered under the Employee Theft Insuring Agreement shown in the Schedule.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADD SCHEDULE EXCESS LIMIT OF INSURANCE FOR SPECIFIED EMPLOYEES OR POSITIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

and applies to the Employee Theft Insuring Agreement:

SCHEDULE

Item No.	Name Schedule Coverage	
	Names Of Covered "Employees"	**Excess Limit Of Insurance Each "Employee"**

Item No.	Position Schedule Coverage			
	Titles Of Covered Positions	**Locations Of Covered Positions**	**Number Of "Employees" Each Position**	**Excess Limit Of Insurance Each "Employee"**
	Supervisor		1	$100,000
	Tax Collector		1	$150,000

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

1. The Excess Limit Of Insurance shown in the Schedule applies to each "employee" who is named or who holds a position shown in the Schedule opposite that limit.

2. The Excess Limit of Insurance applies only to that part of any covered loss that exceeds the Limit Of Insurance shown in the Declarations for the Employee Theft Insuring Agreement plus any applicable Deductible Amount.

3. The Excess Limit of Insurance applies only to loss caused by an identified "employee".

4. If the Excess Limit of Insurance is scheduled on a position basis, the most we will pay for an "employee" holding more than one position is the largest Excess Limit of Insurance in effect and applicable to any one of those positions at the time of loss.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADD FAITHFUL PERFORMANCE OF DUTY COVERAGE FOR SPECIFIED GOVERNMENT EMPLOYEES OR POSITIONS

This endorsement modifies insurance provided under the following:

GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

and applies to the Employee Theft – Name Or Position Schedule Insuring Agreement:

1. The following is added to the Employee Theft – Name Or Position Schedule Insuring Agreement:

We will pay for loss or damage to "money", "securities" and "other property" resulting directly from the failure of any "employee" to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your covered property.

2. The following exclusions are added to Section **D.2. Exclusions:**

a. Loss resulting from the failure of any entity acting as a depository for your property or property for which you are responsible.

b. Damages for which you are legally liable as a result of:

(1) The deprivation or violation of the civil rights of any person by an "employee"; or

(2) The tortious conduct of an "employee", except the conversion of property of other parties held by you in any capacity.

3. The **Indemnification** Condition is replaced by the following:

We will indemnify any of your officials who are required by law to give bonds for the faithful performance of their duties against loss through the failure of any "employee" under the supervision of that official to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your covered property.

4. Paragraph **(1)** of the **Termination As To Any Employee** Condition is replaced by the following:

(1) As soon as:

(a) You; or

(b) Any official or employee authorized to manage, govern or control your "employees" not in collusion with the "employee";

learn of any act committed by the "employee" whether before or after becoming employed by you which would constitute a loss covered under the terms of the Employee Theft – Name Or Position Schedule Insuring Agreement, as amended by this endorsement.

5. The coverage provided by this endorsement does not apply to any employee benefit plan(s) covered under the Employee Theft Name Or Position Schedule Insuring Agreement.

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COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section **II** – Who Is An Insured.

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

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

(1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

b. This insurance applies to "bodily injury" and "property damage" only if:

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

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

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

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

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of 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.

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e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

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

b. Contractual Liability

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

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

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

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

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

d. Workers' Compensation And Similar Laws

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

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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

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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 from equipment used to heat that building;

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

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

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

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

(i) Any insured; or

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

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

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

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

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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

g. Aircraft, Auto Or Watercraft

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

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

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

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

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

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.

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

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

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

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

k. Damage To Your Product

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

l. Damage To Your Work

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

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

m. Damage To Impaired Property Or Property Not Physically Injured

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

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

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

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

n. Recall Of Products, Work Or Impaired Property

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

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

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

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III** – Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

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

(1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance ; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

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

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

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

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of websites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a., b.** and **c.** of "personal and advertising injury" under the Definitions Section.

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

k. Electronic 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.

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l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

(1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(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".

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 one year 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 taking part in athletics.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage **A.**

h. War

Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. Up to $250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.

e. All costs taxed against the insured in the "suit".

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.

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SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

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

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

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

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

(2) Until your legal representative has been appointed.

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

3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway 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 equipment, 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 driving the equipment; 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.

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

SECTION III – LIMITS OF INSURANCE

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

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

a. Medical expenses under Coverage **C;**

b. Damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

c. Damages under Coverage **B.**

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to **2.** above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

a. Damages under Coverage **A;** and

b. Medical expenses under Coverage **C**

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

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

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

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

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

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

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

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

(2) Notify us as soon as practicable.

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

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

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

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

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

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **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.

b. Excess Insurance

This insurance is excess over:

(1) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(d) 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.

(2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

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

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

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3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

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

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **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 a "suit" on the merits, in the territory described in **a.** above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

a. The repair, replacement, adjustment or removal of "your product" or "your work"; or

b. Your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

b. A sidetrack agreement;

c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

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

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

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

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

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

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

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **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.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; or

g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

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15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

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

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

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

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

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

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

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

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

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b. Includes

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

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AMENDMENT OF OTHER INSURANCE CONDITION (OCCURRENCE VERSION)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART (OCCURRENCE VERSION)

Paragraph **4.b.** of the **Other Insurance** Condition **– (Section IV – Commercial General Liability Conditions)** is replaced by the following:

4. Other Insurance

b. Excess Insurance

This insurance is excess over:

(1) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner; or

(c) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of COVERAGE **A** (SECTION **I**).

(2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

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.

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NEW YORK CHANGES – PREMIUM AUDIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph **b.** of the **Premium Audit** Condition **(Section IV)** is replaced by the following:

5. Premium Audit

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. 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. But the audit may be waived if the total annual premium attributable to the auditable exposure base is not reasonably expected to exceed $1500. 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.

B. Except as provided in Paragraph **A.** above, the **Examination Of Your Books And Records** Common Policy Condition continues to apply.

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NEW YORK CHANGES – COMMERCIAL GENERAL LIABILITY COVERAGE FORM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Paragraph **1. Insuring Agreement** of Section **I – Coverage A Bodily Injury And Property Damage Liability** is replaced by the following:

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 even if the allegations of the "suit" are groundless, false or fraudulent. 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 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 "bodily injury" and "property damage" only if:

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

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

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

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

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of 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

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(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

B. Paragraph **1.a.** of Section **I – Coverage B Personal And Advertising Injury Liability** is replaced by the following:

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 even if the allegations of the "suit" are groundless, false or fraudulent. 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** and **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.**

C. The following is added as Paragraph **e.** to the **Duties In The Event Of Occurrence, Offense, Claim Or Suit** Condition (Paragraph **2.** of **Section IV – Commercial General Liability Conditions**):

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

e. Notice given by or on behalf of the insured, or written notice by or on behalf of the injured 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.

D. Paragraph **3.** of **Section IV – Commercial General Liability** Conditions is replaced by the following:

3. Legal Action Against Us

a. Except as provided in Paragraph **b.,** no person or organization has a right under this Coverage Part:

(1) To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

(2) 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.

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.

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E. The following provision is added and supersedes any provision to the contrary:

Failure to give notice to us 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.

F. The definition of "loading or unloading" in the **Definitions** Section does not apply.

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NEW YORK CHANGES – VOLUNTEER FIREFIGHTERS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section **I** – Coverages):

This insurance does not apply to "bodily injury" to any volunteer firefighter who is performing any duty or activity that is described in subdivision 1 of Section 5 of the New York Volunteer Firefighters' Benefit Law.

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ADDITIONAL INSURED – VOLUNTEERS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

WHO IS AN INSURED (Section II) is amended to include as an insured any person(s) who are volunteer worker(s) for you, but only while acting at the direction of, and within the scope of their duties for you. However, no volunteer(s) are insureds for:

1. "Bodily injury" to:

a. Co-volunteers or your employees arising out of and in the course of their duties for you, or

b. You or, if you are a partnership or joint venture, any partner or member;

2. "Property damage" to property owned, occupied or used by, rented to, in the care, custody, or control of, or over which physical control is being exercised for any purpose by:

a. A co-volunteer or your employee; or

b. You or, if you are a partnership or joint venture, any partner or member.

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ADDITIONAL INSURED – ELECTIVE OR APPOINTIVE EXECUTIVE OFFICERS OF PUBLIC CORPORATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

WHO IS AN INSURED (Section II) is amended to include as an insured any elective or appointive officer or a member of any board or commission or agency of yours while acting within the scope of their duties as such.

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EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – LIMITED BODILY INJURY EXCEPTION NOT INCLUDED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion **2.p.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

(1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

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

B. The following is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

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

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COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

b. Testing for a communicable disease;

c. Failure to prevent the spread of the disease; or

d. Failure to report the disease to authorities.

B. The following exclusion is added to Paragraph **2. Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

b. Testing for a communicable disease;

c. Failure to prevent the spread of the disease; or

d. Failure to report the disease to authorities.

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EXCLUSION – LAW ENFORCEMENT ACTIVITIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph **2., Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of any act or omission resulting from law enforcement activities of your police department or any of your other law enforcement agencies, including their agents or "employees".

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EXCLUSION – DESCRIBED HAZARDS (CARNIVALS, CIRCUSES AND FAIRS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

With respect to the operations of any carnival, circus, or fair, this insurance does not apply to:

1. "Bodily injury" or "property damage" arising out of any mechanically operated amusement device; or

2. "Bodily injury" to any person while practicing for or participating in any sports or athletic contest or exhibition that you sponsor.

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WAIVER OF GOVERNMENTAL IMMUNITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

We will waive, both in the adjustment of claims and in the defense of "suits" against the insured, any governmental immunity of the insured, unless the insured requests in writing that we not do so.

Waiver of immunity as a defense will not subject us to liability for any portion of a claim or judgment in excess of the applicable limit of insurance.

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AMENDMENT- AGGREGATE LIMITS OF INSURANCE (PER LOCATION)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

The General Aggregate Limit under LIMITS OF INSURANCE (Section III) applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

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NEW YORK CHANGES – TRANSFER OF DUTIES WHEN A LIMIT OF INSURANCE IS USED UP

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following Condition is added to COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):

Transfer of Duties When a Limit of Insurance Is Used Up.

a. If we conclude that, based on "occurrences," offenses, claims or "suits" which have been reported to us and to which this insurance may apply, the:

(1) General Aggregate Limit (other than the Products/Completed Operations Aggregate Limit);

(2) Products/Completed Operations Aggregate Limit;

(3) Personal and Advertising Injury Limit;

(4) Each Occurrence Limit; or

(5) Fire Damage Limit

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.

b. When a limit of insurance described in paragraph **a.** above has actually been used up in the payment of judgments or settlements:

(1) We will notify the first Named Insured, in writing, as soon as practicable, that:

(a) Such a limit has actually been used up; and

(b) Our duty to defend "suits" seeking damages subject to that limit has also ended.

(2) 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.

(3) 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.

c. The first Named Insured will reimburse us for expenses we incur in taking those steps we deem appropriate in accordance with paragraph **b.(2)** above.

The duty of the first Named Insured to reimburse us will begin on:

(1) The date on which the applicable limit of insurance is used up, if we sent notice in accordance with paragraph **a.** above; or

(2) The date on which we sent notice in accordance with paragraph **b.(1)** above, if we did not send notice in accordance with paragraph a. above.

d. 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.

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NEW YORK CHANGES – LEGAL ACTION AGAINST US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The LEGAL ACTION AGAINST US Condition (Section **IV**) is replaced by the following:

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.

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EXCLUSION – PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Perfluoroalkyl And Polyfluoroalkyl Substances

a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".

b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "perfluoroalkyl or polyfluoroalkyl substances", by any insured or by any other person or entity.

B. The following exclusion is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Perfluoroalkyl And Polyfluoroalkyl Substances

a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".

b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "perfluoroalkyl or polyfluoroalkyl substances", by any insured or by any other person or entity.

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C. The following definition is added to the **Definitions** Section:

"Perfluoroalkyl or polyfluoroalkyl substances" means any:

1. Chemical or substance that contains one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by fluorine atoms, including but not limited to:

a. Polymer, oligomer, monomer or nonpolymer chemicals and their homologues, isomers, telomers, salts, derivatives, precursor chemicals, degradation products or by-products;

b. Perfluoroalkyl acids (PFAA), such as perfluorooctanoic acid (PFOA) and its salts, or perfluorooctane sulfonic acid (PFOS) and its salts;

c. Perfluoropolyethers (PFPE);

d. Fluorotelomer-based substances; or

e. Side-chain fluorinated polymers; or

2. Good or product, including containers, materials, parts or equipment furnished in connection with such goods or products, that consists of or contains any chemical or substance described in Paragraph **C.1.**

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MOTOR VEHICLE LAWS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

The following are added to COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):

1. When this Coverage Part is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the coverage part for Bodily Injury Liability or Property Damage Liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.

2. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverages required by any motor vehicle insurance law. We will provide the required limits for those coverages.

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KNOWLEDGE OF OCCURRENCE ENDORSEMENT

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY PART

Paragraphs **A.1.b. (3)**; **A.1.c.**; and **A.1.d.** of **Section I** are hereby deleted.

It is agreed that any occurrence should be reported as soon as practicable to the company.

It is also agreed that any knowledge of an occurrence by an employee, agent or servant of the insured shall not constitute knowledge to the insured unless notice is received by a supervisor, department head or “executive officer” of the named insured or a supervisor, department head or “executive officer” is aware of the occurrence.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Notice of Accident

It is agreed that where the Insured reports an accident to the insurer providing the Workers' Compensation insurance, which accident later develops into a General Liability claim covered under this policy, failure to report such accident to this Company at the time of occurrence shall not be deemed in violation of the condition entitled "Insured's Duties in the Event of Occurrence, Claim, or Suit." However, the Insured shall give notification of the accident to this Company, as soon as practicable after the Insured becomes aware that the accident is a General Liability claim.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNINTENTIONAL ERRORS OR OMISSIONS ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Your unintentional failure to disclose hazards existing on the inception date of the policy shall not prejudice any claim you have for accident or loss incurred by this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
FARM COVERAGE FORM
LIQUOR LIABILITY COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM
POLLUTION LIABILITY COVERAGE FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
RAILROAD PROTECTIVE LIABILITY COVERAGE FORM
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY -- NEW YORK

This insurance does not apply to any loss, demand, claim or "suit" arising out of or related in any way to asbestos or asbestos-containing materials.

SEXUAL MISCONDUCT DECLARATORY ENDORSEMENT

This is a Coverage Endorsement. Please read it carefully.

This Endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

It is hereby agreed that SECTION A - Insuring Agreement is replaced by the following, but only with respect to an "occurrence" that actually or allegedly causes, contributes to, or results in "sexual misconduct":

A. Insuring Agreement

We will pay those sums that the insured becomes legally obligated to pay as damages because of an OCCURRENCE that actually or allegedly causes, contributes to, or results in SEXUAL MISCONDUCT, but only if:

(a) the SEXUAL MISCONDUCT takes place within the COVERAGE TERRITORY; and

(b) the SEXUAL MISCONDUCT is caused by an OCCURRENCE; and

(c) the SEXUAL MISCONDUCT takes place during the POLICY PERIOD.

A series of repeated or related acts of "sexual misconduct" to the same person shall be treated as a single "occurrence" and that "occurrence" shall be deemed to have taken place on the date of the first of such repeated or related acts to take place within a policy issued by NYMIR to the Insured, irrespective of:

(1) the period of time or number of policy years over which the acts take place;

(2) the number of locations where the acts took place; or

(3) the number of persons acting in concert that participated in or committed the sexual misconduct.

We have the right and duty to defend any claim or suit against you alleging such an OCCURRENCE and seeking damages, even if the allegations of the claim or suit are groundless, false or fraudulent. We may make such investigation and settlement of any claim or suit as we deem appropriate. We do not need the consent of the insured to settle any claim or suit. No other obligation or liability is covered.

B. Limits of Insurance

Any payment based on an OCCURRENCE as defined by this Endorsement is limited to the Per Occurrence/Aggregate Limit of Liability stated below:

$1,000,000 Per Occurrence $1,000,000 Annual Aggregate

The Per Occurrence/Aggregate Limit of Liability stated **in this endorsement** is the only limit regardless of:

(a) the number of insureds; or
(b) the number of policies issued by the Company; or
(c) the number of claims made or suits brought.

The Per Occurrence/Aggregate Limit of Liability stated **in this endorsement** is the only limit available for coverage under this Endorsement, notwithstanding anything contained in Section C-- LIMITS OF INSURANCE.

C. Exclusions

This insurance does not apply to:

(a) Any person, entity, or insured who allegedly or actually:

(1) committed or attempted to commit; or

(2) participated in; or

(3) directed; or

(4) knowingly allowed or permitted

the SEXUAL MISCONDUCT.

(b) Costs, fines, or penalties arising out of or associated with any criminal investigation or proceeding as a result of an actual or alleged incident of "sexual misconduct".

(c) Any obligation to pay fines, penalties, punitive damages; exemplary damages; or multiplicative damages.

D. Definitions

The definitions stated below apply only to this Endorsement. They do not change or alter the definitions otherwise stated in and applied by this policy. Unless otherwise defined by this Endorsement, all policy definitions, terms and conditions remain in full force and effect and apply to this Endorsement.

(a) OCCURRENCE means actual or alleged negligent:

(1) employment; or

(2) investigation; or

(3) supervision; or

(4) retention;

of a person or entity for whom any Insured is or ever was legally responsible and whose conduct is otherwise excluded by this Endorsement, or the failure to comply with applicable reporting procedures.

OCCURRENCE also includes the negligent hiring of an independent contractor prior to the inception of this policy, which results in SEXUAL MISCONDUCT during the POLICY PERIOD.

(b) SEXUAL MISCONDUCT means actual or alleged sexual abuse, sexual molestation, or sexual harassment, which actually or allegedly results in BODILY INJURY or PERSONAL INJURY or PROPERTY DAMAGE.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - AIRPORT LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY PART.

This insurance does not apply to **bodily injury, property damage, personal and advertising injury** arising out of the ownership, maintenance or operation of any airport facilities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUBLIC UTILITIES EXCLUSION – FAILURE TO SUPPLY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance does not apply to "bodily injury" or "property damage" arising out of the failure of any insured to adequately supply gas, oil, electricity or steam.

All other policy terms and conditions remain unchanged.

NEW YORK MUNICIPAL LIMITED POLLUTION ENDORSEMENT

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART

A. The following replaces Exclusion f. under Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

f. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, 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;

(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 any insured or any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

(i) If the pollutants are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor; or

(ii) 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.

Subparagraph (a) does not apply to "bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat, cool or dehumidify that building.

Subparagraph (d) (i) does not apply to "bodily injury" or "property damage" arising our 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 fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released, or if such fuels, lubricants, or other operating fluids are brought on or to the premises, site or location with the intent to be discharges, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor.

Subparagraphs (a) and (d)(i) do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

Subparagraphs (a) and (d)(i) do not apply to “bodily injury” or “property damage” arising out of a “short-term pollution event” provided:

(a) The “short-term pollution event” would not have taken place but for a “named peril” having occurred; and

(b) You notified us of the “short-term pollution event” as soon as reasonably possible after its ending.

Subparagraphs (a), (b) and (d) (i) do not apply to “bodily injury” or “property damage” arising out of fire fighting activities, including training burns, or intentional demolition or burns for the purpose of limiting a fire, or the discharge of “pollutants” for the purpose of controlling a fire; or from law enforcement officials use of mace, oleoresin capsicum, pepper spray or tear gas; or from weed abatement or tree and pesticide spraying.

Subparagraphs (a), (b), (c) and (d) do not apply to “bodily injury or “property damage” arising directly or indirectly out of storm or waste sewage backup, escape or release if such claim was:

(i) Accidental and neither expected nor intended by the insured; and

(ii) Instantaneous and was demonstrable as having commenced at a specific time and date during the policy period.

For claims described in this exception, the Each “Occurrence” Limit and Aggregate Limit as stated in Item 3. Limit(s) of Insurance, Coverage Part A, of the Declarations do not apply. Instead, separate Limits of Insurance of $1,000,000 Each “Occurrence”, and $1,000,000 Aggregate apply.

Subparagraphs (a), (b), (c) and (d) do not apply to “bodily injury” or “property damage” arising directly or indirectly out of the discharge, dispersal, release, or escape of chlorine and other chemicals (gas, liquid or solid) which are being used or being prepared for use in fresh or wastewater treatment or in water used in swimming pools, wading pools or decorative fountains, if such discharge, dispersal, release, or escape was:

(i) Accidental and neither expected nor intended by the insured; and

(ii) Instantaneous and was demonstrable as having commenced at a specific time and date during the policy period.

For claims described in this exception, the Each “Occurrence” Limit and Aggregate Limit as stated in Item 3. Limit(s) of Insurance, Coverage Part A, of the Declarations do not apply. Instead, separate Limits of Insurance of $1,000,000 Each “Occurrence”, and $1,000,000 Aggregate apply.

Subparagraphs (b), (c) and (d) (i) does not apply to “bodily injury” or “property damage” arising directly or indirectly out of the discharge of “pollutants” occurring during the collection and transportation of hazardous and non-hazardous materials as part of any drop-off or curbside recycling program implemented and operated by the insured, including storage of such recyclable materials by the insured for a continuous period not exceeding ninety (90) days, if such discharge was:

(i) Accidental and neither expected nor intended by the insured; and

(ii) Instantaneous and was demonstrable as having commenced at a specific time and date during the policy period.

For claims described in this exception, the Each “Occurrence” Limit and Aggregate Limit as stated in Item 3. Limit(s) of Insurance, Coverage Part A, of the Declarations do not apply. Instead, separate Limits of Insurance of $1,000,000 Each “Occurrence”, and $1,000,000 Aggregate apply.

Subparagraph (c) does not apply to "bodily injury" or "property damage" arising directly or indirectly out of the discharge of 'pollutants" occurring during the collection and transportation of materials as part of garbage collection activities implemented and operated by the insured, excluding any recycling program, if such discharge was:

(i) Accidental and neither expected nor intended by the insured; and

(ii) Instantaneous and was demonstrable as having commenced at a specific time and date during the policy period.

However this exception to the exclusion does not apply once the "pollutants" have been deposited at a landfill, garbage dump, or other waste disposal or transfer facility.

(2) Any loss, cost or expense arising out of any:

(a) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants

Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, sewage and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

B. The following are added to Definitions:

1. "Named Peril" means:

a. Lightning, windstorm or earthquake;
b. Explosion, implosion, collapse, puncture, bursting, rupture, collision, or overturn of a tank, vessel, machinery, equipment, or other similar apparatus or device (other than an "auto"), including any attached piping, pumps or valves, if the explosion, implosion, collapse, puncture, bursting, rupture, collision, or overturn is not caused by deterioration, corrosion, erosion, decay, rotting or wear and tear; or
c. Vandalism or malicious mischief by someone other than an insured.

2. "Short-term pollution event" means a discharge, dispersal, release or escape of pollutants which:

a. Begins during the policy period;
b. Begins at an identified time and place;
c. Ends, in its entirety, at an identified time within forty-eight (48) hours of the beginning of the discharge, dispersal, release or escape of the pollutants; and
d. Does not originate from an "underground storage tank"

To be a "short-term pollution event," the discharge, dispersal, release or escape of pollutants need to be continuous. However, if this discharge, dispersal, release or escape is not continuous, then all discharges, dispersals, releases or escapes of the same pollutants from essentially the same source, considered together, must satisfy Provisions a. through d. of this definition to be considered a "short-term pollution event."

3. "Underground storage tank" means any storage tank, including any attached pumps, valves, or piping, which:

a. Is buried below the surface of the ground or water or;
b. At any time, had been buried under the surface of the ground or water an then subsequently exposed.

For the purposes of this definition, buried means that at least 10% of the tank is below the surface of the ground or water.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - DAM, DIKE or LEVEE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

With respect to any Dam, Dike or Levee, this insurance does not apply to:

1. "Bodily injury" or "property damage" due to structural failure of a dam, dike, levee or similar structure, which you own, maintain and control and where failure results in water impounded by the structure to be released.

2. Damage(s) stemming from improper design, engineering and/or construction.

LIMITED EXCLUSION – PROFESSIONAL SERVICES LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

DESIGNATED PROFESSIONAL POSITIONS

X	Accountants
X	Attorneys including District and Assistant District Attorneys
	Medical Professionals and Services
X	Municipal Engineers
X	Other – Specify: Emergency Medical Technicians

(Limited professional services coverage as provided by this endorsement applies only if an "X" is placed next to one or more of the above designated professional positions.)

The following exclusion is added to Paragraph **2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph **2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or by any other person or organization performing work on your behalf in such capacity.

However, this exclusion does not apply to professional services performed by your employee(s) who hold the professional position(s) designated by an "X" in the Schedule above but only while performing such professional services within the scope of their duties for you, and exclusively for your benefit.

With respect to the above coverage, if an "X" appears in the box next to Medical Professionals and Services, paragraph 2.a.(1)(d) in SECTION II - WHO IS AN INSURED does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Extension of Personal Injury Definition – Unsafe Building Demolition

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY is amended as follows:

The definition of Personal and Advertising Injury is extended to include Unsafe Building Demolition.

The following definition is added to **SECTION V – DEFINITIONS**

14. i. The demolition, destruction, or removal of a building or structure of another, when the insured has determined that the building or structure is unsafe, dangerous, or hazardous; and:

(1) The demolition, destruction or removal is authorized by a duly adopted resolution of the governing body of the insured, or

(2) The insured reached the determination by a duly-enacted decision-making process involving more than one insured representative, and the determination was based on an inspection of the building or structure by a code enforcement officer or similar qualified individual who recommended demolition, destruction or removal.

All other policy terms and conditions remain unchanged.

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

Name Of Additional Insured Person(s) Or Organization(s)
Any person or organization whom you are required to add as an additional insured to this policy under a written contract, agreement or permit.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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:

A. In the performance of your ongoing operations; or

B. In connection with your premises owned by or rented to you.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Any person or organization whom you are required to add as primary and noncontributory to this policy under a written contract, agreement or permit.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary *applicable only to the person or organization shown in the Schedule above*:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

(1) The additional insured is a Named Insured under such other insurance; and

(2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROVIDE REQUIRED NOTICE OF CANCELLATION TO ANOTHER ENTITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Entity	Number Of Days
Any person or organization whom you are required to provide notice of cancellation of this policy under a written contract, agreement or permit.	30
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

If this insurance is cancelled, whether at your request or ours, we will provide the entity shown in the Schedule with written notice of such cancellation. No cancellation of this insurance shall take effect until the entity shown in the Schedule has received such written notice, and then only after the number of days shown in the Schedule, unless an earlier date is approved by such entity.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Any person or organization whom you are required to waive the right of recovery against under a written contract, agreement or permit.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section **IV** – COMMERCIAL GENERAL LIABILITY CONDITIONS) is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL ENDORSEMENT

1. This policy shall not be subject to coverage by the Property/Casualty Insurance Security Fund and the provisions of Article 76 of the New York Insurance Law. The insured shall be contingently liable on a several basis for any assessment which may be unlimited and made in accordance with the New York Insurance Law.

2. In accordance with the New York Insurance Law, the Attorney-In-Fact, with the approval of Board of Governors (as the advisory committee), and within such times as the Superintendent prescribes, may order assessments in a manner determined by the Board of Governors for amounts to provide:

   a) Sufficient funds to make good any impairment (as defined by law);

   b) Sufficient funds to provide any surplus required by the Superintendent of Insurance or authorized by the Board of Governors;

   c) Sufficient funds to permit the repayment of any surplus loan or other borrowing.

3. Each subscriber (policyholder) shall pay on demand such subscriber's proportionate share of any assessment lawfully ordered or levied by the Board of Governors or the New York State Superintendent of Insurance as provided by the New York Insurance Law.

4. The contingent liability assessment of the subscriber shall be in an amount not less than one nor more than ten times the annual premium.

5. Any assessment shall be for the exclusive benefit of policyholders that provide for such a contingent liability and such policyholders shall not be liable to assessment in an amount greater than the ratio that the deficiency attributable to the assessable business bears to the total deficiency.

There is no change in premiums as a result of this endorsement.

THIS POLICY PROVIDES CLAIMS-MADE COVERAGE. PLEASE READ THE ENTIRE FORM CAREFULLY.

PUBLIC OFFICIAL'S LIABILITY POLICY

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine your 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 an Insured under this policy. The words "we", "us" and "our" refer to the New York Municipal Insurance Reciprocal.

The word "Insured" means any person or organization qualifying as such under WHO IS AN INSURED (PART 1 – COVERAGE; I. Insuring Agreement, D. WHO IS AN INSURED)

Other words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (PART 3).

In return for the payment of premium and subject to the terms of this policy, we agree with you as follows:

PART 1 – COVERAGE

A. INSURING AGREEMENT

1. We will pay all sums the insured legally must pay as "Damages" because of a "Claim" first made against the "Insured" by a third party during the policy period for an "Error or Omission" in the scope of duties for the Municipal Entity named in the Declarations.

We will pay all sums the insured legally must pay as "Damages" because of a "Claim" first made against the Insured by a third party during the policy period because of an "Error or Omission" alleging wrongful termination, discrimination, or harassment arising out of employment by "you" or application for employment by "you".

2. This insurance applies only if a "Claim" for "Damages" is first made against an Insured during the policy period, the Basic Extended Reporting Period, or the Supplemental Extended Reporting Period if purchased.

A "Claim" will be deemed to have first been made when notice of such claim is received and recorded by any Insured or by us, whichever comes first.

It is a condition precedent to coverage under this policy that the Error or Omission occur;

a. during the "Policy Period"; or

b. prior to the "Policy Period", provided that:

i. the "Insured" did not notify and/or report the "Error or Omission" or related "Error(s) or Omission(s)" under any prior policy to which this policy is a renewal or replacement; and

ii. prior to the inception date of the first Municipal Public Official policy issued by us and continuously renewed and maintained, no "Insured" knew that such "Error or Omission" could lead to a "Claim"; and

iii. there is no other policy that provides insurance to the "Insured" for such **"**Error or Omission" or "Claim**."**

This insurance does not apply to "Errors or Omissions" which occurred in whole or in part prior to the Retroactive Date shown in the Declarations or which occur after the policy period.

3. This insurance applies to damages for injury caused by an "Error or Omission" for which an "Insured" is held responsible, anywhere in the world, provided the original suit for such damages is brought within the United States of America, its territories or possessions, Puerto Rico or Canada.

4. We have the right and the duty to defend any "Claim" asking for these "Damages" even if it is groundless or fraudulent. Our payment of the LIABILITY LIMITS limit ends our duty to defend or settle.

a. If we conclude that, based on "Errors or Omissions", claims which have been reported to us and to which this insurance may apply, the LIABILITY LIMITS of this policy are likely to be used up in the payment of judgments or settlements, we will notify the first Named Insured, in writing, to that effect.

b. When a limit of insurance described in paragraph (a.) above has actually been used up in the payment of judgments or settlements, we will notify the first Named Insured, in writing, as soon as practicable, that:

(1) Such a limit has actually been used up; and

(2) Our duty to defend "Claims" seeking "Damages" subject to that limit has also ended.

We will initiate, and cooperate in, the transfer of control, to any appropriate insured, of all "Claims" 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".

We agree to take such steps, as we deem appropriate, to avoid a default in, or continue the defense of, such Claims" 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" seeking "Damages" that would have been subject to that limit, had it not been used up, if the "Claim" is reported to us after that limit of insurance has been used up.

The first Named Insured, and any other insured involved in a "Claim" seeking "Damages" subject to that limit, must arrange for the defense of such "Claim" 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.

c. The first Named Insured will reimburse us for expenses we incur in taking those steps we deem appropriate in accordance with paragraph (b.) above.

The duty of the first Named Insured to reimburse us will begin on:

i) the date on which the applicable limit of insurance is used up, if we sent notice in accordance with paragraph (a.) above; or

ii) The date on which we sent notice in accordance with paragraph (b.) above, if we did not send notice in accordance with paragraph (a.) above.

d. 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 the Conditions of the policy.

e. We have the right, but not the duty, to appeal any judgment entered against you.

5. The "Damages" which would otherwise be payable under this insurance will be reduced by the deductible shown in the Declarations prior to the application of the OUR LIMIT OF LIABILITY provisions. To settle any

"Claim" we may pay all or part of any deductible stated in this policy. If this happens, you must reimburse us for the deductible or the part of the deductible we paid. Should we find it necessary to file suit seeking recovery for amounts paid by us with regard to a deductible which is to be reimbursed by you, it has been agreed that you are responsible for all costs of collection, including attorney's reasonable fees and interest on the amount in question in the full amount allowed by law.

B. WE WILL ALSO PAY

In addition to OUR LIMIT OF LIABILITY, we will pay for the insured all expenses incurred in the defense of a "Claim", including but not limited to:

1. Premiums on appeal bonds for any "Claim" to which this insurance applies but the Company shall have no obligation to apply for or furnish any such bonds.

2. Premiums on bonds to release attachments for a "Claim" we defend but only for bonds up to our limit of liability but the Company shall have no obligation to apply for or furnish any such bonds.

3. All costs taxed to the "Insured" in a "Claim" we defend but only those costs that relate to a "Claim" covered under this policy.

4. All interest accruing after the entry of a judgment in a "Claim" we defend. Our duty to pay interest ends when we pay or tender our limit of liability.

5. Up to $250 a day for loss of earnings (but not other income) because of attendance at hearings or trials at our request.

6. Other reasonable expenses incurred at our request.

C. WE WILL NOT COVER – EXCLUSIONS

This policy does not apply to any "Claim(s)" or "Suit(s)" seeking "Damages", arising out of, resulting from, relating to, regardless of the theory of liability alleged:

1. "Bodily injury" or "property damage".

2. Any dishonest, fraudulent, criminal, or malicious act or omission of the "Insured."

3. "Error(s) or omission(s)", deliberately done without just cause, excuse, or justification which are reasonably calculated to injure another or others.

4. The willful or knowing violation of statute, regulation or ordinance committed by or with the knowledge or consent of the "Insured."

5. An "Insured's" activities in a fiduciary capacity or as a trustee or in any similar capacity.

6. The rendering of, or failure to, render professional services by a member of the medical profession.

This exclusion 6, shall not apply if the professional services are covered under a policy of insurance issued by NYMIR specifically covering professional services by a member of the medical profession.

7. Any land use issue, including, but not limited to, condemnation, inverse condemnation, adverse possession, dedication by adverse use, or disputes involving the application of impact or linkage fees. This includes, but is not limited to, takings and partial takings of private property resulting from the application of a land use, zoning, building, subdivision, or similar ordinance or regulation.

8. "Personal and advertising injury".

9. Estimates being exceeded, or for faulty preparation of bid specifications or plans.

10. Unjust profit, enrichment, remuneration or advantage to which the “Insured” was not legally entitled, including, but not limited to, payment or reimbursement of taxes or other restitution.

11. Operations of or failure to adequately supply gas, oil, water, electricity or steam.

12. That would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release, or escape of “Pollutants” at any time. Any loss, cost or expense arising out of any:

a. request, demand, or order that any “Insured” or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “Pollutants”; or

b. “Claim” or a demand 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.”

13. a. Actual or threatened injury or damage of any nature or kind to persons or property which arises out of, or would not have occurred but for, the “Asbestos Hazard;” or

b. To pay, contribute to, indemnify another for any damages, judgments, settlements, loss, costs, or expenses that may be awarded or incurred by reason of any such “Claim” or any such injury or damage, or in complying with any action authorized by law and relating to such injury or damage.

14. Operational law enforcement activities.

15. a. Aircraft, Airfield, Runway, Hanger, Terminal or any other properties that are used for aviation activities;

b. Medical Clinic;

c. Hospital, Nursing Home or other type of medical facility;

d. Gas Transmission System or Public Gas Utility;

e. Educational System including any Higher Education Institution or Community College;

f. Day Care, Day Camp, Nursery, or similar facility;

g. Public Mass Transit or Public Transportation System, including but not limited to transport, operations and premises.

h. Fire Department or Emergency Medical Services

i. Housing Authority.

This exclusion 15 operates to bar any “Claim” including, but not limited to, employment related claims that may involve employees of the specified facilities. However this exclusion would not apply to a “Claim” arising out of or related to, claimant’s employment or application for employment that is otherwise covered under this policy if the Named Insured purchased an endorsement providing coverage for such claims for the specific facility or operation.

16. Any failure or omission of an “Insured” to effect or maintain insurance or bonds of any kind.

17. Breach of contract, except that with respect to a “Claim” for breach of an employment contract that is otherwise covered under the policy, we will pay “Claim Expenses” only with no obligation to pay any amounts owed pursuant to such contract.

18. Strikes, riots, or civil commotion.

19. The return by an “Insured” of any remuneration paid in fact to an “Insured” if payment of such remuneration shall be held by the courts to be in violation of law.

20. Damages, loss or expenses arising out of or contributed to by any tax assessment or adjustments, or the collection, refund, disbursement or application of any tax including but not limited to, the formulation of tax rates; the assessment or collection of taxes or fees; the disbursements of tax refunds; the assessment, appraisal or valuation of real property; relief sought under the Real Property Tax Law; any allegation that the “Insured” improperly took action to collect taxes or foreclose on real property in violation of US Bankruptcy law or otherwise.

21. Any obligation for which the “Insured” or any carrier as the insurer may be held liable under any workers’ compensation, unemployment compensation, disability benefits law, or under any similar law including acts arising out of class action suits.

22. Any breach of fiduciary duty, responsibility or obligation in connection with workers compensation, disability benefit, unemployment compensation, employee benefit, retirement or pension plan, including but not limited to, any pension, retirement, savings or profit sharing plan subject to ERISA or similar state statute, or any violation of or failure to comply with, ERISA or any similar state statute.

23. Any alleged or actual violation of a collective bargaining agreement, or the negotiation of any dispute regarding such agreement, including, but not limited to, grievance arbitrations.

24. Brought by any “Insured” or former “Insured” against any other “Insured” unless:

a. the “Insured” bringing or filing the “Claim” is an employee, former employee, or job applicant, and such “Claim” is related to that capacity as such; and

b. Such “Claim” is otherwise covered under this policy.

However, any cross-claim or counterclaim whatsoever by, on behalf of, or in the right of one “Insured” against another “insured” is excluded, regardless of the circumstances or basis.

25. Any actual or alleged failure, malfunction, delay or inadequacy of:

a. any of the following owned, used by, or in the care, custody or control of any insured:

i) computer hardware, including microprocessors;
ii) computer application software;
iii) computer operating systems and related software;
iv) computer networks;
v) microprocessors (computer chips) not part of any computer system; or
vi) any other computerized or electronic equipment or components; or

b. any data, record keeping or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in subdivision a above due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

26. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement, or supervision provided or done by you for you to determine, rectify or test for, any actual or potential problems described in Exclusion 25 of this policy.

27. Any pending or prior litigation or hearings as well as any future “Claim” arising out of said pending or prior litigation or hearing; however, if this policy is a renewal of a policy issued by us, this exclusion shall only apply with respect to a pending or prior litigation or hearing prior to the effective date of the first policy issued and continuously renewed by us.

28. Sexual molestation, sexual misconduct or sexual abuse including any alleged direct sexual activity and any allegation relating thereto that an Insured negligently employed, investigated, supervised or retained a person or based on an alleged practice, custom or policy and including, without limitation, any allegation that the violation of a civil right caused or contributed to such “Claim”.

D. WHO IS AN INSURED

Each of the following is an insured but only for acts within the scope of their duties for and employment by “you”:

1. You are an insured.

2. Any commission, board, authority, administrative department or other similar unit operated by or under your jurisdiction as an insured.

3. Any duly elected or appointed official, or member of a governing body, of a public entity which is an insured under 1 or 2 above, except those appointed officials or members of a governing body who are independent contractors who receive an IRS form 1099 from “you”.

4. Any of your employees or authorized volunteers.

No person or organization is an “Insured” with respect to the conduct of any current or past partnership or joint venture that is not shown as a named insured in the declarations.

E. OUR LIMIT OF LIABILITY

1. Regardless of the number of (a) “insureds” under this policy (b) persons or organizations who sustain damages payable under this policy, (c) “Claims” made or brought on account of insurance afforded by this policy, or (d) the number of policies issued by us, the most we will pay for all damages resulting from any one claim is the LIABILITY LIMITS shown in the declarations.

2. All “Claims” resulting from a series of related “Errors or Omissions” will be considered as one “Claim” or “Suit”.

3. Except where otherwise stated or endorsed to this Policy, we shall not settle any “Claim” without the consent of the Named Insured. However, if the Named Insured refuses to consent to the settlement of any Claim recommended by us after receiving our request for consent to settle, then our liability shall not exceed the amount for which the “Claim” could have been settled plus the “Claim Expenses” incurred up to the date of such refusal to consent.

In addition, all expenses relative to the continued claim adjustment or legal proceedings incurred after the date of the Named Insured’s refusal to consent to settle shall be the sole responsibility of the Named Insured.

PART 2 – CONDITIONS

The Insurance provided by this policy is subject to the following conditions:

A. YOUR DUTIES AFTER ACCIDENT OR LOSS

1. As a condition precedent to the obligations of the Company under this policy, you must promptly notify us in writing of any “Error or Omission” or loss which may result in a “Claim”. You must tell us how, when and where the “Error or Omission” happened. You must assist in obtaining the names and addresses of any injured persons and witnesses.

Failure to give any notice required to be given by such policy within the time prescribed therein shall not invalidate any claim made by the insured or by any other claimant if it shall be shown not to have been reasonably possible to give such notice with the prescribed time and that notice was given as soon as was reasonably possible.

Notice of an “Error or Omission” is not notice of a “Claim”.

Notice given by or on behalf of the insured, or written notice by or on behalf of the injured person or any other claimant, to any licensed agent of ours in New York State, with particulars sufficient to identify the insured, shall be deemed notice to us.

2. If a “Claim” is made or brought against any “Insured”, you must:

a. immediately record the specifics of the “Claim” and the date received; and

b. notify us as soon as practicable in writing.

You must see to it that we receive written notice of the “Claim” as soon as practicable.

3. Additionally, you and other involved insureds must:

a. cooperate with us in the investigation, settlement, or defense of any claim or suit. No insureds, except at their own cost, may voluntarily make any payment, assume any obligation, or incur any expense.

b. Immediately send us copies of any notices or legal paper received in connection with the occurrence or loss.

B. OTHER INSURANCE

If there is other valid and collectible insurance (whether primary, excess, contingent, self-insurance or otherwise) against a “Claim” covered by this policy, the insurance hereunder shall be deemed excess over and above the applicable limit of all other insurance or self-insurance. This policy is specifically written as excess of coverage available under any extended reporting period, optional extended reporting period, and automatic extended reporting period or similar period in any prior policy or policies. It is the intent of this policy to apply only to a “ Claim” for “Damages” which is more than the total limit of all other and valid and collectible insurance, whether primary, contributory, excess, contingent or otherwise. If any “Claim” for “Damages” is insured under this policy is insured under any other policy, the “Claim” for “Damages” shall be paid first by that other policy.

C. OUR RIGHT TO RECOVER FROM OTHERS

1. If we make any payment, we are entitled to recover what we paid from other parties. Any insured(s) to or for whom we make payment must transfer to us their rights of recovery against any other party. The insured(s) must do everything necessary to secure these rights and must do nothing that would jeopardize them.

D. CANCELLING THIS POLICY DURING THE POLICY PERIOD

1. The First Named Insured may cancel the policy by returning it to us or by giving us advance notice of the date cancellation is to take effect.

2. If this policy has been in effect for 60 days or less, we may cancel the policy by mailing or delivering to the first Named Insured and the named insured’s authorized agent or broker written notice of cancellation at least:

a. 30 days before the effective date of cancellation if we cancel for any reason not included in paragraph (b.) below.

b. 15 days before the effective date of cancellation if we cancel for any of the following reasons:

i) Nonpayment of premium;

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

iii) Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a claim thereunder;

iv) After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current policy;

v) Material physical change in the property insured, occurring after issuance or last annual renewal anniversary date of the policy, that results in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting guidelines in effect at the time that the policy issued or last renewed; or material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, that causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;

vi) Required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, our creditors, or the public;

vii) A determination by the Superintendent that the continuation of the policy would violate, or would place us in violation of, any provision of the Insurance Code;

viii) Where we have reason to believe, in good faith and with sufficient cause, that there is a probable risk of damage that the insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. If we cancel for this reason, you may make a written request to the Insurance Department within 10 days of receipt of this notice, to review our cancellation decision. Also, we will simultaneously send a copy of this cancellation notice to the Insurance Department.

c. Cancellation of policies in effect for more than 60 days: If this policy has been in effect for more than 60 days, or if this policy is a renewal or continuation of a policy we issued, we may cancel this policy only for any of the reasons listed in paragraph b. above provided:

i) We mail the first Named Insured written notice of cancellation at least 15 days before the effective date of cancellation; and

ii) If we cancel for nonpayment of premium, our notice of cancellation informs the first Named Insured of the amount due.

d. We will mail or deliver our notice including the reason to the first Named Insured and the named insured's authorized agent or broker, if any, at the address shown in the policy.

3.The effective date of cancellation stated in the notice will become the end of the policy period.

4. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. However, making or offering to make the refund is not a condition of the cancellation. If you cancel, the refund, if any, will be computed in accordance with the customary short rate procedure. If we cancel, the refund, if any, will be computed pro rata.

E. NONRENEWAL AND CONDITIONAL RENEWAL

1. If we decide not to renew or continue this policy we will send notice as provided in paragraph (3.) below along with the reason for non renewal.

2. If we condition renewal of this policy upon:
a) Change of limits;

b) Change in type of coverage;
c) Reduction of coverage;
d) Increased deductible;
e) Addition of exclusion(s);
f) Increased premiums in excess of ten percent (10%) exclusive of any premium increase due to and commensurate with insured value added; or as a result of audit;

then, we will send notice as provided in paragraph (3.) below, along with the reason for the conditional renewal, the amount of any premium increase and, in plain and concise terms, the nature of any proposed changes.

3. If we decide not to renew or continue this policy, or to conditionally renew this policy as provided in paragraphs (1.) and (2.) above, we will mail the named insured and the named insured's authorized agent or broker notice at least 60 but not more than 120 days before the end of the policy period.

4. We will not send the named insured and the named insured's authorized agent or broker notice of non-renewal or conditional renewal if you deliver written notice that the policy has been replaced or is no longer desired.

5. Any notice of cancellation or non-renewal along with the reason for cancellation or non-renewal will be mailed to the named insured and the named insured's authorized agent or broker at the address shown in the policy. However, we may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.

F. LEGAL ACTION AGAINST US

No legal action may be brought against us until there has been full compliance with all terms of this policy. In addition, no legal action may be brought against us until we agree in writing that the insured has an obligation to pay or until the amount of that obligation has been finally determined by judgment. No person or organization has any right under this policy to bring us into any action to determine the liability of the insured.

G. INSPECTION

At our option, we may inspect your property and operations at any time. These inspections are for our benefit only. By our right to inspect or by making any inspection, we make no representation that your property or operations are safe, not harmful to health, or comply with any law, rule or regulation.

H. CHANGES

This policy contains all agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us. If a change requires a premium adjustment, we will adjust the premium as of the effective date of change. If we revise the policy 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.

I. TRANSFER OF YOUR INTEREST IN THIS POLICY

Your rights and duties under this policy may not be assigned without our prior written consent.

J. COMPLIANCE/SEVERABILITY

If any provision of this policy is prohibited, illegal, or void by any law controlling its construction, the provision is amended to comply with the minimum requirements of the law. The invalidity of any provision does not invalidate the remainder of the policy.

K. UNINTENTIONAL ERRORS AND OMISSIONS

Any error, misstatement, mistake in information, or misrepresentation made at or before the inception of the policy by you to us may invalidate the insurance provided by this policy if it is material, whether or not it is intentional or unintentional. An error, misstatement, mistake in information, or misrepresentation is determined to be material if our

knowledge of the misrepresentation would have led us to refuse issuance of this policy. However, we are entitled to premium based upon the correct information.

L. PREVENTION OF CLAIMS; MITIGATION OF DAMAGES

When an insured is aware of a “Claim” to which this policy applies, or of any fact(s), circumstance(s) or event(s) that should reasonably be expected to result in a “Claim” for “Damages”, the insured shall promptly, at its own expense, take all reasonable steps to prevent further injury or damage of any nature resulting from, or related to such claim, fact(s), circumstance(s) or event(s).

M. The insolvency or bankruptcy of the insured shall not release the insurer from the payment of damages for injury sustained or loss occasioned during the life of and within the coverage of the policy.

PART 3 - DEFINITIONS

A. “Asbestos” means the mineral in any form, including but not limited to fibers or dust.

B. “Asbestos hazard” means:

1. An actual exposure or threat of exposure to the harmful properties of asbestos; or

2. The presence of asbestos in any place, whether or not within the building or structure.

C. “Advertisement” means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purpose of this definition:

1. Notices that are published include material placed on the Internet or on similar electronic means of communications; and

2. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

D. "Bodily Injury" means bodily injury, sickness or disease, or emotional distress and/or mental anguish, sustained by a person including death resulting from any of these at any time.

E. “Claim” means a Notice of Claim pursuant to New York General Municipal Law Section 50e or a civil proceeding alleging an “Error or Omission” filed against an “Insured” in a court of law, which seeks “Damages.” “Claim” does not include administrative proceedings or hearings, except for administrative complaints filed with and investigated by a governmental agency that is both charged with enforcing employment discrimination laws and has the authority to award “Damages.” Claim does not mean any proceeding brought, in whole or in part, under Article 78 of the New York Civil Practice Laws and Rules, regardless of the legal theory alleged or the relief sought.

F. “Claims Expenses” means fees, costs and expenses charged by attorneys selected and retained by us and all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a “Claim”, but does not include salaries, loss of earnings or reimbursement to you for time, expenses or attendance associated with the defense or investigation of a “Claim”.

G. "Damages" means money, including attorney’s fees or costs awarded for claims covered under this policy. “Damages” does not mean:

1..fines or penalties;

2. any claim asking for injunctive, equitable or non-monetary relief;

3. attorney's fees or costs associated with claims for injunctive, equitable or non monetary relief;

4. attorney’s fees or costs awarded for claims for which coverage is otherwise excluded under this policy;

5. wages or any benefits arising out of any claim by anyone related to their employment or application for employment by "you."

6. punitive damages, exemplary damages, or multiple damages or liquidated damages pursuant to any federal or state statute.

H. “Discrimination” as used in this policy refers to disparate impact or vicarious liability only.

I. "Error or Omission" means any actual or alleged error or misstatement, or act of omission or neglect, or breach of duty including misfeasance and nonfeasance, by the insureds in the discharge of their duties with the public entity. All “Error(s) or Omissions(s)” committed by one or more insureds that are substantially the same or are in any way directly or indirectly related – either logically, causally or temporally – shall be deemed to constitute one “Error or Omission”, regardless of the number of “Claims” or claimants.

All claims arising out of (a) a riot or insurrection; (b) a civil disturbance resulting in an official proclamation of a state emergency; (c) a temporary curfew; (d) martial law; (e) the application or enforcement of a departmental policy; or (f) a certified class action are agreed to constitute one “Error or Omission”.

In the cases involving (e) above, the “Error or Omission” is deemed to have occurred during the earliest date on which the application or enforcement of a departmental policy took place.

In cases involving (f) above, the “Error or Omission” is deemed to have occurred on the earliest date during the POLICY PERIOD of all policies issued by the COMPANY on which a class member sustained “Damages” for which coverage exists under this policy.

J. "Hospital" includes all hospitals, clinics, nursing homes, rehabilitation facilities, and other similar health care facilities.

K. "Insured" means any person or organization qualifying as an insured in the WHO IS INSURED section of the policy. Except with respect to OUR LIMIT OF LIABILITY, the insurance afforded applies separately to each insured who is looking for coverage or against whom a claim is made or suit is brought.

L. “Personal and Advertising Injury” means injury, including consequential “bodily injury”, arising out of one or more of the following offenses:

1. False arrest, detention or imprisonment;

2. Malicious prosecution;

3. 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.

4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person’s or organization’s good, products or services. This definition does not apply to a claim made by someone related to their employment or application for employment by you.

5. Oral or written publication, in any manner, of material that violates a person’s right of privacy. This definition does not apply to a claim made by someone related to their employment or application for employment by you.

6. The use of another’s advertising idea in your “advertisement”.

7. Infringing upon another’s copyright, trade dress or slogan in your “advertisement.”

M. “Pollutants” means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, fumes, soot, acid, alkalis, chemicals, and waste. Waste includes material to be recycled, reconditioned, or reclaimed.

N. "Property Damage" means:

1. Physical injury to tangible property including all resulting loss of use of that property; or

2. Loss of use of tangible property that is not physically injured; or

3. Diminution in the value of tangible property, whether physically injured or not.

PART 4 – EXTENDED REPORTING PERIODS

A. We will provide one or more Extended Reporting Periods as described below if:

1. This policy is:

a. Cancelled;
b. Nonrenewed;
c. Changed by:

i) Decrease in limits;
ii) Reduction of coverage;
iii) Increased deductible or Self-Insured Retention; or
iv) New exclusion(s) or any other change in coverage less favorable to the insured.

2. We renew or replace this policy with other insurance that does not apply to "Damages" on a claims-made basis.

B. A Basic Extended Reporting Period is automatically provided without additional charge. This Basic Period starts with the end of the policy period and lasts for (90) days. During the Basic Period you will have the right, subject always to subclause D below, to report both claims made and, consistent and in Accordance with paragraph A.1 PART 4 – CONDITIONS before the end of the Basic Extended Reporting Period. There is no c overage during the Basic Extended Reporting Period for any other claims.

Within 30 days of policy termination, we will advise you of the automatic 90 days Basic Extended Reporting Period and the availability of, the premium charge for, and the importance of purchasing the Supplemental Extended Reporting Period coverage.

The Supplemental Extended Reporting Period will not go into effect unless you provide written notice of your election to purchase it and the additional premium due is received by us. You have the greater of sixty (60) days from the effective date of termination of coverage, or thirty (30) days from the date of mailing or delivery of the advertisement of opportunity/importance of purchasing Extended Reporting Period Coverage to submit written notice and premium.

C. The additional premium for Supplemental

Extended Reporting Period will be as follows:

1. For a One (1) year Supplemental Extended Reporting Period, the additional premium will be 75% of the annual premium of this policy.

2. For a Two (2) year Supplemental Extended Reporting Period, the additional premium will be 125% of the annual premium of this policy.

The applicable endorsement will set forth the terms, not inconsistent with this Part, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "Claims" first received during such Supplemental Extended Reporting Period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

D. The Basic Extended Reporting Period or any Supplemental Extended Reporting Period do not extend the policy period or change the scope of coverage provided. They apply only to "Errors or Omissions" which occurred before the end of the policy period (but not before the Retroactive Date shown in the declarations).

“Claims” for such injury or damage 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.

E. Under your policy you have an aggregate limit. There is no provision in this policy to reinstate this aggregate should it be exhausted by payment of claims. Extended Reporting Periods do not reinstate or increase the Limits of Insurance applicable to any claim to which this Policy applies (as shown in Item 3. LIABILITY LIMITS in the Declarations).

F. During the policy period and any Extended Reporting Periods, a person employed by the Named Insured or otherwise covered under this policy through their affiliation with the Named Insured, shall continue to be covered during the policy period and any Extended Reporting Periods, after the affiliation has ceased for such person’s covered act or omission during such affiliation.

This policy shall provide Extended Reporting Period coverage upon termination of coverage to any person covered under the policy, if;

1. The insured is placed in liquidation, or bankruptcy, or permanently ceases operations;

2. The insured or its designated trustee does not purchase Extended Reporting Period Coverage;

3. Such person requests the Extended Reporting Period coverage in writing within 120 days of the termination of coverage.

EXTENDED EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY POLICY

Only with respect to any "Claim" for "Damages" arising out of, resulting from, or relating to anyone's employment, or their application for employment, by "You":

1. Exclusion 1. is deleted in its entirety and replaced as follows:

   "Bodily injury" or "property damage" except for "bodily injury" which results from an employment related practice that is not otherwise excluded under the policy.

2. Part 3. DEFINITIONS, G. "Damages," paragraph 5 is replaced with the following:

   G. "Damages" means money, including attorney's fees or costs awarded for "Claims" covered under this policy. "Damages" does not mean:

   5. Compensation, wages or benefits earned by a current or former employee, or applicant for employment, including any unpaid salary, bonus, wages, severance pay, retirement benefits, vacation days, or sick days, or any other forms of compensation due; or any money owed as a result of a collective bargaining agreement or contractual, statutory or regulatory obligation to make a payment in the event of suspension from, or termination of, employment; except that with respect to a "Claim" alleging "Discrimination" that is otherwise covered under the policy, we will pay "Claims Expenses" and compensatory damages for wages only, subject to a sublimit of $250,000 and an aggregate of $500,000 per policy period.

3. EEOC Defense

   Soley with respect to a Charge of Discrimination that does not seek "Damages" that is filed with the EEOC, or the state or local equivalent agency charged with enforcing anti-discrimination laws, by anyone arising from or resulting from or relating to their employment or their application for employment by "You" we will pay:

   "Claim Expenses" for defending such a Charge that is not otherwise excluded by the policy subject to a per claim limit of $50,000.000 and aggregate of $100,000 per policy period.

   This does not mean any disciplinary proceeding, grievance proceeding or ethical conduct review or any other administrative proceeding or review.

4. FLSA Defense Option

   Soley with respect to any suit alleging an actual or alleged violation by any insured of the Fair Labor Standards Act or any similar state or local law; we will pay "Claims Expense" only to defend such a suit that is not otherwise excluded under the Policy subject to a per claim limit of $50,000.00 and an aggregate of $100,000.00 per policy period.

   This applies to "Claims Expenses" only without any obligation to pay any losses specified by the Fair Labor Standards Act or any other wage or hour law.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

It is hereby understood and agreed that:

A. THIS POLICY DOES NOT APPLY:

1. Under any Liability Coverage, to bodily injury or property damage.

a. 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 or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

b. Resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnify from the United States of America, or an agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

2. Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to first aid, 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.

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

a. The nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;

b. 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

c. The bodily injury or property damage arising our 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(s) applies only to property damage to such nuclear facility and any property threat.

B. AS USED IN THIS ENDORSEMENT:

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

"Nuclear material" means source material, special nuclear material or byproduct material;

"Source material," "special nuclear material," and "byproduct 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 byproduct material and (b) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph 1 or 2 thereof;

"Nuclear facility" means

1. Any nuclear reactor,

2. Any equipment or device designed or used for (a) separating the isotopes of uranium or plutonium, (b) processing or

utilizing spent fuel, or (c) handling, processing or packaging waste,

3. 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,

4. 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 IS A COVERAGE ENDORSEMENT. PLEASE READ IT CAREFULLY.

LAND USE LIABILITY COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

Municipal Public Officials Liability Coverage
Part I. Coverage at C. WE WILL NOT COVER – EXCLUSIONS

It is hereby understood and agreed that Exclusion 7 under Part 1.C is deleted and replaced with the following:

7. eminent domain, condemnation, inverse condemnation, adverse possession, dedication by adverse use or any other land use claim, but this exclusion does not apply to any "land use regulation claim" or any taking of property claim wherein the taking of property is incident to an arrest.

The following additional definition is added to Part 3 – DEFINITIONS

L. "Land Use Regulation Claim" means any claim arising out of the application of a land use, zoning, building, subdivision or other similar ordinance or regulation, and not from the physical occupation, invasion or use of the property.

Part 3 – DEFINITIONS, F. is amended by adding the following:

With respect to any "Land Use Regulation Claim", "Damages" also includes the amount you are obligated to pay for the loss of use of property during that period of time beginning with the initial enforcement of a land use, zoning, building, subdivision or other similar ordinance or regulation, and ending with the final determination by the courts that the enforcement of a land use, zoning, building, subdivision or other similar ordinance or regulation constitutes a taking of private property. The alleged taking of private property must occur in whole after the Retroactive Date shown on the Declarations page. "Damages" does not include amounts paid or payable for the purchase or permanent acquisition of property or property rights, or the right to permanently enforce an ordinance, regulation or restriction on the use of property.

Part 3 – DEFINITIONS, N is amended by deleting "3. Diminution in the value of tangible property, whether physically injured or not." but only with respect to Land Use Regulation Claims.

A "Land Use Regulation Claim" shall be deemed to have been made when a suit seeking damages is filed against you. A "Land Use Regulation Claim" is covered under this endorsement only if the claim is made during the term of this policy, during the Basic Extended Reporting Period, or during the Supplemental Extended Reporting Period, if purchased by you.

NOTICE TO INSUREDS – NEW YORK REGULATION 121

It is hereby understood and agreed that:

This coverage part applies only to claims first made against the insured while the policy remains in effect and reported to us during the policy period, the Basic Extended Reporting Period or the Supplemental Extended Reporting Period if purchased.

This coverage part provides no coverage for claims arising out of incidents, occurrences, or alleged wrongful acts which took place prior to the retroactive date stated in the Declarations.

This coverage part has a 90-day Basic Extended Reporting Period and, if purchased, a one, two, or three year Supplemental Extended Reporting Period. This Basic Extended Reporting Period starts with the end of the policy period and lasts for ninety (90) days. The Supplemental Extended Reporting Period will not go into effect unless you provide written notice of your election to purchase it and the additional premium due is received by us. You have the greater of sixty (60) days from the effective date of termination of coverage, or thirty (30) days from the date of mailing or delivery of the advisement of opportunity/importance of purchasing Extended Reporting Period Coverage to submit written notice and premium.

Insureds are advised that potential gaps in coverage may arise upon expiration of any Extended Reporting Period.

Claims-made rates are comparatively lower than occurrence rates during the first several years of the claims-made relationship. The insured can expect annual premium increases, independent of overall rate level increases, until the claims-made relationship reaches maturity.

The additional premium for the Supplemental Extended Reporting Period will be:

One (1) year Supplemental Extended Reporting Period – 75% of the annual premium of this policy.

Two (2) year Supplemental Extended Reporting Period – 125% of the annual premium of this policy.

Three (3) year Supplemental Extended Reporting Period – 200% of the annual premium of this policy.

During the policy period and any Extended Reporting Periods, a person employed by the Named Insured or otherwise covered under this policy through their affiliation with the Named Insured, shall continue to be covered during the policy period and any Extended Reporting Periods, after the affiliation has ceased for such person's covered act or omission during such affiliation.

This policy shall provide Extended Reporting Period coverage upon termination of coverage to any person covered under the policy, if:

1. The insured is placed in liquidation, or bankruptcy, or permanently ceases operations;
2. The insured or its designated trustee does not purchase Extended Reporting Period Coverage;
3. Such person requests the Extended Reporting Period coverage in writing within 120 days of the termination of coverage.

All other terms and conditions remain the same.

THIS IS A COVERAGE ENDORSEMENT. PLEASE READ IT CAREFULLY.

WHO IS AN INSURED COVERAGE ENDORSEMENT

PUBLIC OFFICIALS COVERAGE PART

This endorsement modifies insurance provided under the following:

WHO IS AN INSURED

D. WHO IS AN INSURED

Each of the following is an insured but only for acts within the scope of their duties for and employment by "you":

1. You are an insured.

2. Any commission, board, authority, administrative department or other similar unit operated by or under your jurisdiction as an insured.

3. Any duly elected or appointed official, or member of a governing body, of a public entity which is an insured under 1 or 2 above.

4. Any of your employees or authorized volunteers.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FALSE LIEN COVERAGE

This endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY POLICY

The following is added to PART 1 – COVERAGE

F. FALSE LIEN COVERAGE

1. Subject to the sublimit listed below, we will pay on behalf of an Insured the cost of removing false liens placed on the Insured's personal or real property.
2. Subject to all other terms and conditions of this policy, we will pay a maximum of $10,000 per Insured/$10,000 in the Aggregate under this Coverage Part.
3. The Public Official Liability Coverage deductible does not apply to this Coverage Part.

All other policy terms and conditions remain unchanged.

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:

COMMERCIAL PROPERTY 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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION – NEW YORK

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. The following exclusion is added to Paragraph **B. Exclusions:**

We will not pay for loss or damage caused directly or indirectly by 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.

Cyber Incident

1. Unauthorized access to or use of any computer system (including electronic data).

2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.

3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Additional Coverage

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

a. Additional Coverage – Electronic Data; or

b. Additional Coverage – Interruption Of Computer Operations.

3. Electronic Commerce Endorsement

The exclusion in Paragraph **A.** does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

C. Vandalism

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Causes Of Loss – Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph **A.**

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL ENDORSEMENT

1. This policy shall not be subject to coverage by the Property/Casualty Insurance Security Fund and the provisions of Article 76 of the New York Insurance Law. The insured shall be contingently liable on a several basis for any assessment which may be unlimited and made in accordance with the New York Insurance Law.

2. In accordance with the New York Insurance Law, the Attorney-In-Fact, with the approval of Board of Governors (as the advisory committee), and within such times as the Superintendent of Insurance prescribes, may order assessments in a manner determined by the Board of Governors for amounts to provide:

   a) Sufficient funds to make good any impairment (as defined by law);

   b) Sufficient funds to provide any surplus required by the Superintendent of Insurance or authorized by the Board of Governors;

   c) Sufficient funds to permit the repayment of any surplus loan or other borrowing.

3. Each subscriber (policyholder) shall pay on demand such subscriber's proportionate share of any assessment lawfully ordered or levied by the Board of Governors or the New York State Superintendent of Insurance as provided by the New York Insurance Law.

4. The contingent liability assessment of the subscriber shall be in an amount not less than one nor more than ten times the annual premium.

5. Any assessment shall be for the exclusive benefit of policyholders that provide for such a contingent liability and such policyholders shall not be liable to assessment in an amount greater than the ratio that the deficiency attributable to the assessable business bears to the total deficiency.

There is no change in premiums as a result of this endorsement.

SECTION I. INTRODUCTION

This is your Commercial Insurance Policy. It offers a wide range of protection designed to meet today's complex insurance needs.

This policy has been written in clear, everyday English. Portions include examples and step-by-step instructions to make your coverage easy to understand. Specific definitions are provided in the appropriate coverage form to explain terms in that coverage form you may not be familiar with. Terms that are defined are enclosed in quotation marks in the policy text.

Throughout the policy the terms "we", "us", and "our" mean the company issuing this policy. "You" and "your" mean the person, people or organization named in the Declarations. Besides you, there may be other people "insured" under certain parts of the policy. So be sure to read each part carefully to find out who is covered. The words "we", "us", "our", "you" and "your" are found in the DEFINITIONS but are not in quotation marks in the policy text.

How to Read This Policy
This policy is keyed to the coverages shown in the Declarations. You have only those coverages for which a limit or specification is shown in the Declarations.

Kinds of Coverage. This policy may provide several different kinds of coverage.

The forms included explain the coverages you have selected in the Declarations, and include certain extensions of coverage that may apply.

You can also purchase a number of optional coverages to provide even broader protection for your business.

Whenever a loss occurs or a claim is to be presented, there are certain things you must do to help us settle the claim. These are described in the CONDITIONS sections of your policy.

Finally, read the COMMON POLICY CONDITIONS. This section gives you information on when and where the policy will be in effect, the payment of premiums, changes in the policy and cancellation. The GENERAL CONDITIONS part also contains other important information about the policy.

SECTION II. COMMON POLICY CONDITIONS

1. GENERAL CONDITIONS
These are the General Conditions which apply to the entire policy including any endorsements. However, endorsements can also change these General Conditions so be sure to check any endorsements you have.

When Your Coverage Begins
Your coverage under this policy will begin and end at 12 01 a m standard time at the business address and on the dates shown in the Declarations. However, if this policy replaces other coverage that ends at noon standard time on the same day this policy begins, this policy will not take effect until the other coverage ends. And the policy will take effect at noon if required by any law.

Premium
You agree to pay the premium shown in the Declarations on the first day this policy takes effect if you are paying the premium in installments, you agree to pay the first installment on this day and the remainder of the installments when they are due.

When we audit your operations or when this policy ends, we will compute the earned premium for the period your policy was in effect. We will then deduct the amount of any advance premium you have paid. The difference will be the premium that is due.

If the earned premium is less than the advance premium, then we will refund to you the unearned portion of the premium.

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

Maintaining Records
You agree to maintain records that we need to compute your premium and to send us copies of them at the end of the policy period, or at our request.

Renewal
We have the option of continuing the policy from year to year. We will base the premium for each renewal on our current rules and rates at the time of renewal.

Sole Agent
If more than one person or organization is insured under this policy, the first one named in the Declarations will act on behalf of all others.

Conformity With Law
If any of the terms of this policy (and forms attached to it) conflict with the statutes of the state in which the policy is issued, the policy is amended to conform to such statues.

2. YOUR DUTIES AND RIGHTS
This section describes other provisions that effect your coverage under this policy.

Misrepresentation and Fraud
This entire policy is void if:

you have concealed or misrepresented any material fact or circumstance concerning this insurance; or

you make any attempt to defraud us either before or after a loss.

Recovery Rights
If we pay a claim under this policy, we are entitled, to the extent of our payment, to take over your related rights of recovery from other people and organizations. You have an obligation not to make it harder for us to enforce these rights. You agree to sign any papers, deliver them to us and do anything else that is necessary to help us exercise our rights.

Transfer of Legal Rights
You agree not to transfer any legal rights or interest you have in this policy without our prior written consent.

However, if you are an individual and you die, we will provide the following coverage:

We will cover your legal representative, who is performing his or her duties as representative, against any claims for damages or loss covered under this policy.

We will cover any person who has temporary legal custody of your property, but only until a qualified legal representative is appointed.

Inspection and Audit
While this policy is in effect, we can, at any reasonable time, inspect your business property and operations. If we do, however, neither our inspection nor any report of it can serve as a representation that your property or operation are safe or that they comply with any law, rule or regulation.

We can also, at any reasonable time, examine and audit your books and records for anything we believe might relate to this insurance. We have the right to examine and audit your books and records for three years after your policy expires.

Bankruptcy and Insolvency
If you or your estate becomes bankrupt or insolvent, we will still be bound by the provisions of this policy.

3. CANCELLATION AND CHANGE
Either you or we can cancel this policy at any time.

Your Cancellation
You can cancel this policy by sending us written notice of the future date you want the coverage to end. We will then refund any unearned portion of the premium you paid, on a pro rata basis.

Our Cancellation
We can cancel the policy by sending to you, at the address shown in the Declarations, notice of the effective date of cancellation. We must do this at least 45 days prior to the cancellation date unless we are canceling the policy because you failed to pay your premiums. In that case, we will give you 10 days notice. Mailing or delivery of the notice will be proof that you were informed of the cancellation. We will also notify any mortgagee shown in the Declarations.

We will then refund any unearned portion of the premium you paid, on a pro rata basis.

We may refund the unearned premium at the time of cancellation or as soon as reasonably possible after the cancellation. However, regardless of when you receive the refund, the cancellation of the policy will take effect as provided above.

Changes
Notice to any of our agents or knowledge possessed by any such agent will not:

change any part of the policy;

remove any of the provisions from the policy; or

keep us from enforcing any of the rights this policy gives us.

There is only one way to change the terms of this policy by including a written endorsement issued to form a part of the policy.

SECTION III. COMMERCIAL PROPERTY COVERAGE FORM

SECTION I. YOUR PROPERTY COVERAGE
This section of policy describes the coverage for "real property", such as buildings, and "personal property" used for business purposes. It also describes coverage for Loss of Income and Extra Expense. To find out if a property loss is covered and, if it is, how much we will pay for it, follow this four-step process:

1. First, check the Declarations and the paragraphs under the heading PROPERTY THAT IS COVERED to see if the "real property" or "personal property" involved, or the Loss of Income or Extra Expense involved, is covered under this policy. Also check the Declarations to see if you have purchased any Optional Coverages. If you have, turn to Section III, OPTIONAL PROPERTY COVERAGES, to see if any additional types of property are covered under the policy.

2. If the property is covered, turn to Section IV. LEVEL OF PROPERTY PROTECTION. It will tell you if the cause of loss is covered.

3. If both the property and cause of loss are covered, turn to Section V. COMMERCIAL PROPERTY CONDITIONS**.** It tells you how we determine the amount we will pay for your "covered loss" Be sure to check SECTION II, EXTENSIONS OF PROPERTY COVERAGE, to see if any of the extensions apply. Also check the Declarations to see if you purchased any Optional Features. If you have, turn again to SECTION III, OPTIONAL PROPERTY COVERAGES to see if there are any additional amounts we will pay in connection with your loss.

4. Finally, check any endorsements attached to the policy. The endorsements may modify the extent of your coverage or the amount we will pay for a "covered loss".

PROPERTY THAT IS COVERED
This part tells you what types of property can be covered by this policy. It also describes special limitations on coverage for certain types of property. Remember, however, that this part tells you only if your property can be covered, you must still check the rest of the policy to make sure you are protected against the loss.
Your property is covered only within the "policy territory", which is made up of the United States, its territories and possessions, Puerto Rico and Canada.

A. "Real Property" That is Covered
We will cover buildings, structures and other "real property" at "covered locations."

We will also cover "personal property" that is at a "covered location" and used for the maintenance and service of your "real property." This includes tools, lawn care equipment and free standing appliances for refrigerating, ventilating, cooking, dishwashing and laundering.

We will also cover materials, equipment, supplies and temporary structures, on your "premises" or in the open (including property inside vehicles) within 100 feet (30.5 meters) of your "premises" used for making additions, alterations or repairs to your "real property" at "covered locations".

We will also pay expenses you incur in removing debris of covered "real property" from a "covered location" after a "covered loss". Debris removal expenses will be paid only if they are reported to us within 180 days after the date of direct physical loss or within 180 days of the end of this policy, whichever comes first.

The most we will pay for debris removal is 25% of the amount we pay for direct loss or damage to covered "real property" before the application of any deductible. Any payment for debris removal will not increase the applicable coverage limit. This limitation does not apply to any additional limit for debris removal provided in Section II. EXTENSIONS OF PROPERTY COVERAGE.

Debris removal does not apply to expense for "clean up" of "pollutants" from covered property or land, air or water.

The most we will pay for loss or damage to covered "real property" is described under WHAT WE WILL PAY FOR PROPERTY LOSSES.

"Real Property" That is Not Covered
We will not cover excavations, grading, or filling. Nor will we cover "exterior signs", land, water, trees, shrubs, plants, lawns or growing crops except as described in Section II, EXTENSIONS OF

PROPERTY COVERAGE.

B. "Personal Property" That is Covered
We will cover "personal property" used for business purposes, provided the property is on your "premises" or in the open (including property inside vehicles) within 100 feet (30.5 meters) of your "premises." However, we will cover this "personal property" only if:

you own the property; your officers or partners own the property; or the property is in your custody or control, and you are responsible for it, even though it belongs to someone else.

We will also pay expenses you incur in removing debris of covered "personal property" from a "covered location" after a "covered loss". Debris removal expenses will be paid only if they are reported to us within 180 days of the date of direct physical loss or damage or within 180 days of the end of the policy period, whichever comes first.

The most we will pay for debris removal is 25% of the amount we pay for direct loss or damage to covered "personal property" before the application of any deductible. And, payment for debris removal will not increase the applicable coverage limit. This limitation does not apply to any additional limit for debris removal provided in Section II, EXTENSIONS OF PROPERTY COVERAGE.

Debris removal does not apply to expense for "clean up" of "pollutants" from covered property or land, air or water.

The most we will pay for loss or damage to covered "personal property" is described under WHAT WE WILL PAY FOR PROPERTY LOSSES.

Improvements by a Tenant. If you have paid for alterations or additions to any building you don't own, we will cover the value of your right to use these improvements, up to the coverage limit for "personal property". However, we will only cover your interest in these improvements if they are at a "covered location."

"Personal Property" That is Not Covered.
We will not cover the following kinds of "personal property":

"Personal Effects". We will not cover loss or damage to "personal effects" belonging to you or your partners or officers, except as described in Section II, EXTENSIONS OF PROPERTY

Vehicles, Watercraft and Aircraft. We will not cover vehicles or their parts, accessories, and equipment if the vehicles are required by law to be licensed for highway use; nor will we cover any watercraft, including its motor, parts, accessories and equipment. We will cover rowboats and canoes that are out of the water and on your "premises."

We will not cover aircraft except those that are:

on the ground for display or instructional purposes;

not self-propelled; and

not certified for flight.

But we will cover detached aircraft engines, parts, accessories and equipment.

"Animals." We will not cover animals of any kind.

"Money" and "Securities." We will not cover "money" and "securities." But you may purchase our "MONEY" AND "SECURITIES" Option which can provide such coverage.

C. Loss of Income
If you have a limit for Loss of Income shown in the Declarations, we will pay lost income if your operations are interrupted as a result of a covered loss to "real property" or "personal property" at a "covered location."

Your income means the net income (net profit or loss before income taxes) that would have been earned or incurred in your business operations at a "covered location". Your income also includes continuing normal operating expenses incurred, including payroll.
From your income we will subtract any expenses which do not necessarily have to continue while your operations are interrupted. We will also pay expenses you reasonably incur to reduce loss of income; but we will not pay more than the actual amount by which the loss of income is reduced.

Your loss of income coverage will also apply if you have a "covered loss" to new buildings, additions or alterations to existing buildings, or associated equipment and supplies on your "premises." If a "covered loss" delays the start of your operations, loss of income will be determined from the date your operations would have begun if the "covered loss" had not occurred.

Your Loss of Income coverage will also apply if you have a "covered loss" at one "covered location", even if the "covered loss" or damage to "real property" or "personal property" occurred at another "covered location".

Prohibited Access to Your "Premises". If property other than your "premises" is damaged by a cause of loss covered by this policy, and as a result, a government agency prohibits you from using your "premises", we will cover your loss of income for up to two weeks.

D. Extra Expense

If you have a limit for Extra Expense shown in the Declarations, we will pay expenses over and above your ordinary business expenses, which are necessary to avoid or minimize the suspension of business and return to normal operations after a covered loss to "real property" or "personal property" at a "covered location." The most we will pay for Extra Expense arising from any one "occurrence" is the coverage limit shown in the Declarations.

Extra Expense coverage enables you to continue normal operations at a temporary location or with substitute equipment. However, you must make every reasonable effort to resume complete or partial operations as soon as possible. We will pay for your extra expenses only for the time reasonably necessary to repair or replace the lost or damaged property.

Prohibited Access to Your "Premises". If property other than your "premises" is damaged by a cause of loss covered by this policy, and as a result, a government agency prohibits you from using your "premises", we will cover your extra expenses for up to two weeks.

E. "Personal Property" Off Your Premises

If there is a "covered loss" to "personal property" covered under this policy while it is in transit or temporarily located off your "premises," we will cover the loss and pay up to $10,000 or up to the coverage limit shown in the Declarations, whichever is greater. The level of protection that applies to property off your "premises" is the highest level of protection applicable to similar property at a "covered location".

We will also pay expenses you incur in removing debris of covered "personal property" after a "covered loss." Debris removal expenses will be paid only if they are reported to us within 180 days of the date of direct physical loss or damage or within 180 days of the end of the policy period, whichever comes first.

The most we will pay for debris removal is 25% of the amount we pay for direct loss or damage to covered "personal property" before the application of any deductible. And, payment for debris removal will not increase the applicable coverage limit. This limitation does not apply to any additional limit for debris removal provided in Section II, EXTENSIONS OF PROPERTY COVERAGE.

Debris removal does not apply to expense for "clean up" of "pollutants" from covered property or land, air, or water.

SECTION II. EXTENSIONS OF PROPERTY COVERAGE

This part describes coverage that will apply in addition to the coverage limits you have under Section I, YOUR PROPERTY COVERAGE. The amount of extended coverage will apply at each "covered location" except for Extension 1.

However, these extensions of property coverage are limited to loss or damage that is caused by a covered cause of loss. All other applicable terms and conditions of this policy except the coinsurance agreement and deductible provisions apply unless they are specifically contradicted by provisions that appear within each extension.

Extension 1. Newly-Acquired "Real Property" and "Personal Property"

We will cover newly-acquired buildings or other "real property" you buy, lease or rent at "premises" other than the described "premises." Coverage applies for up to 180 days after you acquire the "real property" or until the policy period ends, whichever is sooner.
Newly-acquired buildings or other "real property" must be intended for similar use as your "premises" or for use as a warehouse, and acquired after this policy period takes effect.

The most we will pay for newly-acquired "real property" is $250,000 and the deductible shown in the Declarations applicable to "real property" will apply.

We will also cover your "personal property" at a newly-acquired location. Coverage applies for up to 30 days after the property reaches the newly-acquired location or until the policy period ends, whichever is sooner. The most we will pay for "personal property" at a newly-acquired location is $100,000 and the deductible shown in the Declarations applicable to "personal property" will apply.

You agree to notify us as soon as possible of the value of newly-acquired "real property" or "personal

property" and to pay additional premium from the date you acquire each.

Extension 2. Trees, Shrubs, Plants and Lawns
We will pay for loss or damage to trees, shrubs, plants and lawns if they are damaged or destroyed by fire, lightning, "explosion," riot or civil commotion, or aircraft.

We will pay up to $500 for loss to any single tree, shrub or plant and $2,500 for all losses from any one "occurrence."

Extension 3. Valuable Papers and Records
We will pay up to $5,000 to cover the cost of restoring, researching, replacing or reproducing your "valuable papers and records" that are lost or damaged in any one "occurrence."

Extension 4. Personal Effects
We will cover "personal effects" belonging to anyone, provided these items are at a "covered location."

The most we will pay for loss or damage is:

$500 for "personal effects" of any one person;
$5,000 for "personal effects" in any one "occurrence."

However, we will not cover "personal effects" if they are covered by the owner under any other insurance policy, or if they would have been covered under any other policy if this policy did not cover them.

Extension 5. Accounts Receivable
We will pay up to $5000 for each "occurrence" of a "covered loss" to your records of accounts receivable while they are at a "covered location." Accounts receivable are amounts owed to you by those with whom you deal in operating your business.

Extension 6. Debris Removal
We will pay up to $5000 for expense you incur in removing debris of covered property from a "covered location" after a "covered loss." This extension applies if the 25% limitation of debris removal coverage for "real property" or "personal property" is exhausted, or if the applicable limit of liability at a "covered location" is exhausted. Debris removal does not apply to expense for "clean up" of "pollutants" from covered property or land, air or water.

Extension 7. Pollution "Clean-Up"
We will pay up to $10,000 in each annual period for expense you incur for clean up of "pollutants" from covered property or land, air, or water at "your premises". The presence, release, discharge or dispersal of the "pollutants" must be caused by a covered cause of loss not otherwise excluded. The expenses must be reported to us within 180 days after the date of the direct physical loss or the expiration date of this policy, whichever comes first.

Extension 8. Fire Department Service Charge
We will pay up to $1000 for fire department service charges that you have assumed by "contract" prior to a "covered loss", or that are required by local ordinance. Charges are payable only when a fire department is called to save or protect covered property from a "covered loss".

Extension 9. "Exterior Signs"
We will pay up to $5,000 for loss or damage to "exterior signs." The level of protection that applies to this coverage is the highest level of protection that applies to "real property" at a "covered location". A special deductible of $250 per "occurrence" applies to this extension.

Extension 10. Automatic Inflation Adjustment
We will automatically increase your "real property" coverage to keep pace with inflation. See AUTOMATIC INFLATION ADJUSTMENT under Section V. COMMERCIAL PROPERTY CONDITIONS for details.

Extension 11. Extended Loss of Income
If loss of income coverage applies to a particular loss we will extend loss of income coverage for 30 consecutive days after the damaged property is repaired or replaced or to the date you could restore your business, with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred, whichever comes first.

Extension 12. Extra Expense
We will pay up to $10,000 for your extra expenses following a loss. This amount is included in each coverage limit for Extra Expense shown in the Declarations.

SECTION III. OPTIONAL PROPERTY COVERAGES If you wish, you may purchase any or all of the following optional features to modify the protection provided by Section I, YOUR PROPERTY COVERAGE. You have purchased only those optional features which are listed in the Declarations. The COINSURANCE AGREEMENT does not apply to these optional property coverages. All other applicable terms and conditions of this policy apply unless they are specifically contradicted by provisions that appear within each option.

OPTION 1. SUPPLEMENTARY "VALUABLE PAPERS AND RECORDS" You may purchase additional coverage for "Valuable papers and records" beyond the $5000 of coverage provided in Section II. Extension 3. If you do, we will pay up to the limit shown in the Declaration for expenses you incur to research, replace reproduce or restore papers or records that are lost or damaged.

If papers or records cannot be replaced, the limit shown is agreed to be their value and that is the amount we will pay if they are lost or totally destroyed. And we will not cover such irreplaceable records at all unless they are specifically described in the Declarations and a limit for them is shown there.

Unless we tell you otherwise, other provisions of this policy do not apply to the coverage provided for your "Valuable papers and records."

Papers and Records That Are Covered
The papers and records covered under this section are described in the Declarations. We will cover them against the risk of direct physical loss or damage other than those listed under Losses Not Covered. Coverage will apply to "Valuable papers and records" that you own or hold, or for which you are responsible.

On "premises" We will cover your papers and records while they are on the "premises" described in the Declarations.

Off "premises" You may have to move papers and records from a "covered location" to protect them from the threat of a covered cause of loss. If so, we will cover them while they are being moved to or from the place of safety and while they are at that place.

We will pay up to $5,000 for loss or damage to your papers and records while they are in transit or temporarily on "premises" other than those described in the Declarations. However, you do not have coverage for papers and records in storage, unless the storage place is a "covered location".
The amount we will pay for loss under these circumstances is described under What We Will Pay.

Papers and Records That Are Not Covered
We will not pay for loss or damage to:

library property, if the loss results from mysterious disappearance or inventory shortage; library property that is in the possession of borrowers; or
property held as samples or for sale or delivery after sale.

Losses Not Covered
This optional coverage for "Valuable papers and records" does not protect you against the following causes of loss:
"War"
"Nuclear activity"
"Government activity"
"Electrical or magnetic injury"
"Animals"
"Wear and tear"
"Inherent vice"

Processing or Copying. We will not cover loss that results directly from processing or copying the records. Nor will we protect against loss that results directly from work performed on them, such as filing or binding.

Dishonesty. We will not cover loss resulting from any dishonest act or omission done either by you or your "employees" (whether they are working or not), or by anyone authorized to act for you.

What We Will Pay
If covered property is damaged on your "premises", we will not pay more for a loss than the smallest of the following:

the "replacement cost" of the records at the time of loss;
the amount you actually spend to repair or replace the property; or
the applicable coverage limit shown in the Declarations. This coverage limit is the most we will pay even if this insurance covers the property of more than one person.
This limit is the total amount of coverage you have and includes the $5,000 provided in Section II, Extension 3.

OPTION 2. SUPPLEMENTARY ACCOUNTS RECEIVABLE
You may purchase additional coverage for accounts receivable records beyond the $5,000 of coverage provided in Section II, Extension 5.

If you do, we will cover them against the risk of direct physical loss or damage other than those listed under Losses Not Covered.

In order to be covered, the loss or damage must occur while this optional coverage is in effect. And the records must be:

at a "covered location" or in transit between "covered locations"; at one of your branch locations from which you customarily forward

records to a "covered location"; or in transit between such a branch location and a "covered location."

We will also pay for losses or expenses you incur if you have to remove accounts receivable records from a "covered location" to a place of safety in order to protect them from the threat of a covered cause of loss.

Information You Must Supply
You have given us figures for the monthly average of your accounts receivable during the last twelve-month period for which figures are available, and for the highest monthly amount during the same period. These figures are shown in the Declarations. You are responsible for the accuracy of these figures.

If the word Reporting appears in the Declarations, you must also give us a written statement of the total amount of your accounts receivable in each fiscal month, with a separate listing of deferred payments and charge account balances. This statement must be prepared as of the last day of the fiscal month and must be sent to us within 20 days after that date.

Losses Not Covered

The optional coverage for Accounts Receivable does not protect you against the following causes of loss:
"War"
"Nuclear activity"
Bookkeeping mistakes. We will not cover loss that results from mistakes made in bookkeeping, accounting or billing.

Damage to electronic recordings. We will not cover "electrical or magnetic injury" to, or disturbance or erasure of electronic recordings, except where such damage is caused by lightning.

Dishonesty. We will not cover loss resulting from any dishonest act or omission done either by you or your "employees" (whether they are working or not) or by anyone authorized to act for you. But we will cover loss that results if someone falsifies, alters or destroys your accounts receivable records in order to conceal any such action.

Inventory or audit. In addition, we will not cover any loss if its existence can only be shown by an inventory count or an audit. However, if the existence of a loss can be shown by other means, you may use an inventory count or audit to support your claim for that loss.

What We Will Pay
We will pay the following:
amounts customers owe you but you cannot collect because of loss or damage to your accounts receivable records;
extra collection costs;
interest charges on loans you have been required to obtain to compensate for accounts you cannot collect because of loss or damage to your accounts receivable records; and
reasonable costs of repairing new accounts receivable records to replace those lost or damaged.

The most we will pay for a loss covered under this optional coverage is the coverage limit shown in the Declarations. This limit is the total amount of coverage you have, and includes the $5,000 described in Section II, Extension 5. If accounts receivable records are lost or damaged while they are in transit between "covered locations" or while in transit between a branch and the "covered location" that controls it, the most we will pay is $250,000.

Determining accounts receivable (nonreporting).
If you cannot determine the amount of accounts receivable that are outstanding at the time of a loss, we will determine the amount in the following way:

1. We will adjust the monthly average of accounts receivable shown in the Declarations to reflect the percentage increase or decrease in monthly gross sales that has occurred in the meantime.

2. We will further adjust the monthly average to reflect any way in which the month when the loss occurred was different from an average month. We will also consider the normal fluctuations in accounts receivable within that month.

3. Finally, we will deduct:
   the amount of accounts receivable for which records were not lost or damaged;
   amounts you can prove are owed to you by other evidence, or amounts you are able to collect; an amount equal to the bad debts you would not have been able to collect anyway; and unearned interest and service charges on deferred accounts receivable payments.

But we will never pay more than the adjusted highest monthly amount of accounts receivable or the coverage limit shown in the Declarations.

Determining accounts receivable (reporting).
If you cannot determine the amount of accounts

receivable that are outstanding at the time of a loss, we will determine the amount from your statements in the following way:

1. We will take the amount of accounts receivable you reported as outstanding at the end of the same fiscal month in the previous year.

2. We will calculate the percentage by which the monthly average of your reported accounts receivable for the 12 months, or months reported if less than 12, preceding the loss has increased or decreased as compared with the same months of the previous year.

3. The amount in paragraph 1 multiplied by the percentage in paragraph 2 will yield a figure which will be the presumed amount of your accounts receivable as of the last day of the fiscal month in which the loss occurred.

4. We will further adjust the presumed amount to take account of the normal fluctuations in accounts receivable within that month.

5. Finally, we will deduct:
   the amount of accounts receivable for which records were not lost or damaged;

   amounts you can prove are owed to you by other evidence, or amounts you are able to collect;

   an amount equal to the bad debts you would not have been able to collect anyway;

   unearned interest and service charges on deferred accounts receivable payments.

Amounts you recover. If you recover any amounts after we have paid you for a loss, you have to turn them over to us until we have been repaid. If you recover more than the amount we paid you, the excess over our payment is yours. Also you must help us collect amounts customers owe you, if we request your help.

Reporting Premium
If you are subject to the reporting requirement, the premium included for this coverage is only an estimate. We will compute your actual premium on each anniversary of the effective date of this coverage and on the date when your policy or this coverage ends. We will do this by applying the applicable premium rate to the average of your monthly accounts receivable for the preceding 12 months. If the actual premium turns out to be more than the estimated premium you paid, you must then pay us the difference. If the actual premium is less than the estimated premium, we will refund the difference to you.

OPTION 3. "MONEY" AND "SECURITIES"
If you purchase this coverage, we will cover the loss of "money" and "securities" that are on your "premises," in a bank or other recognized place of safe deposit, or in the possession of an armored vehicle company. We will also cover "money" and "securities" that are in the possession of partners, officers, or directors of your business, or of "employees" who are legally holding them. This is so regardless of where any of these people may be within the "policy territory" at
the time of the loss.

"Money" and "Securities" of Others
This "Money" and "Securities" coverage extends to the "money" and "securities" of others that you hold in any capacity, or for which you are responsible. However, we will insure only your interest in the "money" and "securities", including your liability to others.

Extension of "Money" and "Securities" Coverage.
We will also cover damage to "real property" or "personal property" that results from actual or attempted "theft" of "money" and "securities". But we provide this coverage only if you are the owner of the property or you are responsible for the damage.

Losses Not Covered
We will not cover loss to "money" and "securities" under any of the following circumstances:
"War"
"Nuclear activity"
“Illegal Acts of "Employees". We will not cover losses except by "robbery" or "burglary" from a safe, resulting from fraudulent, dishonest or criminal acts that are committed by a director, officer, trustee, "employee" (whether he or she is working or not) or agent of your business.
Sales or Purchases. We will not cover any loss of "money" or "securities" that arises from a sale, exchange or purchase transaction.

Accounting Errors. We will not cover losses due to accounting, mathematical or record-keeping
errors.

"Money" in Vending Machines. We will not cover the loss of "money" from vending machines or other coin-operated devices unless the machine or device automatically records the total amount of "money"

deposited in it.

Books and Records. We will not cover loss or damage from crime to records, books of account or manuscripts.

What We Will Pay
Your "Money" and "Securities" coverage is subject to two different limits: an On "Premises" Limit and Off "Premises" Limit. The On "Premises" Limit is the most we will pay for each loss that occurs on your "premises." The Off "Premises" Limit is the maximum amount we will pay for a "covered loss" occurring anywhere else within the "policy territory." The amounts of the limits are shown in the Declarations.

The amount we will pay for any loss of "securities" is the "actual cash value" of the "securities" at the end of the last business day before the loss was discovered. And we will not pay for any loss of income, including interest or dividends, that occurs as a result of a loss we do cover.

If there is a loss to someone else's "personal property" that you hold as a pledge or as collateral for a loan, the most we will pay is:

the recorded value of the property at the time you made the loan, if you made such a record;

or the amount of the loan that remains unpaid at the time of the loss, together with accrued interest on that amount, at legal interest rates.

Losses that result from a series of related acts committed by one or more persons or organizations are considered to be a single "occurrence" of loss for purposes of applying these limits. And we can settle any claim for loss to someone else's property with the owner of the property.

"Money" and "Securities" in the Custody of any Armored Vehicle Company. The most we will pay for any loss of covered property that is in the custody of an armored vehicle company is the portion of the loss that exceeds:

any amount you recover from the armored vehicle company under a "contract" you have with the company; or

any amount you recover from insurance carried by the armored vehicle company or

by any other person or organization for the benefit of users of the armored vehicle company's services.

Special Deductible. The deductible amount that applies to this coverage is shown in the Declarations. We subtract this deductible from the amount of a loss.

OPTION 4. "PERSONAL PROPERTY" - CRIME
If you purchase this coverage, we will cover the loss of "personal property" other than "money" and "securities" belonging to your business. We offer two levels of protection for your "personal property". The Declarations will indicate which you have chosen.

Level 1. We will cover loss of "personal property" if the loss is caused by:

"burglary" of your "premises," including "burglary" of a showcase or show window located on the "premises"; and

"robbery," including "robbery" that occurs off your "premises" if the property that was lost was in the possession of partners, officers or directors of your business, or of "employees" who were authorized to have it; or in the possession of an armored vehicle company.

Level 2. If you have chosen Level 2 coverage, we will protect your "personal property" against all the causes of loss listed under Level 1. However, we will increase your protection to include losses caused by "theft".
This includes:

"theft" of property from your "premises" or property that is in the open (including property inside vehicles) within 100 feet (30.5 meters) of your "premises"; and "theft" of property that occurs off your "premises" if the property is in the possession of partners, officers, or directors of your business, or of "employees" who are authorized to have it.

Property of Others
This coverage extends to the property of others that you hold in any capacity, or for which you are responsible. However, we will not pay more than your interest in the property, including your liability to others.

Extension of "Personal property" - Crime Coverage
We will also cover damage to "real property" or "personal property" that results from actual or attempted "theft" of "personal property." But we provide this coverage only if you are the owner of the property or you are responsible for the damage.

Losses Not Covered
We will not cover loss to covered "personal property" under any of the following circumstances:
"War"

"Nuclear activity"
"Ilegal Acts of "Employees". We will not cover losses except by "robbery" or "burglary" from a safe caused by fraudulent, dishonest or criminal acts that are committed by a director, officer, trustee, "employee" (whether he or she is working or not) or agent of your business.

Accounting Errors. We will not cover losses due to accounting, mathematical or record-keeping errors.

Books and Records. We will not cover loss or damage from crime to records, books of account or manuscripts.

What We Will Pay
We will pay the "actual cash value" of the covered property at the time of loss unless the Declarations provide otherwise. And we have the option to replace the property with other property of similar quality and value.

If there is a loss to someone else's "personal property" that you hold as a pledge or as collateral for a loan, we will pay:

the recorded value of the property at the time you made the loan, if you made such a record; or the amount of the loan that remains unpaid at the time of the loss, together with accrued interest on that amount, at legal interest rates.

The most we will pay for a "covered loss" that arises from any one "occurrence" is the coverage limit shown in the Declarations. Losses that result from a series of related acts committed by one or more persons or organizations are considered to be a single "occurrence" of loss for purposes of applying this limit. And we can settle any claim for loss to someone else's property with the owner of the property.

"Personal property" In the Custody of an Armored Vehicle Company. The most we will pay for any loss of covered property that is in the custody of an armored vehicle company is the portion of the loss that exceeds:

any amount you recover from the armored vehicle company under a "contract" you have with the company; or

any amount you recover from insurance carried by the armored vehicle company or by any other person or organization for the benefit of users of the armored vehicle company's services.

Special Deductible. The deductible amount that applies to this coverage is shown in the Declarations. We subtract this deductible from the amount of a loss.

SECTION IV. LEVEL OF PROPERTY PROTECTION - COMPREHENSIVE PROTECTION

The level of protection you have chosen to apply to coverage is shown in the Declarations.

When Comprehensive Protection is shown in the Declarations, your covered property is insured against the risk of direct physical loss or damage by any cause of loss except those under Comprehensive Protection-Exclusions. And if you have to remove covered property from a covered location in order to protect it from the threat of a covered cause of loss, we will cover loss or damage to the property for up to ten days.

Building Glass Coverage Limitation
Coverage for building glass that forms part of your property is subject to certain limitations. We will cover glass and glass substitutes that form part of a building against loss or damage caused by a covered cause of loss. But this coverage does not apply to "exterior signs", or to loss or damage that takes place after a building has been "vacant" for more than 60 consecutive days.

If the loss or damage to building glass is caused by fire, lightning, windstorm or hail, "explosion", riot or civil commotion, vehicles or aircraft, vandalism and malicious mischief, "sprinkler leakage", water damage, freezing, collapse of a building, rain or snow, or falling objects, the "real property" limit shown in the Declarations applies.

Otherwise coverage for loss or damage to building glass is subject to the following limits:

$100 per plate, pane, multiple pane, insulating unit, radiant or solar heating panel, louver or shutter;

$500 for any one "occurrence".

Comprehensive Protection-Exclusions
If you have Comprehensive Protection, your protection does not include coverage for loss or damage caused by or resulting directly or indirectly from the following causes, or occurring in the following situations. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently with or before, during or after a loss. But we will cover "resulting fire or explosion" arising out of any of these excluded causes except "war":

1. "War".

2. "Nuclear Activity".

3. "Government Activity".

4. Enforcement of any law, ordinance or administrative order which regulates the construction, repair or demolition of buildings or structures including the cost of removing debris and any cost for prevention, repair or "clean-up" of actual or potential "pollutants".

5. "Neglect".

6. "Electrical Currents"

7. "Earth Movement" except for "sinkhole collapse" and covered property in transit.

8. Volcanic Eruption except for covered property in transit. But, if loss or damage by building glass breakage or "volcanic action" results, we will pay for that resulting loss or damage.

9. "Flooding", surface water, waves, tidal waves or movements, or spray for any of these, whether driven by wind or not, except for covered property in transit.

10. Dishonest act or omission done either by you or your "employees" (whether they are working or not), or by anyone authorized to act for you.

11. Freezing, leakage or overflow from plumbing, heating, air conditioning or any other equipment or appliance in a "vacant" or unoccupied building unless:

    you have taken reasonable steps to maintain heat in the building; or

    water was drained from the system or appliance involved, and the water supply was shut off while the building was "vacant" or unoccupied.
    Nor will we cover damage to plumbing systems

located underground outside the perimeter of building walls or off the "premises" that results from freezing.

12. Delay and loss of use or because you can no longer sell or use property, except as specifically provided in Coverage C. Loss of Income or Coverage D. Extra Expense.

13. Mysterious disappearance of property or an inventory shortage.

14. "Explosion", rupture or bursting of steam boilers, steam pipes, steam turbines, steam engines or rotating parts of machinery that you own or lease, or that are operated under your control.

15. "Animals".

16. "Wear and tear", deterioration, rust, corrosion, marring or scratching, erosion, wet or dry rot, and mold. However, we will cover resulting loss or damage caused by vehicles or aircraft, "sprinkler leakage", water damage, freezing, collapse of a building or falling objects.

17. Pollution and contamination which means presence, release, discharge or dispersal of "pollutants" unless the presence, release, discharge or dispersal is itself caused by a specified cause of loss meaning fire, lightning, windstorm or hail, "explosion", riot or civil commotion, vehicles or aircraft, smoke, "sonic boom", vandalism and malicious mischief, "sprinkler leakage", "sinkhole collapse" or "volcanic action".

18. Mechanical Breakdown.

19. "Inherent Vice". Examples of "inherent vice" are the yellowing and cracking of old paper, patina that forms on old bronze and
the swelling of wood under moist
conditions.

20. "Latent Defects".

21. Faulty design, workmanship and material including the cost of correcting any faulty design, workmanship, material, manufacture or installation, alteration, repair or work on covered "real property" or "personal property". But we will cover loss or damage that results from any of these, if the loss or damage occurs in connection with any cause of loss not otherwise excluded in this policy.

22. Settling, shrinking, cracking, bulging or expansion of any pavement, building or structure.

23. Vandalism and malicious mischief if the property involved has been "vacant" for more than 60 consecutive days immediately before the loss.

24. Change of temperature and humidity, loss or damage to covered "personal property" except under the following conditions:

    We will pay for loss or damage to covered "personal property" that results from an interruption of power or utility service. However, the interruption must be caused by physical damage to a building or equipment at a "covered location".

    We will also pay for loss or damage to covered "personal property" caused by a change in temperature or humidity that results from physical damage to a building or equipment at a "covered location".

25. Interruption of power or other utility service when the interruption takes place:

    away from a "covered location"; or at a "covered location except when a building or equipment at a "covered location" is damaged by a covered cause of loss.

26. Asbestos including loss, damage or "clean-up" resulting from asbestos or asbestos-containing materials.

27. Loss of Income or Extra Expense expenses resulting from:
    "loss of contract";
    "strike"; or
    "electrical or magnetic injury".

SECTION V. COMMERCIAL PROPERTY CONDITIONS

1. IN CASE OF PROPERTY LOSS
If there is damage or loss to your covered property, you have the following responsibilities:

Notification
Notify us or our agent as soon as it is reasonably possible. (Notice to us will be considered notice to the agent, and vice versa.)

If the loss or damage is the result of a crime, notify the police immediately.

Protection of Property
Take all reasonable steps to protect the covered property from further damage by a covered cause of loss. We will pay reasonable expenses you incur for repairs, and our proportionate share of other reasonable expenses you incur, in order to prevent further damage by a covered cause of loss.

Inventory
Separate the damage from the undamaged property to the extent that this is possible. Provide a complete inventory of the damaged and undamaged property. The inventory should include the original cost of the property, its replacement cost, and the amount of loss you are claiming.

However, if the total claim for any loss is less than $10,000 you are not required to provide an inventory of the undamaged property.

Proof of Loss
Give us a signed and sworn proof of loss that states:
- the time and origin of the loss;
- the interest you and anyone else have in the property;
- the "replacement cost" of each item or the "actual cash value." whichever is applicable, and the amount of loss it suffered;
- any other insurance on the property, whether valid or not;
- any legal rights of others to the property;
- any changes in the title, use, occupancy, location, possession or exposures of the property since the policy was issued; who occupied the property and for what purposes; and whether the property stood on ground that was leased at the time of loss.

You must also give us a copy of the descriptions and schedules in all policies and, if required, the plans and specifications of any building, fixture, or machinery that was destroyed or damaged. And you must exhibit to us or any person we designate whatever remains of the property.

You must provide us with the proof of loss and any other required documents within 60 days after our request. You must also permit us to examine and copy any of your books and records at any reasonable time and place that we choose. And you, your "employees" and your agents must, if we require you to, submit to examination under oath at such times as may be reasonably required, and sign a copy of the examination.

MORTGAGEE AND TRUSTEE INTEREST
If there is loss to any "real property" covered under YOUR PROPERTY COVERAGE, we will pay any mortgagee or trustee named in the Declarations up to his, her or its interest in that property. This provision will apply to all present or future mortgages in the order of precedence of these mortgages.

Regarding the interest of any mortgagee or trustee designated in the Declarations, this insurance will not be invalidated by any of the following:
- any act or "neglect" by any mortgagor or owner of the property;
- foreclosure or other proceedings, or notice of sale relating to the property;
- foreclosure or other proceedings, or notice of sale relating to the property;
- change in the title or ownership of the property; or occupation of the "premises" for purposes more hazardous than existed when this insurance took effect.

The mortgagee or trustee must notify us of any change of ownership or occupancy, or of any increase in hazard which he, she or it learns about. If we require, the policy will be amended to reflect his change. If you fail to pay any premium due because of an increase in hazard, the mortgagee or trustee must pay this premium.

And if you fail to pay any premium due under this policy, we have a right to collect the premium

from the mortgagee or trustee.

Mortgagee Interest after a Loss
If we pay any loss under this policy to a mortgagee, and we claim we didn't have a legal duty to make the payment to the mortgagor or owner, we can take over all the rights of the mortgagee, to the extent of our payment. These rights apply to all the "securities" that were pledged to secure the mortgage loan. However, an assignment will not impair the right of the mortgagee to recover the full amount of its claim.

If we don't want to do that, we are allowed to pay the mortgagee the rest of the principle and the interest on the mortgage. We get a full assignment and transfer of the mortgage right away. That means we have all the rights the mortgagee had originally.

If you fail to give us proof of loss, the designated mortgagee or trustee will be responsible for giving us the proof of loss within 60 days after being notified by us. The mortgagee or trustee is subject to the provisions of this policy relating to appraisal, recovery rights, time of payment and bringing suit, and the requirement to submit to examination under oath at such times as may be reasonably required, and sign a copy of the examination.

Other provisions relating to the interest and obligations of the mortgagee or trustee may be added to the policy by written agreement.

2. WHAT WE WILL PAY FOR PROPERTY LOSSES
This section tells you what we will pay for property losses covered under this policy. It explains how we determine property value, and describes your deductibles and other provisions that affect payment for property losses.

Coverage Limits
Each coverage limit in the Declarations shows the most we will pay, under each coverage, for "covered losses" that arise from any one "occurrence."

If we pay the coverage limit for any one "occurrence", that will not reduce the applicable coverage limit for any future loss resulting from an unrelated "occurrence".

Deductible
If a deductible applies to your loss, we subtract the amount of the deductible from the amount of your loss. This is done separately for each "occurrence" of loss. The amount of the deductible is shown in the Declarations. We will only pay for losses in excess of this amount.

The deductible applies only to losses under the following coverages:
"Real Property"
"Personal Property"
Loss of Income
Extra Expense

But the deductible does not apply to the coverage provided under Section II, EXTENSIONS OF PROPERTY COVERAGE for losses to trees, shrubs, plants and lawns, "valuable papers and records," "personal effects, "accounts receivable", and fire department service charge. If more than one coverage applies to losses resulting from any one "occurrence", we will subtract the deductible amount only once.

If more than one deductible applies, we will subtract the largest applicable deductible.

Special Deductibles. A special deductible of $250 per "occurrence" applies to "PERSONAL PROPERTY" OFF YOUR "PREMISES" unless otherwise indicated in the Declarations Other special deductibles may be in the policy for specific coverages.

How To Calculate the Value of Property
If there is a loss to covered property, we will use either the "replacement cost" method or the "actual cash value" method to calculate its value. "Real property" will be valued at "replacement cost" and all other property will be valued at its "actual cash value" unless the Declarations or this policy states otherwise for particular property. In addition, we will pay your selling price to the customer for merchandise that has been sold, but not delivered at the time of a loss. In certain situations you may choose which method is used. Check when "Actual Cash Value" is Optional below for details.

"Replacement Cost"
The most we will pay for losses to property valued by the "replacement cost" method is the smallest of the following:

the coverage limit which applies to that property; the cost of replacing the lost or damaged property at the same location, and for the same use. (However, this does not mean that you cannot build elsewhere); or
the amount which you actually spend to repair or replace the lost or damaged property with property of comparable kind and quality. You may substitute property of a different kind or

quality, but we will not pay more than what it would cost to replace the lost or damaged property with property of comparable kind and quality.

We will only use the "replacement cost" method if you actually repair or replace the lost or damaged property. And we will not value "find arts" on a "replacement cost" basis.

"Actual Cash Value." If "replacement cost" does not apply, we will pay for losses on the basis of the property's "actual cash value" at the time of loss. The most we will pay for losses to property valued by the "actual cash value" method is the smallest of the following:

the coverage limit which applies to that property; the "actual cash value" of the lost or damaged property; or

the amount which you actually spend to repair or replace the lost or damaged property with property of comparable kind or quality. You may substitute property of a different kind or quality, but we won't pay more than what it would cost to replace the lost or damaged property with property of comparable kind and quality.

When "Actual Cash Value" Is Optional, if you choose, we will use the "actual cash value" method and "actual cash value" amounts in the coinsurance agreement to settle losses for property that would normally be valued on a "replacement cost" basis. If you make this choice, you can change your mind and have us change back to the "replacement cost" method and "replacement cost" amounts in the coinsurance agreement at any time within one year after the loss. However, you will only have this privilege if you actually rebuild or replace the lost or damaged property.

What We Will Pay for Loss of Income

In calculating your lost income, we will consider your situation before the loss and what your situation would probably have been if the loss had not occurred. We will also take into account normal expenses, including payroll expenses, which are necessary to resume operations of the same nature you had immediately before the loss.

You agree to make every reasonable effort to start operations as soon as possible - even if you can only start partial operations. You also agree to use substitute materials if necessary. However, we will require that you use substitute materials only if they are similar to the original materials in type and quality. You agree to get supplies from other sources if your usual supplier cannot fill your needs.

We will pay for lost income only for the time that is reasonably needed to repair or replace lost or damaged property, or the part of the property which was lost or damaged. However, if your policy expires before we have paid you all amounts to which you are entitled for a "covered loss" that occurred during the policy period, we will continue to make payments after the expiration date.

The most we will pay for loss of income caused by any one "occurrence" is the coverage limit shown in the Declarations or applicable extensions of coverage. We will not pay, of course, more than your actual income loss.

3. Other Conditions Affecting Property Losses

This section explains special rules that apply to valuing some of the property covered by this policy. It also gives you important information about payment for losses.

Improvements by a Tenant. If you are a tenant at a "covered location" and property improvements for which you paid are lost or damaged by a covered cause of loss at the "covered location", we will reimburse you for repairing or replacing them. We will pay their "replacement cost" if you repair or replace them within a reasonable time after the loss at the "covered location". But we will not cover repairs or replacements which were made for your use at someone else's expense.

If you do not repair or replace the covered improvements within a reasonable time at the "covered location", we will pay a portion of their original cost. This will be the ratio between.

the length of time remaining on your lease at the time of the loss, and

the length of time between the making of improvements and the expiration of the lease.

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

If you purchase the interest in the use of improvements made by a previous tenant, we will cover them as if you had paid for them.

Business Records. We will pay the cost of blank materials and transcribing for books of account, manuscripts, abstracts, drawings, card index systems and other records. We will pay the cost of unexposed or blank electronic data processing film, tape, disks, drums, cells and other magnetic or storage media.

Property in Sets. The loss of an article which is part of a set will not be considered a loss of the entire set. Therefore, if there is loss or damage to property which is part of a set, we will pay a fair portion of the total value of the set.

Parts. If the loss or damage is to a part of property that consists of several parts, we will pay for only the lost or damaged part.

Exhibitions and Displays. The most we will pay for exhibitions and displays is the amount that they cost you.

Coinsurance Agreement
You agree to keep property insured for a minimum portion of its value. That portion is the Coinsurance Percentage shown in the Declarations.

We compute the minimum amount of insurance you are required to have based on the property's value at the time loss occurs. Since property values change, it is important for you to review your insurance from time to time to be sure you meet the minimum amount required. In computing this amount, we use the "replacement cost" of property for which you have chosen "replacement cost" coverage and the "actual cash value" of all other property.

If your property is insured for the minimum amount required, this coinsurance agreement will not have any effect on what we will pay for a covered loss. We will pay up to the coverage limit applicable to the specific location and property.

However, if your property is insured for less than the minimum amount required, we will only pay part of your loss and you must pay the rest. Our share is determined by this formula:

Maximum Amount We Pay =
$$\frac{\text{Coverage Limit} \times (\text{Amount of Loss} - \text{Deductible})}{\text{Minimum Amount}}$$

Here is an example of how this works:

Example: Assume the value of your "real property" is $100,000 the Coinsurance Percentage is 80% and the deductible is $1,000. The minimum amount of insurance required is 80% of $100,000 or $80,000. If you have $80,000 of insurance or more, we will pay 100% of any loss, minus the deductible but no more than your coverage limit or the amount of your insurable interest. So if you have $90,000 of insurance and you have a $40,000 loss, We would pay $39,000. If the property was totally destroyed, we would pay $90,000.

Suppose, however, that you only have $60,000 of insurance and you have a $40,000 loss. We would pay 75% ($60,000/$80,000) of the loss, minus the deductible as follows: $40,000 minus the $1,000 deductible = $39,000 x 75% = $29,250. This is what we would pay.

The coinsurance agreement will apply separately to each coverage limit for "real" or "personal property" covered under this policy unless specifically amended. However, the coinsurance agreement will not apply to losses which are less than $10,000.

In determining the property's value for the coinsurance agreement, we do not include the following:

the value of property covered under Section II, EXTENSIONS OF PROPERTY COVERAGE.
the value of excavations; and
the value of brick, stone or concrete foundations, including foundations or machinery or boilers which are below the surface of the building's basement floor. If the building has no basement, we do not include the value of brick, stone, or concrete below the surface of the ground and inside the foundation walls when we compute the value of the building. Nor do we include the value of underground flues, pipes or drains.

Agreed Value. The coinsurance agreement will not apply to property for which agreed value is shown in the Declarations. Instead, we will establish with you an agreed value for the property. The Declarations show when this agreed value ends. If it ends for any reason, the coinsurance agreement will apply.

Other Insurance
If a "covered loss" is also covered under other insurance available to you, we will not pay for any loss until the other insurance is used up. However, if other insurance is purchased specifically to apply in excess of the coverage limits of this policy, we will pay for a "covered loss" under this policy.

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 policies covering on the

same basis.

Automatic Inflation Adjustment
We will automatically increase your "real property" coverage to keep pace with inflation. However, these increases will not in any way alter the COINSURANCE AGREEMENT section of this policy.

For buildings and other "real property" for which a specific coverage limit is shown, we will increase these limits automatically and directly with an increase in the Building Cost Modifier normally applied by us.

Where there is a blanket coverage limit for "real property" and "personal property", the most recent values we have used to calculate your premium will be used to separate "real property" and "personal property" values. The "real property" portion of the limit will be increased in accordance with increases in the Building Cost Modifier normally applied by us.

If an Agreed Value is shown in the Declarations for any of your property, these amounts will be increased in the same way.

Our calculation of any increase will begin on the effective date of this policy, or on the effective date of any change in the applicable coverage limit.

Appraisal
If we cannot agree with you on the amount of the loss, either of us can demand that the following procedure be used to settle the amount.

1. You or we will request in writing that the dispute be submitted to appraisal within 60 days from the time we receive your proof of loss. Each will then select an appraiser and notify the other of that choice within 20 days of the initial request.

2. The appraisers will select an impartial umpire if they cannot agree on an umpire within 15 days. Either you or we can ask that an umpire be appointed by a judge of the court of record in the county where the property is located.

3. The appraisers will appraise each item for its value at the time of loss and the amount of loss. If they cannot agree, they will submit any differences to the umpire. An agreement in writing by any two of these three will determine the amount of the loss.

4. You will pay your appraiser and we will pay ours. Each will share equally any other costs of the appraisal and the umpire.

5. We will not surrender our rights by any act we take relating to an appraisal.

Our Options After a Loss
If you have a loss, we can:

take all or any part of the property at its agreed or appraised value;
repair, rebuild or replace the lost or damaged property with other property of like kind and quality within a reasonable time. We will tell you of our intention to do this within 30 days after receiving your proof of loss, or
make any adjustments or payments to others if they own the property that was lost or damaged.

Payment of Loss
We will pay within 30 days after.
we reach an agreement with you or the owner of the property,
the entry of a final court judgment; or
the filing of an appraisal award.

Abandonment
There can be no abandonment of any property to us.

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

If you violate a condition of this coverage, we will not pay for loss or damage at the involved location. But your coverage will continue for other locations at which the violation does not apply.

Property Recovered After Settlement
Either you or we will give the other prompt notice of any property recovered after a loss is settled. We will then deduct any recovery expense and apply any balance as though the recovery had been made prior to settlement. We will then readjust the amount of loss accordingly.

Release of Others
You can, prior to loss, release others (except bailees and carriers) in writing from legal responsibility for loss to "real" or "personal property".

This insurance policy has no direct or indirect effect on the rights of carriers (such as railroads)

who transport your property. Unless you agree, this policy will not have any effect on bailees - people you allow to keep or use your property. You have an obligation to us not to make any special agreements with carriers if the agreements release them from their common law or statutory liability. If you settle or compromise any claim for your losses without our consent, we do not have to pay any "money" under this policy.

Recovery Rights
If we pay a claim under this policy, we are entitled, to the extent of our payment, to take over your related rights of recovery from other people and organizations. You have an obligation not to make it harder for us to enforce these rights. You agree to sign any papers, deliver them to us, and do anything else that is necessary to help us exercise our rights.

Suits Against Us
You agree not to bring suit against us unless you have complied with all the terms of this policy. Any such suit must be brought within two years after the direct physical loss or damage occurred.

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

SECTION VI. COMMERCIAL PROPERTY COVERAGE DEFINITIONS

Accident
means a sudden, unforeseen, unintended event.

Actual cash value
means the replacement cost, at the time of loss, of the property damaged or destroyed, less depreciation.

Animals
means all animals including birds, fish, insects and vermin.

Burglary
means wrongful taking of covered property, either:
from the premises, after the people who took the property made a provable, forcible entry into the premises; or

from inside a showcase or show window outside the premises, after the person who took the property made a provable, forcible entry into the showcase of show window; or

from inside the premises, when the person who took the property made a provable, forcible exit from the premises.

"Burglary" from a safe
means the wrongful taking of property from a locked vault or safe located on your premises. There must be evidence that actual force and violence were used to open the vault or safe. "Burglary" from a safe also includes stealing an entire safe.

Clean-up
includes testing, monitoring, removal, containment, treatment, detoxification or neutralization.

Contract
means an agreement you enter into with someone else relating to the operations of your business.

Covered location
means a location whose address is given in the Declarations.

Covered loss
means loss, or damage for which we provide insurance under the terms of this policy.

Earth movement
includes earthquakes, landslides, mudslides, or any sinking, rising or shifting of the earth.

Electrical currents
means artificially generated electrical currents.

Electrical or magnetic injury
means disturbance or erasure of electronic recordings by any electrical or magnetic force other than lightning.

Elevator
means any hoisting or lowering device used to connect floors or landings. It also includes all cars, platforms, power equipment, machinery and other parts of the system.

Employees
are people who work for you in the conduct of your ordinary activities, in return for a salary, wages or commissions. In order to be considered an employee, a person must be subject to your exclusive direction in the performance of his or her activities. Brokers, factors, commission merchants, consignees, contractors and agents are not considered to be employees.

Explosion
means the sudden release of a violent force. It is usually an expansion or bursting accompanied by noise. It includes the "explosion" of built-up gases or unused fuel in a firebox or combustion chamber, or the flues or passages that carry the gases or fuel from them. However, concussions that are not caused by explosions are not considered explosions for purposes of this policy. Neither are volcanic eruption, nuclear activity, water hammer (the pressure of fluid against the sides of a pipe caused by a sudden stoppage of flow), electrical arcing, the rupture or bursting of water pipes, rupture or bursting of moving parts of machinery caused by centrifugal force or mechanical breakdown, or rupture that occurs if water causes the expansion of swelling of the contents of a building or structure.

Exterior signs
means neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open.

Fine arts
means property that is rare or that has historic or artistic value.

Flooding
means a general and temporary condition of partial or complete inundation of normally dry areas from:

1. the overflow of inland or tidal waters, waves or tidal waves, or spray from any of the foregoing;

   a. the unusual and rapid accumulation or runoff of surface waters from any source, including any sewer or drainage backup there from; or

   b. mudslide or mudflow caused or precipitated by accumulation of water on or under the ground.

However, any fire or explosion resulting from “flood” will not be considered to be loss by “flood” within the terms of this policy.

Government activity
means:

1. the seizure or destruction of covered property by any government body, including any customs or quarantine action; or

2. confiscation or destruction of property by order of any government or public authority, except an order to destroy property to prevent the spread of fire or explosion.

Inherent vice
means a natural condition of property that causes it to deteriorate or become damaged.

Latent defects
are faults or weaknesses in property itself.

Loss of contract
means a loss that results from the expiration, suspension or cancellation of any contract, lease or order.

Money
means currency, coins, bank notes, bullion; and travelers checks and "money" orders held for sale.

Named insured
means the person or organization named in the Declarations.

Neglect
means your failure to take all reasonable steps to protect your property when it is threatened with loss or damage, and to take all reasonable steps to protect your property from further loss after loss or damage occurs.

Nuclear activity
means loss from nuclear reaction, nuclear radiation or radioactive contamination, whether deliberate or accidental, controlled or uncontrolled; and whether or not the loss is direct or indirect, proximate or remote, or is contributed to or aggravated by a covered cause of loss. But it does not include explosion, fire or smoke.

Occurrence
means an accident, including continuous or repeated exposure to the same event, that results, during the policy period, in loss or damage to your property, or in bodily injury, personal injury, or property damage. Such loss or damage must be neither expected nor intended by the insured.

Personal effects
means property other than "money" or "securities" that belongs to an individual and is devoted primarily to that individual's personal use; for example, clothing, luggage, household furnishings or writing materials.

Personal property
means all business property other than "real property".

Policy territory
means the United States, its territories and possessions, Puerto Rico and Canada.

Pollutants
means any solid, liquid, gaseous or thermal irritant or contaminant, including vapor, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Premises
means a plot of ground, a building or a portion of a building that you use to conduct your business activities. Your "premises" means the "premises" described by the addresses listed in the Declarations.

Real property
is land and generally anything built on or growing on land.

Replacement costs
is the amount it would take to replace property with property of the same kind and quality, determined at the time of loss.

Resulting fire or explosion
means a fire or "explosion" that results from any cause of loss other than "war", whether or not that cause of loss itself is covered under this policy.

Robbery
means:
using violence or the threat of violence to take covered property from a person;

taking covered property from a person who has been killed or made unconscious; or

committing any felonious act in the presence of a person in order to take covered property from that person. However, the victim must be aware that the felonious act is taking place.

Securities
means negotiable and nonnegotiable instruments or "contracts" that represent property or obligations to pay "money". Stamps, including revenue stamps, are "securities", as are tokens and tickets. However, stamps are covered only for their face value. "Money" is not considered to be securities.

Sinkhole collapse
means sudden sinking or collapse of land into underground empty space created by the action of water on limestone or similar rock formations. "Sinkhole collapse" does not include the cost of filling sinkholes.

Sonic boom
means the shock wave, and resulting noise, produced by an aircraft or missile attaining or exceeding the speed of sound.

Sprinkler leakage
means leakage or discharge of any substance
from an automatic "sprinkler system". It includes the collapse or fall of a tank that is part of a plumbing or an automatic or fall of a tank that is part of a plumbing or an automatic "sprinkler system". It also includes damage caused by breakage or freezing to parts of an automatic "sprinkler system" installed in a building, if "sprinkler leakage" results from such damage.

Sprinkler system
means automatic fire protection system. Sprinkler heads, discharge nozzles and ducts, pipes, valves, fittings, tanks, tank parts and supports, pumps, and private fire protection systems which are connected to the "sprinkler system" are considered to be part of the system. So are nonautomatic fire protection systems, hydrants, standpipes, and hose outlets supplied from the automatic fire protection "sprinkler system."

Strike
includes interference by strikers or other persons with your operations, or with the repair, rebuilding or replacement of property, or with the resumption of operations.

Theft
means the unlawful taking of "personal property" without the owner's consent and includes pilferage, looting, larceny, "burglary" and robbery". But theft does not mean mysterious disappearance, unexplained loss or inventory shortage.

Vacant
when referring to a building, means that the building does not contain the "personal property" used in the business that is ordinarily conducted there.

Valuable papers and records
are documents that written, printed, or otherwise inscribed. These include:

books, manuscripts, abstracts, maps and drawings; film and other photographically produced records, such as slides and microfilm; legal and financial agreements such as deeds and mortgages; addressograph plates; and any electrically produced data such as printouts, punched cards, tapes or disks.

Vehicle collision
means the violent and accidental contact of the vehicle transporting covered property with another vehicle or object.

Volcanic action
means the following action resulting from the eruption of a volcano.

airborne volcanic blast or airborne shock waves; ash dust or particulate matter; or lava flow.

War
means any of the following:

1. Hostile or belligerent action, including action in hindering, combating or defending against an actual, impending or expected attack by:

   any government or sovereign power (de jure or de facto);

   any military, naval, air or nuclear forces; or
   any agent of such government, power, authority or forces.

2. Insurrection, invasion, rebellion, revolution, civil war, usurped power or action taken by governmental authority in hindering, combating or defending against such an event.

Wear and tear

includes wear, deterioration, rust, corrosion, marring or scratching, erosion, wet or dry rot, and mold.

We, us or our
refers only to the insurance company named in the Declarations.

You and your
refer to the person or organization named as the insured in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL PROPERTY AUTOMATIC INFLATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

Commercial Property Coverage Form

If this endorsement applies to your policy, your coverage limit on "personal property" will increase automatically and directly with any increase in the Producer Price Index -- All Commodities, published by the U.S. Department of Labor. However, these increases will not in any way alter the COINSURANCE AGREEMENT that is part of the policy.

Where there is a blanket coverage limit for "real property" and "personal property," the most recent values we have used to calculate your premium will be used to separate "real property" and "personal property" values. The "personal property" portion of the limit will then be increased in accordance with increases in the Producer Price Index.

If an Agreed Value is shown in the Declaration for any of your property, these amounts will be increased in the same way.

Our calculation of any increase will begin on the date this endorsement goes into effect or on the effective date of any change in the applicable coverage limit.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS CLEAN UP, ABATEMENT AND REMOVAL

We will pay your expenses to clean up, abate or remove from covered buildings asbestos particles that are discharged, dispersed, or released if proximately and predominantly caused by:

1. Fire;
2. Lightning;
3. Wind or hail;
4. Leakage from fire protective equipment
5. Explosion;
6. Aircraft or vehicles;
7. Sonic shock wave;
8. Riot or civil commotion; or
9. Vandalism.

The expenses to clean up abate, or remove asbestos particles will be paid only if such expenses are incurred within 90 days of the date of direct physical loss or damage.

The most we will pay under this additional coverage is $50,000 per building but not to exceed $50,000 for all buildings for the sum of all such expenses arising out of covered causes of loss listed above in any one 12-month coverage period of this covenant.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

ADDITIONAL MUNICIPAL PROPERTY EXTENSIONS ENDORSEMENT

The following modifies Extensions of Property Coverage provided for Real and Personal Property in the policy to which this endorsement is attached.

UNSCHEDULED PERSONAL PROPERTY

Subject to the limits shown on the declarations, we will pay for municipal personal property permanently located on premises owned, leased or borrowed and occupied by your officer or director.

COMMANDEERED PROPERTY

Subject to the limits shown on the declarations, we will pay for damages to real and personal property combined owned by others which is seized or taken over for official use during an “emergency operation” and is used in that “emergency operation.”

“Emergency Operations” are:

a) operations which are urgent responses for protection of property, human life, health or safety; and

b) which result from the performing or attempts to perform fire fighting, rescue or emergency medical services and includes the stabilizing or securing of an emergency scene; and

c) which are sanctioned by a fire department, rescue squad or police department insured under the policy.

Flood and Earthquake Coverage Enhancement Endorsement

This endorsement modifies insurance provided under the property sections of the policy.

A. COVERAGE SCHEDULE

Premises Loc. No.	Bldg. No.	Coverages	Limits of Insurance	Deductible
Schedule of Blanketed Locations	Schedule of Blanketed Locations	Blanket building and contents	Per blanket limit up to: $1,000,000 per occurrence $1,000,000 annual aggregate	$25,000 per occurrence Or $500,000 per building / $500,000 contents for each building located in an A or V flood zone.

B. EXCLUSIONS DELETED

Section IV Level of Property Protection - Comprehensive Protection, Comprehensive Protection Exclusions:

1. Item 7 and 9 are deleted for covered locations shown in A. Coverage Schedule above.

C. LIMITS OF INSURANCE

The most we will pay as a result of flood or earthquake for loss or damage to covered property is shown in A. Coverage Schedule above and is inclusive of any coverage or coverage extensions provided by the property policy, forms and endorsements.

D. ADDITIONAL CONDITION – CANCELLATION

We or you may cancel this endorsement by the applicable terms of the policy without canceling the entire property coverage provided in other parts of the policy.

E. DEDUCTIBLE(S)

We will not pay for loss or damage to covered property in any one occurrence until the amount of loss or damage exceeds the deductible shown in the schedule for this endorsement. We will then pay the amount of loss or damage in excess of the deductible up to the applicable limit of insurance subject to the annual aggregate limit for all loss or damage covered under this endorsement occurring during the policy year.

We will pay only for the amount of loss in excess of a $500,000 per building and a $500,000 contents occurrence deductible applicable to all property located in Federal Flood Zones designated as A, AO, AH, A1–A30, AE, A99, AR, AR/AE, AR/AO, AR/A1–A30, AR/A, AJJ, V, VE, or V1 – V30 and D.

F. FLOOD ZONES DETERMINATION

Locations will be defined as being in a flood zone as determined by the company through contractual agreement with a flood certification firm. Our flood certification company utilizes the FEMA flood zone maps to determine the appropriate flood zone. Any location determined to be partially in a flood zone shall be considered to be completely in a flood zone. All flood zone determination will be based on the most current FEMA flood map in effect on the date of the loss.

G. CONTINUITY OF COVERAGE

Except as noted in this endorsement, all other terms and conditions of the policy apply to loss or damage from flood or earthquake.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE

(Including Electronic Circuitry Impairment)

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY INSURANCE POLICY

Equipment Breakdown is subject to the applicable limits of insurance shown in the Declarations except as specifically shown in the Schedule below or within this endorsement. These coverages apply to all locations covered on the policy, unless otherwise specified.

(A.)	**Coverages**	**Limits**
	Equipment Breakdown	$ 2,798,608
	Loss of Income/Extra Expense	$ 5,000,000
	Service Interruption	$ 2,500,000
	Demolition	$ 10,000,000
	Ordinance or Law	$ 10,000,000
	Hazardous Substance	$ 2,500,000
	Data Restoration	$ 2,500,000
	Expediting Expenses	Included
	Spoilage	$ 2,500,000
	Errors in Description	Included
	Newly-Acquired "Real Property" and "Personal Property"	$ 5,000,000
	Public Relations	$ 5,000
	“Personal Property” Off Your Premises	$ 10,000

(B.)	**Deductible**	
	Property Damage Deductible	$ 5,000
	Loss of Income/ Extra Expense Deductible	$ 5,000
	Spoilage Deductible	$ 5,000

(C.) **Other Conditions:**

(D.) The following is added as an Extension of Property Coverage to Section III. Commercial Property Coverage Form.

Extension of Property Coverage-- Equipment Breakdown

1. We will pay for direct physical damage to "covered property" that is the direct result of an "accident" or "electronic circuitry impairment". We will consider "electronic circuitry impairment" to be physical damage to "covered equipment".
2. Unless otherwise shown in the Schedule above, the following coverages also apply to the direct result of an "accident" or "electronic circuitry impairment". However, with respect to coverage 2.g. Service Interruption below and any dependent properties coverage provided by this policy, coverage will apply only to the direct result of an "accident" and will not apply to the direct result of an "electronic circuitry impairment". These coverages do not provide additional amounts of insurance.
   a. Loss of Income and Extra Expense
      (1) Any insurance provided under this policy for Loss of Income or Extra Expense is extended to the coverage provided by this endorsement. However, if a deductible is shown in the Schedule above, then with respect to this endorsement only, the deductible shown in the Schedule will apply.
      (2) The most we will pay for loss or expense under this coverage is $5,000,000 unless otherwise shown in the Schedule above.
   b. Data Restoration
      (1) We will pay for your reasonable and necessary cost to research, replace and restore lost "data".
      (2) The most we will pay for loss or expense under this coverage, including actual Loss of Income you sustain and necessary Extra Expense you incur, if shown as covered, is $2,500,000 unless otherwise shown in the Schedule above.
   c. Expediting Expenses
      (1) With respect to your damaged "covered property", we will pay the reasonable extra cost to:
         (a) Make temporary repairs; and
         (b) Expedite permanent repairs or permanent replacement.
   d. Hazardous Substances
      (1) We will pay your additional cost to repair or replace "covered property" because of contamination by a "hazardous substance". This includes the additional expenses to clean up or dispose of such property.
      (2) This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in 2.h.(1)(b) below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.
      (3) The most we will pay for loss, damage or expense under this coverage, including actual Loss of Income you sustain and necessary Extra Expense you incur, if shown as covered, is $2,500,000 unless otherwise shown in the Schedule above.
   e. "Personal Property" Off Your Premises
      (1) We will pay for physical damage to transportable "covered equipment" that, at the time of the "accident" or "electronic circuitry impairment", is not at a covered location. As respects this "Personal Property" Off Your Premises coverage only, the "accident" or "electronic circuitry impairment" may occur in any country except one in which the United States has imposed sanctions, embargoes or similar restrictions on the provision of insurance.
      (2) We will also pay for your reasonable and necessary cost to research, replace and restore lost "data" contained within "covered equipment" as described under (1) above. This amount may not exceed the limit applicable to Data Restoration coverage.
      (3) The most we will pay for loss, damage or expense under this coverage, including actual Loss of Income you sustain and necessary Extra Expense you incur, if shown as covered, and Data Restoration as described in (2) above is $10,000 unless otherwise shown in the Schedule above.

f. Public Relations
   (1) This coverage only applies if you have sustained an actual Loss of Income covered under this endorsement.
   (2) We will pay for your reasonable costs for professional services to create and disseminate communications, when the need for such communications arises directly from the interruption of your business. This communication must be directed to one or more of the following:
      (a) The media;
      (b) The public; or
      (c) Your customers, clients or members.
   (3) Such costs must be incurred during the "period of restoration" or up to 30 days after the "period of restoration" has ended.
   (4) The most we will pay for loss or expense under this coverage is $5,000 unless otherwise shown in the Schedule above.

g. Service Interruption
   (1) Any insurance provided for Loss of Income, Extra Expense, Data Restoration or Spoilage is extended to apply to your loss, damage or expense caused by a failure or disruption of service. The failure or disruption of service must be caused by an "accident" to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, Internet access, telecommunications services, "cloud computing services", wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not "covered property".
   (2) "Cloud computing services" must be provided by a professional provider with whom you have a contract.
   (3) With respect to the Data Restoration portion of this Service Interruption coverage, coverage will also apply to "data" stored in the equipment of a provider of "cloud computing services".
   (4) Unless otherwise shown in the Schedule above, Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident". If the interruption exceeds 24 hours, coverage will begin at the time of the interruption, and the applicable deductible will apply.
   (5) The most we will pay in any "one equipment breakdown" for loss, damage or expense under this coverage is $2,500,000 unless otherwise shown in the Schedule above.

h. Spoilage
   (1) We will pay for:
      (a) Physical damage to "perishable goods" due to spoilage;
      (b) Physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia;
      (c) Any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
   (2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident" or "electronic circuitry impairment", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the loss settlement provisions in section B.2.b. of this endorsement.
   (3) The most we will pay for loss, damage or expense under this coverage is $2,500,000 unless otherwise shown in the Schedule above.

i. Demolition

(1) This coverage applies if an “accident” or “electronic circuitry impairment” damages a building that is “covered property” and the loss is increased by an ordinance or law that:
(a) requires the demolition of a building that is otherwise repairable;
(b) is in force at the time of the “accident” or “electronic circuitry impairment”; and
(c) is not addressed under Hazardous Substances coverage.
(2) We will pay for the following additional costs to comply with such ordinance or law:
(a) your actual and necessary cost to demolish and clear the site of the undamaged parts of the building; and
(b) your actual and necessary cost to reconstruct the undamaged parts of the building.
(3) As used in this coverage, additional costs mean those beyond what would have been payable under this endorsement had no such ordinance or law been in force at the time of the “accident” or “electronic circuitry impairment”.

The most we will pay for loss, damage or expense under this coverage, including actual Loss of Income you sustain and necessary Extra Expense you incur, if shown as covered, is $10,000,000 unless otherwise shown in the Schedule above.

j. Ordinance or Law
(1) This coverage applies if an “accident” or “electronic circuitry impairment” damages a building that is “covered property” and the loss is increased by an ordinance or law that:
(a) regulates the construction or repair of buildings;
(b) is in force at the time of the “accident” or “electronic circuitry impairment”; and
(c) is not addressed under Demolition coverage or Hazardous Substances coverage.

(2) We will pay for the following additional costs to comply with such ordinance or law:
(a) your actual and necessary cost to repair the damaged portions of the building;
(b) your actual and necessary cost to reconstruct the damaged portions of the building; and
(c) your actual and necessary cost to bring undamaged portions of the building into compliance with the ordinance or law.
(3) As used in this coverage, additional costs mean those beyond what would have been payable under this endorsement had no such ordinance or law been in force at the time of the “accident” or “electronic circuitry impairment”.

The most we will pay for loss, damage or expense under this coverage, including actual Loss of Income you sustain and necessary Extra Expense you incur, if shown as covered, is $10,000,000 unless otherwise shown in the Schedule above.

k. Newly-Acquired "Real Property" and "Personal Property"
(1) All coverages applicable to “covered property” under this Equipment Breakdown Coverage are extended to a newly acquired location that you have purchased or leased during the policy period.
(2) This coverage begins at the time you acquire the property. As respects newly constructed properties, we will only consider them to be acquired by you when you have fully accepted the completed project.
(3) This coverage ends when any of the following first occurs:
(a) this policy expires;
(b) 180 days after you acquire the location;
(c) the location is incorporated into the regular coverage of the Commercial Property Insurance Policy.

(4) If limits or deductible vary by location, the highest limits and deductibles will apply to newly acquired locations. However, the most we will pay for loss, damage or expense arising from any "one equipment breakdown" is $5,000,000 unless otherwise shown in the Schedule above.

l. Errors in Description

We will pay your loss covered by this endorsement if such loss is otherwise not payable solely because of any unintentional error in describing a location insured under this policy.

You agree to give us prompt notice of any such error when discovered.

3. EXCLUSIONS

All exclusions in Section IV. Level of Property Protection – Comprehensive Protection apply except as modified below and to the extent that coverage is specifically provided by this Equipment Breakdown Coverage.

a. Exclusion 16 is modified as follows:

Wear and tear, deterioration, rust, corrosion, marring or scratching, erosion, wet or dry rot, and mold. However, if an "accident" or "electronic circuitry impairment" results, we will pay for the resulting loss, damage or expense caused by that "accident" or "electronic circuitry impairment".

b. The following exclusions are added:

(1) We will not pay for loss, damage or expense caused directly or indirectly by any of the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":

(a) Fire, including smoke from a fire;

(b) Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;

(c) Any other explosion, except as specifically covered under this endorsement;

(d) Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action;

(e) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; mudslide or mudflow; or water that backs up or overflows from a sewer, drain or sump. However, if electrical "covered equipment" requires drying out because of the above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for "real property" or "personal property", whichever applies; or

(f) Vandalism.

(2) Coverage under this endorsement does not apply to an "accident" or "electronic circuitry impairment" caused by or resulting from:

(a) Lightning;

(b) Windstorm or hail. However, this exclusion does not apply when:

i. "Covered equipment" located within a building or structure suffers an "accident" or "electronic circuitry impairment" that results from wind-blown rain, snow, sand or dust; and

ii. The building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.

(c) Smoke; aircraft or vehicles; riot or civil commotion; sprinkler leakage; elevator collision;

(d) Breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse or molten material;

(e) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment; or

(f) Water or other means used to extinguish a fire.

(3) With respect to Loss of Income, Extra Expense and Service Interruption coverages, we will also not pay for:
(a) Loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or
(b) Any increase in loss resulting from an agreement between you and your customer or supplier.

c. Exclusions b.(2)(a), b.(2)(b), b.(2)(c) and b.(2)(d) above shall not apply if:
(1) The excluded cause of loss occurs away from any covered location and causes an electrical surge or other electrical disturbance;
(2) Such surge or disturbance is transmitted through utility service transmission lines to the covered location and results in an "accident" or "electronic circuitry impairment"; and
(3) The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under the policy.

4. DEFINITIONS

The following definitions are added with respect to this endorsement only:

a. "Accident"
(1) "Accident" means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:
(a) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
(b) Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
(c) Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
(d) 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
(e) 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.
(2) None of the following is an "accident":
(a) Defect, programming error, programming limitation, computer virus, malicious code, loss of "data", loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind; or
(b) Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

However, if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident".

This definition of "accident" supersedes and replaces the definition of **Accident** in Section VI. Commercial Property Coverage Definitions.

b. "Boilers and vessels" means:
(1) Any boiler, including attached steam, condensate and feedwater piping; and
(2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in the Schedule above.

c. "Cloud computing services" means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service) and NaaS (network as a service). This includes

business models known as public clouds, community clouds and hybrid clouds. "Cloud computing services" include private clouds if such services are owned and operated by a third party.

d. "Covered equipment"

(1) "Covered equipment" means, unless otherwise specified in the Schedule above, "covered property":

(a) That generates, transmits or utilizes energy; or

(b) Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

"Covered equipment" may utilize conventional design and technology or new or newly commercialized design and technology.

(2) None of the following is "covered equipment":

(a) Structure, foundation, cabinet or compartment;

(b) Insulating or refractory material;

(c) Sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;

(d) Water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;

(e) "Vehicle" or any equipment mounted on a "vehicle";

(f) Satellite, spacecraft or any equipment mounted on a satellite or spacecraft;

(g) Dragline, excavation or construction equipment; or

(h) Equipment manufactured by you for sale.

e. "Covered property" means "real property" and "personal property".

f. "Data" means information or instructions stored in digital code capable of being processed by machinery.

g. "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.

h. "Electronic circuitry impairment"

(1) "Electronic circuitry impairment" means a fortuitous event involving "electronic circuitry" within "covered equipment" that causes the "covered equipment" to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in (2), (3) and (4) below.

(2) We shall determine that the reasonable and appropriate remedy to restore such "covered equipment's" ability to function is the replacement of one or more "electronic circuitry" components of the "covered equipment".

(3) The "covered equipment" must be owned or leased by you, or operated under your control.

(4) None of the following is an "electronic circuitry impairment":

(a) Any condition that can be reasonably remedied by:

i. Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;

ii. Rebooting, reloading or updating software or firmware; or

iii. Providing necessary power or supply.

(b) Any condition caused by or related to:

i. Incompatibility of the "covered equipment" with any software or equipment installed, introduced or networked within the prior 30 days; or

ii. Insufficient size, capability or capacity of the "covered equipment".

(c) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.

i. “Hazardous substance” means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

j. “Media” means material on which “data” is recorded, such as solid state drives, hard disks, optical disks, flash drives, magnetic tapes or floppy disks.

k. “One equipment breakdown” means: If an initial “accident” or “electronic circuitry impairment” causes other “accidents” or “electronic circuitry impairments”, all will be considered “one equipment breakdown”. All “accidents” or “electronic circuitry impairments” that are the result of the same “accident” or “electronic circuitry impairment” will be considered “one equipment breakdown”.

l. “Perishable goods” means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

m. “Production machinery” means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus. However, “production machinery” does not mean any boiler, or fired or unfired pressure vessel. This term does not appear elsewhere in this endorsement, but may appear in the Schedule above.

n. “Vehicle” means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. “Vehicle” includes, but is not limited to: car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.

However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a “vehicle”.

The definition of **Explosion** in Section VI. Commercial Property Coverage Definitions does not apply to this endorsement.

B. Section V. Commercial Property Conditions is modified as follows.
The definitions stated above also apply to section B. of this endorsement.

1. DEDUCTIBLE

The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown in the Schedule above. If a separate Equipment Breakdown deductible is shown, the following applies.

Only as regards Equipment Breakdown Coverage, section **2. WHAT WE WILL PAY FOR PROPERTY LOSSES**, subsection **Deductible** is deleted and replaced with the following:

a. Deductibles for Each Coverage

(1) Unless the Schedule above indicates that your deductible is combined for all coverages, multiple deductibles may apply to any “one equipment breakdown”.

(2) We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Schedule above. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.

(3) If deductibles vary by type of “covered equipment” and more than one type of “covered equipment” is involved in any “one equipment breakdown”, only the highest deductible for each coverage will apply.

b. Direct and Indirect Coverages

(1) Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Schedule above.

(2) Unless more specifically indicated in the Schedule above:

(a) Indirect Coverages Deductibles apply to Loss of Income and Extra Expense loss; and

(b) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this endorsement.

c. Application of Deductibles

(1) Dollar Deductibles

We will not pay for loss, damage or expense resulting from any "one equipment breakdown" until the amount of loss, damage or expense exceeds the applicable deductible shown in the Schedule above. We will then pay the amount of loss, damage or expense in excess of the applicable deductible or deductibles, up to the applicable Limit of Insurance.

(2) Time Deductible

If a time deductible is shown in the Schedule above, we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident" or "electronic circuitry impairment". If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

(3) Multiple of Average Daily Value (ADV)

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the Loss of Income (as defined in any Loss of Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" or "electronic circuitry impairment" occurred, divided by the number of working days in that period. No reduction shall be made for Loss of Income not being earned, or in the number of working days, because of the "accident" or "electronic circuitry impairment" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Loss of Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. The number indicated in the Schedule above will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

(4) Percentage of Loss Deductibles

If a deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

2. CONDITIONS

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

(1) Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" or "electronic circuitry impairment" to that "covered equipment". This can be done by mailing or delivering a written notice of suspension to:

(a) Your last known address; or

(b) The address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment". If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

(2) Jurisdictional Inspections

If any property that is "covered equipment" under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

(3) Coinsurance

If a coinsurance percentage is shown in the Schedule above for specified coverages, the following condition applies.

We will not pay for the full amount of your loss if the applicable limit is less than the product of the specified coinsurance percentage times the value of the property subject to the coverage at the time of the loss. Instead, we will determine what percentage this calculated product is compared to the applicable limit and apply that percentage to the gross amount of loss. We will then subtract the applicable deductible. The resulting amount, or the applicable limit, is the most we will pay. We will not pay for the remainder of the loss. Coinsurance applies separately to each insured location.

b. As respects this endorsement only, we will determine the value of "covered property" and settle losses as follows:

(1) Except as specified otherwise, our payment for damaged "covered property" will be the smallest of:

(a) The cost to repair the damaged property;

(b) The cost to replace the damaged property on the same site; or

(c) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) The amount of our payment will be based on the most cost-effective means to replace the function, capacity and remaining useful life of the damaged property. This may include the use of generic, used or reconditioned parts, equipment or property.

(3) Except as described in (4) below, you must pay the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.

(4) Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident" or "electronic circuitry impairment", we will pay your additional cost to replace with equipment that is better for the environment, safer for people or more energy or water efficient than the equipment being replaced. However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This provision does not apply to the replacement of component parts or to any property to which "actual cash value" applies and does not increase any of the applicable limits.

(5) The following property will be valued on an "actual cash value" basis:

(a) Any property that does not currently serve a useful or necessary function for you;

(b) Any "covered property" that you do not repair or replace within 24 months after the date of the "accident" or "electronic circuitry impairment"; and

(c) Any "covered property" for which "actual cash value" coverage is specified in the Schedule above.

"Actual cash value" includes deductions for depreciation.

(6) If any one of the following conditions is met, property held for sale by you will be valued at the sales price as if no loss or damage had occurred, less any discounts and expenses that otherwise would have applied:
   (a) The property was manufactured by you;
   (b) The sales price of the property is less than the replacement cost of the property; or
   (c) You are unable to replace the property before its anticipated sale.

(7) Except as specifically provided for under Data Restoration coverage, "data" and "media" will be valued on the following basis:
   (a) For mass-produced and commercially available software, at the replacement cost.
   (b) For all other "data" and "media", at the cost of blank "media" for reproducing the records. We will not pay for "data" representing financial records based on the face value of such records.

The most we will pay for loss, damage or expense under this endorsement arising from any "one equipment breakdown" is the applicable Limit of Insurance in the Declarations unless otherwise shown in the Schedule above. Coverage provided under this endorsement does not provide an additional amount of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORDINANCE OR LAW COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
STANDARD PROPERTY POLICY

SCHEDULE*

Coverage A Limit of Insurance	Coverage B Limit of Insurance	Coverage C Limit of Insurance.	Coverage B And C Combined Limit Of Insurance
110% of the applicable building limit of insurance on file with the company.	$500,000	$500,000	$ **
	$	$	$ **
	$	$	$ **

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

****** Do **not** enter a Combined Limit of Insurance if individual Limits of Insurance are selected for Coverages **B** and **C,** or if one of these Coverages is not applicable.

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

B. Application Of Coverage(s)

The Coverage(s) provided by this endorsement apply only if both **B.1.** and **B.2.** are satisfied and are then subject to the qualifications set forth in **B.3.**

1. The ordinance or law:

a. Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and

b. Is in force at the time of loss.

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

2.a. The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or

b. The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.

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

3. In the situation described in **B.2.b.** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **A, B,** and/or **C** of this endorsement. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

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

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

C. We will not pay under this endorsement for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

D. Coverage

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

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

Coverage **A** is included within the Limit of Insurance shown as the building limit of insurance on file with the company.

2. Coverage B – Demolition Cost Coverage

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

3. Coverage C – Increased Cost Of Construction Coverage

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

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

(2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required; when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

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

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

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

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

(2) Foundation of the building;

(3) Pilings; and

(4) Underground pipes, flues and drains.

The items listed in **b.(1)** through **b.(4)** above are included Real Property, but only with respect to the coverage described in this Provision, **3.b.**

E. Loss Payment

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

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

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

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

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

b. If the Replacement Cost Coverage Option applies and the property is **not** repaired or replaced, or if the Replacement Cost Coverage Option does **not** apply, we will not pay more than the lesser of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b. With respect to the Increased Cost of Construction:

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

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

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

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

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

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

G. Under this endorsement we will not pay for loss due to any ordinance or law that:

1. You were required to comply with 48 months prior to the loss, even if the building was undamaged; and

2. You failed to comply with.

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

Assume:

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

Step **1:**

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

$30,000 ÷ $100,000 = .30

Step **2:**

Apply that proportion to the Ordinance or Law loss.

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

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

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

ENHANCED MUNI PAC

Extensions of Coverage
Emergency Services and Governmental

SUMMARY OF COVERAGE AND INDEX

This is a summary of the various coverages and causes of loss provided by this endorsement. No coverage is provided by this summary. Only the provisions of Section **I.** and **II.** determine the scope of your insurance protection.

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**Above limits shown may be superceded by the 'Optional Coverage Included' section on form #MPL-100-0997.*

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COMMERCIAL PROPERTY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

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

The insurance provided by this endorsement is primary as respects this coverage form and any other insurance provided by this company. If a loss covered under this endorsement also involves a loss under any other coverage form that is made a part of this policy, then the broadest coverage will apply.

SECTION I.

The following changes apply to the Building and Personal Property Coverage Form:

A. COVERAGE

2. Property Not Covered Amendments

The following paragraphs under Property Not Covered do not apply:

- Foundations of Buildings, structures, machinery or boilers
- Personal Property while airborne or waterborne
- Electronic data

The paragraph dealing with "The cost to replace or restore the information on valuable papers and records etc." under **Property Not Covered** does not apply and is replaced by:

> The cost to replace or restore the information on valuable papers and records, including those which exist on electronic or magnetic media, except as provided in the Coverage Extensions. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems.

4. Additional Coverages

The Additional Coverages are amended as follows:

The following replaces **c.**:

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to $25,000 for your liability for the fire department service charges:

(1) Assumed by contract or agreement prior to loss; or

(2) Required by local ordinance

No deductible applies to this Additional Coverage.

Additional Coverage **d. Pollutant Clean-up and Removal** is amended as follows:

The most we will pay limit of $10,000 is changed to $25,000

Additional Coverage **f. Electronic Data** does not apply. Coverage is provided under the **Valuable Papers and Records – Cost of Research** coverage extension.

5. Coverage Extensions

The **Coverage Extensions** do not apply and are replaced by the following:

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or is in a vehicle) within 1,000 of the described premises.

Coverage Extensions Deductible:

(1) Unless otherwise stated in this Endorsement, Coverage Extensions are subject to the Deductible shown in the Commercial Property Coverage Declarations, or $500, whichever is less.

(2) If flood, Earthquake, Earthquake Sprinkler Leakage and/or Difference In Conditions Coverage is provided, the deductible shown in the specific coverage declaration applies.

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

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

Accounts Receivable

(1) You may extend the insurance provided by this Coverage Form to cover loss at the described premises for:

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

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

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

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

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

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

(a) At a safe place away from your described premises.

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

If you are a fire or rescue emergency services organization, the most we will pay for loss under this Extension is the actual loss you sustain. If you are any type of organization other than a fire or rescue emergency services organization, the most we will pay under this Extension is $75,000, unless separately stated on the Declarations.

No deductible is applicable to this Extension.

Broadened Water – Direct Damage

You may extend the insurance provided by this Coverage Form to pay for direct loss or damaged caused by:

(1) Water that backs up or overflows from a sewer, drain or sump; or

(2) Water under the ground surface pressing on, or flowing or seeping through:

(a) Foundations, wall, floors or paved surface;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings.

The most we will pay for loss or damage to Covered Property under this coverage extension is $100,000 or the limit of insurance shown in the declaration, whichever is less.

Claim Data Expense

You may extend the insurance provided by this Coverage Form to apply to the expense you incur in preparing claim data when we require it. This includes the cost of taking inventories, making appraisals, and preparing other documentation to show the extent of the loss.

The most we will pay for preparation of claim data under this Extension is $25,000. We will not pay for any expenses billed by and payable to insurance adjusters or attorneys or any costs as provided in the LOSS CONDITION – Appraisal.

Commandeered Property

You may extend the insurance that applies to your Business Personal Property to apply to personal property of others that you commandeer, seize or take over for official use during an “emergency operation” and is used to assist in that “emergency operation”.

Coverage for such property will include the owners lost income arising directly from the loss of use of the property while commandeered or during the repair of any covered damage that occurs while commandeered.

The most we will pay for loss or damage under this Extension is the amount of loss you actually sustain.

"Emergency Operations" means actions:

(1) which are urgent responses for protection of property, human life, health or safety; and

(2) which result from or arise from the performing or attempts to perform firefighting, rescue, emergency hazardous materials response or emergency medical services, including the stabilizing or securing of an emergency scene; and

(3) which are sanctioned by the volunteer fire department, first-aid or rescue squad insured under this policy, or by the officers of such volunteer organization.

Communication Equipment, Computers and Media

You may extend the insurance provided by this Coverage Part to apply to direct loss or damage from any of the Covered Causes of Loss to communication equipment, computers and media you own, lease or rent from others, or for which you are legally responsible. For the purposes of this Extension, communications equipment, computers and media includes:

(1) telephones and telephone systems including peripheral switches and support equipment;

(2) facsimile machines;

(3) photostat machines;

(4) photocopy machines;

(5) radio and television equipment and video cassette recorders including antennas, satellite dishes, masts, towers and lead-in wiring all if permanently installed within 1000 feet of your premises;

(6) emergency sirens/horns and traffic control override devices that are permanently installed at or away from your premises;

(7) computers, printers, scanners, modems and related peripheral equipment;

(8) materials on which data is recorded such as magnetic tapes, disks, disk packs, drums, paper tapes, cards, and programs as well as the data contained on any of these materials.

Coverage under this extension for computers and their related peripheral equipment will also include direct loss or damage from Artificially Generated Electrical Current (Power Surges). Furthermore, coverage under this Extension for items **(6), (7)** and **(8)** above applies at or away from the insured premises anywhere in the Coverage Territory.

If you are a fire or rescue emergency services organization, the most we will pay for loss or damage under this Extension is the actual loss you sustain. If you are any type of organization other than a fire or rescue emergency services organization, the most we will pay for loss or damage under this Extension is $75,000.

Each loss covered by this Extension is subject to a $250 deductible.

Extra Expense

You may extend the insurance provided by this Coverage Form to apply to the actual and necessary "Extra Expense" you sustain due to direct physical loss of or damage to property at the premises described in the Declarations, including personal property in the open (or in a vehicle) within 1,000 feet, caused by or resulting from and Covered Cause of Loss.

(1) We will pay any "Extra Expense" to avoid or minimize the "suspension" of business and to continue "operations":

(a) At the described premises; or

(b) At replacement premises or at temporary locations, including:

(i) Relocation expenses; and

(ii) Costs to equip and operate the replacement or temporary locations.

(2) We will pay any "Extra Expense" to minimize the "suspension" of business if you cannot continue "operations".

(3) We will pay any "Extra Expense" to:

(a) Repair or replace any property; or

(b) Research. Replace or restore the lost information on damaged valuable papers and records;

To the extent it reduces the amount of loss that otherwise would have been payable under the Loss of Income Extension.

If you a fire or rescue emergency services organization, the most we will pay for loss under this Extension is the actual loss you sustain. If you are any type of organization other than a fire or rescue services organization, the most we will pay under this Extension is $250,000.

No deductible is applicable to this Extension.

Fine Arts

You may extend the insurance provided by this Coverage Form to apply to paintings, etchings, tapestries, and any other bona fide works of art with rarity of historical value caused by or resulting from any Covered Cause of Loss.

The most we will pay for loss or damage under this Extension is $25,000.

Fire Extinguisher Recharge Expense

(1) You may extend the insurance provided by this Coverage Form to pay for the cost to recharge or refill any fire extinguishing equipment when discharged:

(a) Due to a Covered Cause of Loss,

(b) As a result of the intended operation of such equipment to prevent or control a Covered Cause of Loss,

(c) Accidentally, or

(d) Resulting from a malfunction of the fire extinguishing equipment.

We will also pay the cost you incur to clean up the released extinguishing agent.

(2) We will not pay for loss or damage:

(a) If you fail to use reasonable care to maintain the fire protective equipment in proper operating condition or

(b) If the discharge occurs while servicing, refilling or testing the fire protective equipment.

If you are a fire or rescue emergency services organization, the most we will pay for loss under this Extension is the actual loss you sustain. If you are any type of organization other than a fire or rescue emergency services organization, the most we will pay under this Extension is $5,000.

No deductible applies to this extension.

Fire Extinguishing Equipment means both Portable Extinguishers and Automatic Extinguishing Systems protecting cooking equipment.

Food Contamination Shutdown – Planned Events

(1) We will pay for the actual Loss of Income you sustain from a suspension of your fund raising operations due to a declaration by the Board of Health or other government body because of the discovery of, or suspicion of, "food contamination."

The most we will pay for "Food Contamination" Shutdown – Planned Events under this Extension is $10,000.

(2) We will also pay the following Supplemental Payments:

(a) Your costs to clean your equipment per local Board of Health requirements;

(b) Your cost to replace consumable goods declared contaminated by the local Board of Health;

(c) Reimbursement to infected patrons for doctor's care, hospitalization and necessary blood work; and

(d) Necessary medical test and vaccines for affected employees as required by the Board of Health or other government body. This coverage is primary to any other insurance coverage.

The most we will pay for these Supplemental Payments under this Extension is $5,000.

(3) We will not pay for loss caused directly or indirectly due to fines or penalties of any kind. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

(4) In the event of a loss you must:

(a) Give us prompt notice of the suspension declaration;

(b) Notify any public authority that may have jurisdiction over the incident; and

(c) As soon as possible, give us a description of how, when and where the "food contamination" was first discovered.

"Food contamination" means the occurrence of food poisoning, or suspected food poisoning, of one or more of your patrons resulting form tainted food purchased by you or "communicable disease" transmitted by one or more of your employees.

"Communicable disease" is defined as a bacterial micro-organism transmitted through human contact to food.

Lock Replacement Coverage

You may extend the insurance provided by this Coverage Form to apply to Replacement of Locks necessitated by the theft of keys from your premises.

The most we will pay for loss under this Extension is $1,000.

No deductible is applicable to this Extension.

Loss of Income

You may extend the insurance provided under this Coverage Form to apply to "Loss of Income' you sustain during the "period of restoration" resulting from:

(1) the interruption of your income producing "operations", including scheduled events and fund raisers;

(2) the loss of use of the described premises if your building or personal property is damaged; or

(3) the loss of use of loaned, rented or borrowed premises at which you are scheduled to hold a planned event;

as a direct result of a Covered Cause of Loss.

The most we will pay for loss under this Extension is the actual "loss of income" you sustain.

Loss Of Income - Broadened Water

You may extend the insurance provided by this Coverage Form to pay for direct loss or damage caused by:

(1) Water that backs up or overflows from a sewer, drain or sump; or

(2) Water under the ground surface pressing on, or flowing or seeping through:

(a) Foundations, wall, floors or paved surface;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings.

The most we will pay for "Loss of Income" under this Coverage Extension is $100,000.

Loss Reduction Rewards

(This provision does not apply in New York.)

You may extend the insurance provided by this Coverage Form to apply to rewards given to any person or persons, other than you, your officers, your employees or your active members, for information leading to a conviction in connection with a loss to the described premises resulting from fire, theft or attempted theft of money or other covered property, vandalism or malicious mischief.

The most we will pay under this Extension is 10% of the amount of the loss involved or $25,000, whichever is less. This is the most we will pay regardless of the number of persons who provided information.

No deductible is applicable to this Extension.

Money, Securities and Stamps

You may extend the insurance provided by this Coverage Form to apply to loss or damage to money, securities and stamps.

The most we will pay for loss or damage under this Extension is:

(1) $10,000 per occurrence for money, securities and stamps while located at the described premises; and

(2) $10,000 per occurrence for money, securities and stamps while being conveyed outside the described premises by you, your officers, your employees or your active members.

Each loss for money, securities and stamps covered by this Extension is subject to a $250 deductible.

Newly Acquired Or Constructed Property

(1) Buildings

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

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

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

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

(ii) Use as a warehouse.

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

(2) Your Business Personal Property

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

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

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

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

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

(b) This Extension does not apply to:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

Non-Owned Detached Trailers

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

(a) The trailer is used in your business;

(b) The trailer is in your care, custody or control at the premises described in the Declarations; and

(c) You have a contractual responsibility to pay for loss or damage to the trailer.

(2) We will not pay for any loss or damage that occurs:

(a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

The most we will pay for loss or damage under this Extension is $5,000, unless a higher limit is shown in the Declarations.

This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Ordinance or Law

You may extend the insurance that applies to a Building as follows:

(1) If a Covered Cause of Loss occurs to covered Building property, we will pay:

(a) For loss or damage caused by enforcement of any ordinance or law that:

(i) Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;

(ii) Regulates the construction or repair of building, or establishes zoning or land use requirements at the described premises; and

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

(b) The increased cost to repair, rebuild or construct the property caused by enforcement of building, zoning or land use ordinance or law. If the property is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use ordinance or law.

(c) The cost to demolish and clear the site of undamaged parts of the property caused by enforcement of the building, zoning or land use ordinance or law.

(2) However, we will not pay under this endorsement for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "Pollutants."

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

(3) We will not pay for increased construction costs under this endorsement:

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

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

(4) We will not pay more:

(a) If the property is repaired or replaced on the same premises, than the amount you actually spend to:

(i) Demolish and clear the site; and

(ii) Repair, rebuild or construct the property but not for more than property of the same height, floor area and style on the same premises.

(b) If the property is not repaired or replaced on the same premises, then:

(i) The amount you actually spend to demolish and clear the site of the described premises; and

(ii) The cost to replace, on the same premises, the damaged or destroyed property with other property of comparable material and quality of the same height, floor area and style and used for the same purpose.

(c) Than $500,000 in any one occurrence for increased construction costs under this Extension, unless separately stated in the Declarations.

(d) Than $500,000 in any one occurrence for demolition costs under this Extension, unless separately stated in the Declarations.

(5) The terms of this Extension apply separately to each building to which the Extension applies.

Outdoor Fences

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is the actual loss you sustain.

Each loss for outdoor fences covered by this Extension is subject to a $250 deductible.

Outdoor Signs

You may extend the insurance provided by this Coverage Form to apply to your outdoor signs (other than signs attached to buildings) including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is the actual loss you sustain.

Each loss for outdoor signs covered by this extension is subject to a $250 deductible.

Outdoor Trees, Shrubs and Plants

You may extend the insurance provided by this Coverage Form to apply to your outdoor trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for any individual tree, shrub or plant is $10,000. Subject to this limitation, the most we will pay for loss or damage under this Extension is the actual loss you sustain.

Each loss for outdoor trees, shrubs and plants covered by this Extension is subject to a $250 deductible.

Personal Effects and Personal Property of Others

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

(1) Personal effects owned by you, your officers, your partners, your managers, your employees, your volunteers or your members.

(2) Personal property of others in your care, custody or control, other than commandeered property.

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

No deductible is applicable to Personal Effects covered by this Extension.

A $100 deductible is applicable to Personal Property of Others (other than Personal Effects).

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

Pollutant Clean-Up and Removal - Planned Event

You may extend the insurance provided by this Coverage Form to apply to your Loss of Income from Planned Events that must be cancelled as a direct result of the discharge, dispersal, seepage, migration, release or escape of "pollutants" to land or water at the described premises caused by or resulting from a Covered Cause of Loss that occurs during the policy period.

The most we will pay under this Additional

Coverage is $10,000.

Property Off-Premises

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

(a) Temporarily at a location you do not own, lease or operate;

(b) In "storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or

(c) At any fair, trade show or exhibition.

This Extension will also apply to Covered Property in or on a vehicle that you do not own, lease or operate.

(2) This Extension does not apply to property:

(a) In or on a vehicle you do own, lease or operate;

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

(c) Covered under the commandeered property Extension;

(d) Covered under the communication equipment and computers and media Extension;

(e) Covered under the fine arts Extension;

(f) Covered under the money, securities and stamps Extension;

(g) Covered under the personal effects and personal property of others Extension; or

(h) Covered under the refrigerated property Extension.

The most we will pay for loss or damage under this Extension is the actual loss you sustain.

Each loss for property off-premises under this extension is subject to a $250 deductible.

Refrigerated Property

You may extend the insurance that applies to your Business Personal Property to apply to food spoilage resulting from utility failure to the described premises. This Extension does not apply to food spoilage resulting from mechanical failure of your refrigeration equipment.

The most we will pay for loss or damage under this Extension is the actual loss you sustain.

Each loss for food spoilage covered by this Extension is subject to a $250 deductible.

Roof Protection

You may extend the insurance provided by this Coverage Form to apply to the expense of having excessive and dangerous amounts of snow removed from the roof of your covered building.

The most we will pay for loss or damage under this Extension for any one roof clearing is $500.

The most we will pay for loss or damage under this Extension in any one policy year is

$1,000.

Each loss for roof clearing covered by this Extension is subject to a $100 deductible.

Specified Appurtenant Structures

(1) Public Use

You may extend the insurance that applies to Building to your unscheduled bleachers, grandstands, scoreboards, ticket booths, baseball dugouts, press boxes and refreshment stands, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

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

(2) Your Use

You may extend the insurance that applies to Building to your unscheduled storage sheds and picnic pavilions including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

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

(3) Contents

You may extend the insurance that applies to Business Personal Property to the contents of any structure covered in **(1)** or **(2)** of this Extension caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is $1,000.

Transportation

You may extend the insurance provided by this Coverage Form to apply to loss or damage to your Business Personal Property while it is being transported in or on a motor vehicle that you own, lease or operate while between points in the coverage territory.

The most we will pay for loss or damage under this Extension is the actual loss you sustain.

Utility Services - Direct Damage

You may extend the insurance provided by this Coverage Form to apply to loss of or damage to Covered Property caused by the interruption of service to the described premises. The interruption must result from direct physical loss of or damage by a Covered Cause of Loss to the following property not on the described premises:

(1) Water Supply Services, meaning pumping stations and water mains supplying water to the described premises.

(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;

(c) Microwave radio relays except satellites.

Overhead communication transmission lines are excluded.

(3) Power Supply Services, meaning utility generating plants, switching stations, substations, transformers and transmission lines supplying electricity, steam or gas to the described premises.

Overhead power supply transmission lines are excluded.

The most we will pay for loss or damage under this Extension is the actual loss you sustain.

Utility Services - Planned Events

You may extend the insurance provided by this Coverage Form to apply to your Loss of Income from planned events that must be cancelled as a direct result of the interruption of service to the described premises due to direct physical loss of or damage by a Covered Cause of Loss to the following property located outside of a covered building described in the Declarations.

(1) Water Supply Services, meaning pumping stations and water mains supplying water to the described premises.

(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;

(c) Microwave radio relays except satellites.

Overhead communication transmission lines are excluded.

(3) Power Supply Services, meaning utility generating plants, switching stations, substations, transformers and transmission lines supplying electricity, steam or gas to the described premises.

Overhead power supply transmission lines are excluded.

The Additional Condition, Coinsurance, does not apply to this Extension.

The most we will pay for loss or damage under this Additional Coverage is the actual loss you sustain but we will not pay for the actual loss of income you sustain during the first 24 normal business hours immediately following the direct physical loss or damage.

Valuable Papers and Records - Cost of Research.

You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace or restore the lost information on lost or damaged valuable papers and records, including those which exist on electronic or magnetic media, for which duplicates do not exist.

When duplicates exist, we will determine the value of valuable papers and records, including those which exist on electronic or magnetic media (other than prepackaged software programs), at the cost of:

(1) Blank materials for reproducing the records; and

(2) Labor to transcribe or copy the records.

If you are a fire or rescue emergency services organization, the most we will pay for loss under this Extension is the actual loss you sustain. If you are any type of organization other than a fire or rescue emergency services organization, the most we will pay under this Extension is $75,000 at each described premises, unless separately stated in the Declarations.

Each loss for valuable papers and records covered by this Extension is subject to a $250 deductible.

D. DEDUCTIBLE

The following replaces Section **D. DEDUCTIBLE**:

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less. If multiple deductibles apply to the covered loss, the most we will deduct from the "loss" is the single largest deductible involved. Furthermore, each deductible will only be applied against its applicable coverage and, any deductible amount(s) actually taken will be applied toward any remaining larger deductible(s).

If a loss covered under this coverage form also involves a loss under an Inland Marine Coverage Form or the Physical Damage Section of a Business Auto Coverage Form issued by any member company of the New York Municipal Insurance Reciprocal for this insured, the most we will deduct from the "loss" is the single largest deductible involved. Furthermore, each deductible will only be applied against its applicable coverage and, any deductible amount(s) actually taken will be applied toward any remaining larger deductible(s).

In all cases when the Commercial Property deductible provision applies to the adjustment of a covered loss, its application is modified as follows:

1. If the Amount of Loss is equal to or greater than ten (10) times the applicable deductible, the deductible provision shall be waived.

2. If the Amount of Loss is greater than the applicable deductible, but less than ten (10) times such deductible, then the following deductible reduction provision applies:

We will pay the Amount of Loss less the applicable deductible, after multiplying the result by 111%.

	Example #1	Example #2	Example #3
Amount of Loss	$500.	$2000.	$3000.
Minus Deductible	250.	500.	250.
	X 111%	X 111%	Since the Amount of Loss is greater than ten (10) times the deductible, the deductible is Waived and the full Amount of Loss is paid
Payment	277.50	1665.00	

F. ADDITIONAL CONDITIONS

The Additional Condition, Coinsurance does not apply to Foundations Coverage.

G. OPTIONAL COVERAGES

Optional Coverage **3.e.2.** and **3.e.3.** do not apply to the Communication Equipment, Computers and Media Coverage Extension. The following provisions are added and apply only to the Communication Equipment, Computers and Media Coverage Extension:

2. The cost to replace the lost or damaged property with other property;

(a) of better material and quality and of greater processing ability; and

(b) used for the same purpose; or

3. The amount that is necessary to repair or replace the lost or damaged property plus 25% for upgraded replacement cost valuation.

H. DEFINITIONS

The following additional definitions are added:

1. "Extra Expense" means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

2. "Loss of Income" means the net income (net profit or loss before income taxes), including 'rental value", that would have been earned in your "operations restoration". "Loss of Income" includes continuing normal operating expenses incurred including payroll.

"Loss of Income" does not include:

(a) Donations and contributions which are a direct result of the interruption of your "operations" and are received by you during the "period of interruption"; and

(b) Proceeds from fund raising drives and solicitations which are for your sole benefit and occur as a result of the interruption of your "operations".

3. "Operations" means:

(a) Your business activities occurring at the described premises; and

(b) The tenantability of the described premises.

4. "Period of Restoration" means the period of time that:

(a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and

(b) Ends on the earlier of:

(i) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(ii) The date when business is resumed at a new permanent location.

"Period of Restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

(a) Regulates the construction, use or repair, or requires the tearing down of any property; or

(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

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

5. "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.

6. "Rental Value" means the:

(a) Total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, and

(b) Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations, and

(c) Fair rental value of any portion of the described premises which is occupied by you.

7. "Suspension" means:

(a) The slowdown or cessation of your business activities; or

(b) That a part or all of the described premises is rendered untenantable, if coverage for Business Income including "Rental Value" or "Rental Value" applies.

SECTION II.

The following changes apply to the Causes of Loss Special Form:

B. EXCLUSIONS

1. Exclusions **B.1.b., B.2.c., B.2.e., B.2.f., B.2.g.,** and **B.2.j.** do not apply to:

- Accounts Receivable Coverage Extension;
- Commandeered Property Coverage Extension;
- Communication Equipment, Computers and Media Coverage Extension;
- Personal Effects and Personal Property of Others Coverage Extension;
- Property Off-Premises Coverage Extension;
- Transportation Coverage Extension; or
- Valuable Papers and Records - Cost of Research Coverage Extension.

2. Exclusion **B.1.g.** does not apply to:

- Accounts Receivable Coverage Extension;
- Commandeered Property Coverage Extension;
- Communication Equipment, Computers and Media Coverage Extension;
- Personal Effects and Personal Property of Others Coverage Extension;
- Property Off-Premises Coverage Extension;
- Transportation Coverage Extension; or
- Valuable Papers and Records - Cost of Research Coverage Extension;

3. Exclusions **B.1.e., B.2.a., B.2.d.(2), B.2.d.(3), B.2.d.(4), B.2.d.(5), B.2.d.(6), B.2.k.,** and **B.3.c.** do not apply to the Communication Equipment, Computers and Media Coverage Extension.

4. Exclusions **B.2.d.(7)** and **B.2.i.** do not apply.

C. LIMITATIONS

Limitations **C.1.d., C.1.f., C.2.,** and **C.3.c.** do not apply.

E. ADDITIONAL COVERAGE EXTENSIONS

Additional Coverage Extension **E.1.** Property in Transit, does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXTENDED POLLUTION CLEAN-UP

It is understood and agreed that **SECTION II. EXTENSIONS OF PROPERTY COVERAGE, Extension 7. Pollution "Clean-up" is amended to read as follows:**

We will pay up to $50,000 in each annual period for expense you incur for clean up of "pollutants" from covered property or land, air or water at "your premises". The presence, release, discharge or dispersal of the "pollutants" must be caused by a covered cause of loss not otherwise excluded. The expenses must be reported to us within 180 days after the date of the physical loss or the expiration date of this policy, whichever comes first.

All other terms and conditions remain unchanged.

COMMON POLICY 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

We have the right, but are not obligated to:

1. Make inspections and surveys at any time;

2. Give you reports on the conditions we find, and

3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or

2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which make insurance inspections, surveys, reports, or recommendations.

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.

COMMERCIAL INLAND MARINE CONDITIONS

POLICY CONDITIONS

A. POLICY CONDITIONS

This policy is composed of the Common Policy Conditions, the Municipal Inland Marine Declarations, and one or more coverage forms or endorsements.

The Common Policy Conditions apply in addition to applicable conditions in Municipal Inland Marine Coverage Forms and Endorsements.

However, any Condition contained in a Municipal Inland Marine Coverage Form or Endorsement supersedes any conflicting condition contained in the Common Policy Conditions, other than Policy Cancellation.

B. POLICY LANGUAGE

Parts of this policy are written in simplified language, but some parts may not be. In this policy the following words have the same meaning:

"You" and "Your" refer to the Named Insured shown in the Municipal Inland Marine Declarations.

"Named Insured" refers to You or Your.

"We," "Us" and "Our" refer to the company providing this insurance.

"Company" refers to we, us, or our.

C. POLICY CANCELLATION

Common Policy Condition A, Cancellation, applies to all Municipal Inland Marine Coverage Forms and Endorsements, unless a special state Cancellation Endorsement applies.

LOSS CONDITIONS

A. ABANDONMENT

There can be no abandonment of any property to us.

B. APPRAISAL

If we cannot agree with you on the amount of the loss, either of us can demand that the following procedure be used to settle the amount.

1. You or we will request in writing that the dispute be submitted to appraisal within 60 days from the time we receive your proof of loss. Each will then select an appraiser and notify the other of that choice within 20 days of the initial request.

2. The appraisers will select an impartial umpire if they cannot agree on an umpire within 15 days. Either you or we can ask that an umpire be appointed by a judge of the court of record in the county where the property is located.

3. The appraisers will appraise each item for its value at the time of loss and the amount of loss. If they cannot agree, they will submit any differences to the umpire. An agreement in writing by any two of these three will determine the amount of loss.

4. You will pay your appraiser and we will pay ours. Each will share equally any other costs of the appraisal and the umpire.

5. We will not surrender our rights by any act we take relating to an appraisal.

C. DUTIES IN THE EVENT OF LOSS

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.

2. Give us prompt notice of the "loss." Include a description of the property involved.

3. As soon as possible, give us a description of how, when, and where the "loss" occurred.

4. Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses, for consideration in the settlement of the claim.

5. Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our consent.

6. Permit us to inspect the property and records proving "loss."

7. If requested, permit us to question you under oath, at such times as may be reasonably required, about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.

8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Promptly send us any legal paper or notices received concerning the "loss."

10. Cooperate with us in the investigation or settlement of the claim.

D. INSURANCE UNDER TWO OR MORE COVERAGES

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

E. LOSS PAYMENT

We will pay or make good any "loss" covered under this Coverage Part within 30 days after:

1. We reach agreement with you;

2. The entry of final judgement; or

3. The filing of an appraisal award.

We will not be liable for any part of a "loss" that has been paid or made good by others.

F. OTHER INSURANCE

If you have other insurance covering the same "loss" as the insurance under this Coverage Part, we will pay only the excess over what you should have received from the other insurance. We will pay the excess whether you can collect on the other insurance or not.

G. PAIR, SETS, OR PARTS

1. Pair or Set. In case of "loss" to any part of a pair or set we may:

   a. Repair or replace any part to restore the pair or set to its value before the "loss;" or

   b. Pay the difference between the value of the pair or set before and after the "loss."

2. Parts. In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. PRIVILEGE TO ADJUST WITH OWNER

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of yours.

2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

I. RECOVERIES

Any recovery or salvage on a "loss" will accrue entirely to our benefit until the sum paid by us has been made up.

J. REINSTATEMENT OF LIMIT AFTER LOSS

The Limit of Insurance will not be reduced by the payment of any claim, except for total "loss" of a scheduled item, in which event we will refund the unearned premium on that item.

K. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this insurance 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 "loss" to impair them.

GENERAL CONDITIONS

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;

2. The Covered Property;

3. Your interest in the Covered Property; or

4. A claim under this coverage part.

B. LEGAL ACTION AGAINST US

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

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

2. The action is brought within 2 years after you first have knowledge of the "loss."

C. NO BENEFIT TO BAILEE

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

D. POLICY PERIOD

We cover "loss" commencing during the policy period shown in the Declarations.

E. VALUATION

The value of property and the most we will pay for "loss" to that property will be the least of the following "amounts:"

1. The actual cash value of that property;

2. The cost of reasonably restoring that property to its condition immediately before "loss;" or

3. The cost of replacing that property with property of like kind and quality.

In the event of "loss," the value of property will be determined as of the time of "loss."

HAZARDOUS MATERIALS REPORTING LAW

New York State has enacted a Hazardous Materials Reporting Law (Section 3409 Insurance Law and Section 209-u General Municipal Law).

This law makes it **MANDATORY** for you to annually file a Hazardous Materials Report (for each location insured under this policy) with the fire department servicing the location.

IT IS YOUR RESPONSIBILITY TO FILE THIS REPORT and failure to do so could subject you to a fine.

The law also requires that we supply you with a Report Form for each location, to enable you to comply with the reporting provision of the law, so we have attached the necessary number of forms. It is recommended that you make a copy of each report for your records.

When an inspection of a location is made by a fire department representative, you are required to advise the representative of **ALL** hazardous materials used or stored on the premises, including those reported on the Hazardous Materials Report.

MUNICIPAL COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F -- DEFINITIONS.

A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

1. COVERED PROPERTY

Covered Property, as used in this Coverage Form, means:

a. Equipment you own; and/or

b. Equipment that you rent or lease from others, and for which you are legally liable, and that is of a similar nature to the equipment itemized on the signed and dated application that is described in the Declarations and forms a part of this policy.

2. PROPERTY NOT COVERED

Covered Property does not include:

a. Automobiles, busses, motor trucks, motorcycles, trailers, semi-trailers or any other vehicles designed for highway use;

b. Accounts, bills, deeds, evidences of debt, currency, money, securities, notes, letters of credit; bullion, precious stones, jewelry or other similar items; paintings, statuary or other works of art; passports, tickets, documents, manuscripts, records or other valuable papers.

c. Watercraft and aircraft;

d. Live animals;

e. Bridges, piers, wharves or similar property;

f. Fire department equipment or apparatus;

g. Buildings, improvements and betterments of buildings or furniture and fixtures;

h. Office equipment, word processing equipment, data processing and computer equipment or component parts; or

i. Contraband or property in the course of illegal transportation or trade.

3. COVERED CAUSES OF LOSS

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in the EXCLUSIONS.

4. ADDITIONAL COVERAGES

a. DEBRIS REMOVAL EXPENSE COVERAGE

1) We will pay expense you incur to remove debris of covered property caused by or resulting from a covered cause of "loss" during the term of this policy. Such expenses will be paid only if they are reported to us within 180 days of the date of the "loss" or the expiration date of this policy whichever first occurs.

2) Our Limit of Insurance under this additional coverage shall not exceed $25,000 for the sum of all such expenses occurring during each separate 12-month period commencing with the policy inception date.

3) Debris removal expense does not apply to cost or expense to extract "pollutants" as defined herein from land or water nor the cost or expense to remove, restore or replace polluted land or water.

b. POLLUTANT CLEAN UP AND REMOVAL EXPENSE COVERAGE

1) We will pay expenses you incur to extract "pollutants" from land or water if the release, discharge, or dispersal of the "pollutants" is caused by a covered cause of "loss" during the term of this policy. Such expenses will be paid only if they are reported to us within 180 days of the date of the "loss" or the expiration date of this policy, whichever first occurs.

2) Our Limit of Insurance under this additional coverage shall not exceed $5,000 for the sum of all such expenses occurring during each separate 12-month period commencing with the policy inception date.

3) "Pollutants" means any solid, liquid, gaseous, radioactive, or thermal irritant or contaminant including, but not limited to, smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

c. EXTRA EXPENSE

We will pay the actual and necessary "extra expense" you incur due to direct physical loss of or damage to Covered Property caused by or resulting from any Covered Cause of Loss. But we will only pay for "extra expense" to restore normal "operations."

However, we will not pay as "extra expense" any:

1) Loss of earnings;

2) Rental expense; or

3) Cost of purchasing, constructing, repairing or replacing any property except to the extent it reduces the amount of loss that would otherwise be payable as "extra expense."

In the event of "loss" you must resume all or part of your "operations" as quickly as possible.

This coverage is excess over any other insurance.

B. EXCLUSIONS

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

a. EARTH MOVEMENT

1) Any earth movement such as an earthquake, landslide, or earth sinking, rising, or shifting.

2) Volcanic eruption, explosion or effusion.

b. NUCLEAR HAZARD

1) Any weapon employing atomic fission or fusion; or

2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

c. WAR AND MILITARY ACTION

1) War, including undeclared or civil war;

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

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

d. WATER

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

2) Mudslide or mudflow;

3) Water that backs up from a sewer or drain;

4) Water under the ground surface pressing on or flowing or seeping through:

a. Foundations, walls, floors, or paved surfaces;

b. Basements, whether paved or not;

c. Doors, windows, or other openings; or

5) Any release of water impounded by a dam.

e. GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority. But we will pay for “loss”

caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if “loss” caused by such fire would be covered under this Coverage Form.

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

a. Delay, loss of market or loss of use, interruption of business.

b. Unexplained disappearance.

c. Shortage found upon taking inventory.

d. Dishonest acts by you, anyone else with an interest in the property, your or their employees or authorized representatives, or anyone entrusted with the property, whether or not acting alone or in collusion with other persons or occurring during the hours of employment.

But this Exclusion does not apply to a carrier for hire.

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

f. Unauthorized instructions to transfer property to any person or to any place.

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

a. Weather conditions. But this Exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1 above to produce the "loss."

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

c. Faulty, inadequate or defective:

1) Planning, zoning, development, surveying, siting;

2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

3) Materials used in repair, construction, renovation, or remodeling; or

4) Maintenance

of part or all of any property wherever located.

d. Wear and tear; any quality in the property that causes it to damage or destroy itself; hidden, or latent defect; gradual deterioration, depreciation; mechanical breakdown; insects, vermin, rodents; corrosion, rust, dampness, cold or heat.

C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations, except the following which do not increase any other Limits of Insurance.

The most we will pay for Debris Removal is $25,000 in any one occurrence.

The most we will pay for "Extra Expense" is $50,000 in any one occurrence.

The most we will pay for direct physical "loss" to Covered Property due to "flood" is shown in the Declarations. This limit does not apply to construction or road maintenance equipment.

D. DEDUCTIBLE

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Municipal Inland Marine Conditions and the Common Policy Conditions.

1. COVERAGE TERRITORY

We cover property wherever located within:

a. The 48 contiguous states of the United States;

b. The District of Columbia; and

c. Canada.

2. ADDITIONAL ACQUIRED PROPERTY

If during the policy period you acquire additional property of a type already covered by this form, we will cover such property. The most we will pay in a "loss" for any one item is $250,000.

You must keep an accurate record of all property covered by this policy. You also must provide us with an amended itemized inventory of the actual property covered by this policy as of the anniversary or expiration date, whichever comes first. We must receive this itemized inventory within 30 days of the anniversary or expiration date, whichever comes first.

If the total value of the property shown on the itemized inventory is greater than the Provisional Amount shown in the Declarations, you must pay an additional premium. The additional premium will be computed as follows:

50% of the policy rate shown in the Declarations

multiplied by

the difference between the provisional amount and the total amount of the amended itemized inventory.

If the total value of the property shown on the inventory is less than the Provisional Amount shown in the Declarations, we will pay you a return premium. The return premium will be computed as follows:

50% of the policy rate shown in the Declarations

multiplied by

the difference between the provisional amount and the total amount and the total amount of the amended itemized inventory.

3. VALUATION

a. If you repair or replace this property within a reasonable time following "loss," the property will be valued at the full cost of repair or "Agreed Value".

However, the most we will pay is the least of the following:

1) The actual cost to repair or restore the property with materials of like kind, and quality;

2) The amount you actually and necessarily spend to repair or replace the property;

3) The "Agreed Value," but in no event shall the insured receive more than the cost of comparable new property manufactured to current specifications set by the NFPA, US Department of Transportation or similar organization.

We will not make payment for "Agreed Value" unless the insured has provided us with a covered property schedule, upon each renewal, showing each item of property and its corresponding dollar value. If the insured has not provided an "Agreed Value" and coverage otherwise exists under this policy, the most the insured will receive is the cost of replacing the damaged property with other property of similar age, quality and function.

4) The Limit of Insurance applicable to the property.

b. If you do not repair or replace this property within a reasonable time following "loss," the most we will pay will be the least of the following:

1) Actual cash value of the property;

2) Actual cash value of repairs with material of like kind, and quality; or

3) The Limit of Insurance applicable to the property.

c. We reserve the right to repair or replace the property or to pay for the property in money.

d. In the event of "loss", the value of property will be determined as of the time of "loss."

F. DEFINITIONS

"Extra Expense" means:

1. Necessary expenses you incur for "operations" during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to Covered Property from a Covered Cause of Loss; and

2. Expenses you incur to use the equipment of others or other emergency expenses necessary to continue "operations."

"Flood" means floods, surface water, waves, tide or tidal water, overflow of any body of water or their spray, all whether driven by wind or not.

"Operations" means municipal activities you normally perform with Covered Property.

"Period of Restoration" means the period of time not limited by the policy expiration that

1. Begins when direct physical "loss" or damage caused by or resulting from any Covered Cause of Loss occurs; and

2. Ends when the property that sustains "loss" is:

a. Actually repaired or replaced; or

b. Should have been repaired or replaced if you had exercised reasonable diligence and dispatch,

whichever comes first.

"Period of Restoration" will not be increased by the enforcement of any law that regulates the construction, use, repair, or demolition of any property.

"Loss" means accidental loss or damage.

FLOOD AND EARTHQUAKE INLAND MARINE COVERAGE ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the Inland Marine Policy.

A. COVERAGE SCHEDULE
This endorsement amends coverage on all individually scheduled Inland Marine Property listed on the Policy issued by NYMIR for this insured. Property not specifically and individually scheduled is not covered by this endorsement.

B. EXCLUSIONS MODIFIED
Form MIM 110, Section B, items 1.a.1) & d.1) are amended.

C. LIMITS OF INSURANCE
The most we will pay as a result of flood or earthquake for loss or damage is $1,000,000 per occurrence / $1,000,000 annual aggregate.

D. EXCESS OVER OTHER VALID AND COLLECTIBLE INSURANCE COVERAGE
We will pay only for the amount of flood or earthquake loss or damage, which is excess over any other applicable insurance in force at the time of loss, or damage.

E. ADDITIONAL CONDITION – CANCELLATION
We or you may cancel this endorsement by the applicable terms of the policy without canceling the entire property coverage provided in other parts of the policy.

F. DEDUCTIBLE
We will not pay for “loss” to Inland Marine Property as a result of any one occurrence until the amount of the adjusted “loss” before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance subject to the annual aggregate limit for all loss or damage covered under this endorsement occurring during the policy year.

G. CONTINUITY OF COVERAGE
Except as noted in this endorsement all other terms and conditions of the policy apply to loss or damage from flood or earthquake.

MANUSCRIPT FORM – MARINE A

Section A, Coverage, sub-section 2(a) of Property Not Covered, is amended as below:

(a) Automobiles, motor trucks, trailers or any other vehicles designated for highway use, unless:

1. unlicensed and not operated on public roads; or
2. specifically scheduled on this policy; or
3. specifically scheduled on covered property schedule in file when policy provides blanket coverage "per schedule on file;" or
4. newly acquired additional vehicle added to a blanket policy and similar in body type to those already on policy schedule.

Coverage for automobile physical damage has been extended to cover earthquake and flood. This coverage applies to municipal equipment licensed for highway use only.

VALUATION IS BASED ON AGREED INSURABLE VALUE FOR SCHEDULED ITEMS COVERED UNDER (a) 1- 4 AS ABOVE. HOWEVER, in the event of a loss, the most we will pay is the least of the following:

1. THE actual COST TO REPAIR or restore with materials of like kind, and quality;

2. The amount you actually and necessarily spend to repair or replace the property;

3. THE “AGREED VALUE.” But in no event, shall the insured receive more than the cost of comparable new property manufactured to current specifications set by the NFPA, the US Department of Transportation or similar organization.

   “Agreed Value” means the dollar amount listed for the vehicle on a covered property schedule provided by the Insured and that we have on file.

   We will not make payment for “Agreed Value” unless the Insured has provided us with, upon each renewal, a covered property schedule, showing each item of property and its corresponding dollar value. If the Insured has not provided an “Agreed Value” schedule, and coverage otherwise exists under this policy, the most the insured will receive is the cost of replacing the damaged property with other property of similar age, quality and function.

4. The Limit of Insurance applicable to the property.

MANUSCRIPT FORM – MARINE B

LEASED OR RENTED FROM OTHERS ENDORSEMENT

1. This form is extended to cover your legal or contractual liability for loss or damage caused by a covered cause of loss, to equipment that you lease or rent from others.

2. This endorsement is extended to include equipment borrowed or loaned to you, in addition to equipment leased or rented to you.

3. Under this endorsement, we will not pay more than $100,000 for any one item or more than $100,000 in any one loss, casualty, or disaster.

4. You agree to maintain records of all expenditures that you make for leasing or renting such equipment. We or our authorized representative will be permitted at all reasonable times during the term of this coverage or within a year after its termination, to examine your books, records, and any policies that relate to any property covered under this form. This inspection or examination will not waive or in any manner alter any of the terms or conditions of this form or policy.

MANUSCRIPT FORM – MARINE C

RENTAL EXPENSE

We will reimburse you for expenses you incur for the rental of substitute equipment so that you may continue normal operations or work in progress should a "loss" occur to covered property you own.

The "loss" must be caused by or result from a covered cause of loss.

This coverage extension does not apply if you have other suitable equipment available.

Our reimbursement is limited to expenses you incur beginning 72 hours after the "loss" occurred and will continue until the damaged equipment has been repaired, replaced, or is no longer needed, whichever occurs first. The period of reimbursement will not be limited by the policy expiration date.

We will pay:

1. the actual daily rental expense not to exceed $500 each day for single piece of equipment and

2. not more than $5,000 for all such reimbursement expenses during a single policy year.

The deductible condition of the coverage form does not apply to this coverage extension.

MANUSCRIPT FORM – MARINE D

TOTAL CONSTRUCTIVE LOSS

Inland Marine Policy (MIM110 06-04), Section E, Additional Conditions, is hereby amended to add the following, **Total Constructive Loss**:

There shall be no recovery for a constructive total loss hereunder unless the expense of repairing the vehicle or equipment exceeds the agreed value of the vehicle or equipment by 75%. In making this determination, only expenses incurred by reason of a single accident or a sequence of damages arising from one accident shall be taken into account.

In no case shall NYMIR be liable for unrepaired damage due to a prior or subsequent loss sustained by the vehicle or equipment.

OFFICE OF FIRE PREVENTION AND 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 fire-fighters 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.

Hazardous Materials Location*

Firm Name _____

Bus. Add. _____

City, State, Zip _____

Tel. No. _____

Name
Emergency Contact _____

Street Add. Only _____

Bldg. Name or No. _____

City, State, Zip _____

Policy Anniv. Date _____

Bus. Tel. _____ Home Tel. _____

_____
(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 report form within 15 days of denial.

FOR FIRE DEPARTMENT USE ONLY

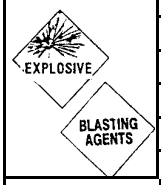
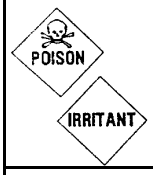
Exemptions: Approved _____ Denied _____ Additional Information Needed _____

_____ _____
(Date) (Signature of Fire Chief)

_____ _____
(Fire Department Name and Address) (Print Name of Fire Chief)

V Hazardous Material Listing (attach additional sheets if necessary)

Note: Definitions of symbols are on the second page of the 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)	

SAMPLE

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

1. Explosives and Blasting Agents - any amount
2. Poison Gas - any amount
3. Poison and Irritant - any amount
4. Flammable Liquid - over 5 gallons inside a building and over 10 gallons outside a building
5. Flammable Solid - any amount
6. Flammable Gas - over 2,000 cubic feet at normal temperature
7. Nonflammable Gas - over 6,000 cubic feet at normal temperature
8. Oxidizer - over 50 pounds
9. Organic Peroxide - over 10 pounds
10. Combustible Liquid - over 25 gallons inside a building and over 60 gallons outside a building
11. Radioactive Material - any amount
12. Corrosive Material - over 55 gallons
13. Dangerous When Wet Material - any amount
14. Etiologic Material - any amount

(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
EXPLOSIVES	**An Explosive -** 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)
CLASS A EXPLOSIVE	Detonating or otherwise of maximum hazard. The nine types of Class A explosives are defined in Sec. 173.53.
CLASS B EXPLOSIVE	In general, function by rapid combustion rather than detonation and include some explosive devices such as special fireworks, flash powders, etc. **Flammable hazard.** (Sec. 173.88)
CLASS C EXPLOSIVE	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. **Minimum hazard.** (Sec. 173.100)
BLASTING AGENTS	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))
COMBUSTIBLE LIQUID	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).
CORROSIVE MATERIAL	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.
FLAMMABLE LIQUID	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).
COMPRESSED GAS	**Compressed Gas** - 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))
FLAMMABLE GAS	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).
NONFLAMMABLE GAS	Any compressed gas other than a flammable compressed gas.
FLAMMABLE SOLID	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)
ORGANIC PEROXIDE	An organic compound containing the bivalent -0-0 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)
OXIDIZER	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)
POISON A (Poison Gas)	**Extremely Dangerous Poisons** - 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)
POISON B (Poison)	**Less Dangerous Poisons** - 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)
IRRITATING MATERIAL	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)
ETIOLOGIC AGENT	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.)
RADIOACTIVE MATERIAL	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.
WATER REACTIVE MATERIAL (SOLID)	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.