

Commercial Package Policy

Thank you for choosing
The Hanover
for your Business
Insurance needs.

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The
Hanover
Insurance Group®

THIS NOTICE IS PROVIDED IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS NOTICE DOES NOT GRANT COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF COVERAGE UNDER THE POLICY. IF THERE IS A CONFLICT BETWEEN THIS NOTICE AND THE POLICY, THE PROVISIONS OF THE POLICY SHALL APPLY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

DISCLOSURE OF PREMIUM:	
Total Terrorism Premium	\$ 196
Fire Following Premium	\$ 0
Other than Fire Following Premium	\$ 196

Disclosure of Terrorism Coverage Available

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from “acts of terrorism” defined in Section 102(1) of the Act as follows:

Any act or acts that are certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The premium charged for this coverage is provided in the **SCHEDULE** above and does not include any charges for the portion of loss that may be covered by the Federal Government as described below. This premium has been added to your policy and unless this form is signed and returned to us to reject terrorism coverage, coverage for Certified Acts of Terrorism is provided by your policy.

Your policy may contain other exclusions which could affect your coverage, such as an exclusion for Nuclear Events or Pollution. **Please read your policy carefully.**

Note for Commercial Property or Commercial Inland Marine Policyholders in Standard Fire States:

In Standard Fire states, terrorism exclusions make an exception for (and therefore provide coverage for) fire losses resulting from an act of terrorism. Any policyholder with a location that we insure in a Standard Fire State that rejects our offer of terrorism coverage in this form will still have coverage with us for fire losses resulting from an act of terrorism.

Explanation of Premium

If a dollar amount is shown for Fire Following Premium in the **SCHEDULE** above that means we insure a location of yours in a Standard Fire State. Fire Following Premium is shown in the **SCHEDULE** above regardless of whether a policyholder with a location that we insure in a Standard Fire State accepts or rejects terrorism coverage with us. Fire Following Premium represents the charge for the coverage we provide for fire losses resulting from acts of terrorism. Fire Following Premium does not include Other Than Fire Following Premium. All Other Than Fire Following Premium is shown in the Other Than Fire Following Premium field in the **SCHEDULE** above.

If a dollar amount is shown for Other Than Fire Following Premium in the **SCHEDULE** above that means you have accepted terrorism coverage with us. Other Than Fire Following Premium represents the charge for terrorism coverage. Other Than Fire Following Premium does not include Fire Following Premium. If applicable, all Fire Following Premium is shown in the Fire Following Premium field in the **SCHEDULE** above.

The dollar amount shown for Total Terrorism Premium in the **SCHEDULE** above represents the sum of premium for Fire Following Premium and Other Than Fire Following Premium.

Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 80% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

Cap on Insurer Participation in Payment of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Rejection of Terrorism Insurance Coverage*

I decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Applicant/Policyholder Signature

Print Name

Date

Hanover Insurance Company

Insurance Company

ZHQ H016173 03

Quote or Policy Number

*If this policy is a renewal and:

- a. You have previously submitted a signed Rejection, you are not required to submit an additional Rejection at this time; or
- b. You have previously accepted coverage and now wish to reject, you are required to complete and sign the Rejection of Terrorism Insurance Coverage above.

IMPORTANT NOTICE TO POLICYHOLDERS

Summary of Form Changes

THIS NOTICE CONTAINS IMPORTANT SUMMARY INFORMATION ABOUT CHANGE IN COVERAGE. PLEASE READ IT CAREFULLY.

THIS NOTICE DOES NOT PROVIDE ANY COVERAGE AND DOES NOT REPLACE ANY PROVISIONS IN YOUR POLICY. READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

The Hanover Insurance Group, in an effort to further address the needs of our policyholders, has modified the School and Educators Legal Liability Coverage Part, some of its endorsements, and created a few policy endorsements. Some new policy forms and endorsements are designed to clarify coverage intent as well as provide additional streamlined products.

Your expiring School and Educators Legal Liability policy has been **replaced** in its entirety with the new **School and Educators Legal Liability Coverage Part**. In addition, some of the endorsements which modify the new School and Educators Legal Liability Coverage Part have been updated and a new endorsement has been created. The following is a summary of major changes which will apply to your policy at renewal. This notice does **not** reference every editorial change made in your policy. If you have any questions or concerns, please contact your agent.

The material is organized by coverage form and endorsements; however, not all coverages, coverage forms or endorsements are included on a particular policy. Please read your policy language carefully for the coverage you are afforded.

421-0353 06 22 SCHOOL AND EDUCATORS LEGAL LIABILITY COVERAGE PART

Changes That May Reduce Coverage:

- **SECTION I – COVERAGES**, paragraph 4. **Exclusions Applicable to Coverage A – Educators Liability, a. “Bodily Injury”, “Personal and Advertising Injury”, or “Property Damage”** has been amended to remove the exception for any “civil rights claim”.
- **SECTION I – COVERAGES**, paragraph 4. **Exclusions Applicable to Coverage A – Educators Liability, c. Abuse and Molestation** has been amended to remove a the exception for any “civil rights claim”.
- **SECTION I – COVERAGES**, paragraph 6., **Exclusion h. Intellectual Property Rights** has been broadened to exclude intellectual property rights including, but not limited to trademark, service mark, trade dress, or trade name or other intellectual property rights, privileges, or laws.
- **SECTION VI – DEFINITIONS**, paragraph 15. definition of “loss” has been amended to exclude severance packages or similar and attorney’s fees with respect to non-monetary relief “claims” or “suits”.
- Please be advised that if form **421-0353, SCHOOL AND EDUCATORS LEGAL LIABILITY COVERAGE PART**, is attached to your policy, the basis of Deductible for each “claim” is changing to Loss and Defense Expenses from Loss Only.

Beyond the base form, we revised the existing endorsements below to clarify coverage. One or more of these endorsements may be attached to your policy.

Other Changes:

- In the State of Texas, 421-1780 Texas Changes applies to 421-0353 School and Educators Legal Liability Coverage Part.
- In the State of Vermont, 421-1916 Vermont Changes applies to 421-0353 School and Educators Legal Liability Coverage Part.

- 421-0360 Non-Monetary Relief Defense Coverage for School and Educators Legal Liability Coverage
- 421-1704 Non-Monetary Relief Worldwide Defense Coverage for School and Educators Legal Liability Coverage
- 421-0348 Non-Monetary Relief Defense Coverage for Law Enforcement Legal Liability
- 421-1713 Non-Monetary Relief Worldwide Defense Coverage for Law Enforcement Legal Liability
- In the State of Illinois,
 - 421-1777 Illinois Non-monetary Relief Worldwide Defense Coverage for School and Educators Legal Liability applies instead of 421-0360 Non-Monetary Relief Worldwide Defense Coverage for School and Educators Legal Liability Coverage.
 - 421-1773 Illinois Non-monetary Relief Worldwide Defense Coverage for Law Enforcement Professional Legal Liability applies instead of 421-1704 Non-monetary Relief Worldwide Defense Coverage for Law Enforcement Professional Legal Liability Coverage.
- In the State of Louisiana,
 - 421-2097 Louisiana Non-monetary Relief Worldwide Defense Coverage for Law Enforcement Professional Legal Liability applies instead of 421-1704 Non-monetary Relief Worldwide Defense Coverage for Law Enforcement Professional Legal Liability Coverage.
 - 421-2101 Louisiana Non-Monetary Relief Defense Coverage for Law Enforcement Professional Legal Liability applies instead of 421-0348 Non-Monetary Relief Defense Coverage for Law Enforcement Legal Liability
 - 421-2098 Louisiana Non-Monetary Relief Worldwide Defense Coverage for School and Educators Legal Liability applies instead of 421-0360 Non-Monetary Relief Worldwide Defense Coverage for School and Educators Legal Liability Coverage.
 - 421-2100 Louisiana Non-Monetary Relief Defense Coverage for School and Educators Legal Liability Coverage applies instead of 421-0360 Non-Monetary Relief Defense Coverage for School and Educators Legal Liability Coverage
- In the State of New York,
 - 421-1855 New York Non-monetary Relief Worldwide Defense Coverage for Law Enforcement Professional Legal Liability applies instead of 421-1704 Non-monetary Relief Worldwide Defense Coverage for Law Enforcement Professional Legal Liability Coverage.
 - 421-0718 New York Non-Monetary Relief Defense Coverage for Law Enforcement Professional Legal Liability applies instead of 421-0348 Non-Monetary Relief Defense Coverage for Law Enforcement Legal Liability
 - 421-1856 New York Non-Monetary Relief Worldwide Defense Coverage for School and Educators Legal Liability applies instead of 421-0360 Non-Monetary Relief Worldwide Defense Coverage for School and Educators Legal Liability Coverage.
 - 421-0719 New York Non-Monetary Relief Defense Coverage for School and Educators Legal Liability Coverage applies instead of 421-0360 Non-Monetary Relief Defense Coverage for School and Educators Legal Liability Coverage

Beyond the base form, we created the endorsement below. This endorsement may be attached to your policy.

Other Changes:

- 421-5088 Retroactive Date for School and Educators Legal Liability Coverage Form (Split Retro)

Changes that may affect the Commercial Follow Form Excess and Umbrella Liability Policy are below. The endorsement may be attached to your policy.

Changes That May Reduce Coverage

- 475-0619 Exclusion – Law Enforcement Professional Liability (Coverage A and Coverage B)
 - Please be advised that if form **475-0289, EXCLUSION – LAW ENFORCEMENT PROFESSIONAL LIABILITY (COVERAGE A)**, is attached to your policy, at renewal it will be replaced by form **475-0619, EXCLUSION – LAW ENFORCEMENT PROFESSIONAL LIABILITY (COVERAGE A & COVERAGE B)**.
- 475-0620 Exclusion – Law Enforcement Professional Liability (Coverage B)

Changes That Clarify Coverage

- 475-0618 Underlying Claims-made Coverage
- 475-0624 Claims-made Coverage Retroactive Date

IMPORTANT NOTICE TO POLICYHOLDERS

EDUCATIONAL INSTITUTIONS PROPERTY BROADENING ENDORSEMENT – 411-0812 Summary of Form Changes

THIS NOTICE DOES NOT PROVIDE ANY COVERAGE AND DOES NOT REPLACE ANY PROVISION OF YOUR POLICY. PLEASE READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL. THIS NOTICE CONTAINS IMPORTANT INFORMATION ABOUT CHANGE IN YOUR COVERAGE. IT DOES NOT ADDRESS EVERY CHANGE MADE IN YOUR POLICY. PLEASE READ THE ENTIRE NOTICE. IF YOU HAVE ANY QUESTIONS REGARDING THIS NOTICE, PLEASE CONTACT YOUR INSURANCE AGENT.

The Hanover has replaced the following form and a summary of the changes that will apply at renewal are explained below.

Educational Institutions Property Broadening Endorsement 411-0812 04 14

Changes That Clarify or Broaden Coverage:

1. In the introduction section of the form, the sentence that begins “The following is added to **C. Limits of Insurance...**” is deleted because limits of insurance that are additional or included are addressed in the LIMITS OF INSURANCE section of the following Broadening Endorsements, one of which is attached to your policy:
 - Bronze Property Broadening Endorsement 411-0791**
 - Silver Property Broadening Endorsement 411-0792**
 - Gold Property Broadening Endorsement 411-0793**
 - Platinum Property Broadening Endorsement 411-0794**

2. Section II. **DEDUCTIBLE** is deleted because the application of deductibles is addressed in the DEDUCTIBLE section of the following Broadening Endorsements, one of which is attached to your policy:
 - Bronze Property Broadening Endorsement 411-0791**
 - Silver Property Broadening Endorsement 411-0792**
 - Gold Property Broadening Endorsement 411-0793**
 - Platinum Property Broadening Endorsement 411-0794**

3. In **Broadened Business Personal Property**, playground equipment is added -in the following Broadening Endorsements, one of which is attached to your policy:
 - Bronze Property Broadening Endorsement 411-0791**
 - Silver Property Broadening Endorsement 411-0792**
 - Gold Property Broadening Endorsement 411-0793**
 - Platinum Property Broadening Endorsement 411-0794**

4. **Fundraiser Business Income** is re-titled **Business Income and Extra Expense – Fundraising Event**.

5. In **Emergency Evacuation Expense**, the term students is deleted and replaced with students, “employees” and visitors.

6. **Paved Surfaces** is added to **Broadened Building Coverage** in the following Broadening Endorsements, one of which is attached to your policy:

Bronze Property Broadening Endorsement 411-0791

Silver Property Broadening Endorsement 411-0792

Gold Property Broadening Endorsement 411-0793

Platinum Property Broadening Endorsement 411-0794

Walks and patios in paragraph (1) are deleted because they are already covered in **Broadened Building Coverage** in the Broadening Endorsement attached to your policy.

In paragraph (2), the sentence that begins "This Limit of Insurance does not apply to driveways, walks or patios..." is added because the Building Limit of Insurance applies to these items, not the sub-limit in this Coverage Extension.

7. In **Real Property of Others Required by Contract**, 'building, doors and windows' in the first paragraph is deleted and replaced with 'building items and appurtenant structures' because Real Property includes building, doors and windows.
8. The **Spoilage** section is amended to clarify what mechanical breakdown and mechanical failure do not mean in paragraph 2(a). Paragraph (6) is also added to outline that the **Spoilage** Additional Coverage will not apply unless specific conditions are met.

The Hanover has replaced the forms referenced below, one of which may or may not be attached to your policy. These coverage forms are being replaced with the corresponding coverage form new edition.

The material is organized by coverage form and endorsements; however, not all coverages, coverage forms or endorsements are included on a particular policy. Please read your policy language carefully.

COVERAGE FORMS, CAUSES OF LOSS FORMS AND RELATED ENDORSEMENTS

Clarifications and Broadening Of Coverage

- **Special Causes Of Loss (CP 10 30)**

The language is revised relating to such incidents, to include reference to the section of pipe that is connected to the water supply or sewer system. Further, the language is revised to remove reference to municipal systems in favor of reference to potable water supply systems and sanitary sewer systems operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

OTHER PROPERTY ENDORSEMENTS

1. Clarifications or Broadening In Coverage

- **Multiple Deductible Form (CP 03 20)** New attributes are being introduced with this revision. New edition dates of an existing form number are being introduced. The form provides for different flat dollar deductible amounts for different causes of loss. The form is revised to state explicitly that the endorsement does not apply to Flood.
- **Deductibles By Location (CP 03 29)** New attributes are being introduced with this revision. New edition dates of an existing form number are being introduced. The form provides for different flat dollar deductible amounts for different causes of loss. The form is revised to state explicitly that the endorsement does not apply to Flood.
- **Ordinance Or Law Coverage Endorsement (CP 04 05)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Ordinance Or Law Coverage – Virginia (Broad Form) (CP 04 06)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **West Virginia Ordinance Or Law Coverage (CP 04 13)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Ordinance Or Law For Tenant’s Interest In Improvements and Betterments (Tenant’s Policy) (CP 04 26)** New endorsement provides Ordinance Or Law Coverage under a tenant’s policy for improvements and betterments. Coverage(s) **A, B** and/or **C** apply in accordance with entry in the Schedule of this endorsement. This endorsement contains the Post-Loss Ordinance Or Law Option.
- **Ordinance Or Law Coverage For Tenant’s Interest In Improvements and Betterments (Tenant’s Policy) – Virginia (Broad Form) (CP 04 27)** New endorsement provides Ordinance Or Law Coverage under a tenant’s policy for improvements and betterments. Coverage(s) **A, B** and/or **C** apply in accordance with entry in the Schedule of this endorsement. This endorsement contains the Post-Loss Ordinance Or Law Option.
- **West Virginia Ordinance Or Law Coverage For Tenant’s Interest In Improvements and Betterments (Tenant’s Policy) (CP 04 28)** New endorsement provides Ordinance Or Law Coverage under a tenant’s policy for improvements and betterments. Coverage(s) **A, B** and/or **C** apply in accordance with entry in the Schedule of this endorsement. This endorsement contains the Post-Loss Ordinance Or Law Option.
- **California – Ordinance Or Law Coverage For Tenant’s Interest In Improvements And Betterments (Tenant’s Policy) (CP 04 36 12)** New endorsement provides Ordinance Or Law Coverage under a tenant’s policy for improvements and betterments. Coverage(s) **A, B** and/or **C** apply in accordance with entry in the Schedule of this endorsement. This endorsement contains the Post-Loss Ordinance Or Law Option.
- **Functional Building Valuation Endorsement (CP 04 38)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **New Hampshire – Functional Building Valuation (CP 04 42)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

- **Minnesota Changes – Functional Building Valuation (CP 04 43)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Scheduled Building Property Tenant’s Policy (CP 14 01)** New endorsement CP 14 01 modifies a tenant's policy by adding certain building property as insured property, on a scheduled basis. Under this endorsement, building property means the building glass, building fixtures and permanently installed machinery and equipment described in the Schedule
- **Unscheduled Building Property Tenant’s Policy (CP 14 02)** replaces **CP 14 70** New endorsement CP 14 02 modifies a tenant's policy by adding certain building property as insured property, on an unscheduled basis. When a Limit of Insurance is shown for Building Glass, insurance is provided for building glass that is part of the building shown in the Schedule. When a Limit of Insurance is shown for Building Property Other Than Glass, insurance is provided for building fixtures and permanently installed machinery and equipment that are part of the building shown in the Schedule.
- **Building Glass – Tenant’s Policy (CP 14 70)** is replaced by either **CP 14 01** or **CP 14 02**
- **Off-Premises Interruption Of Business – Vehicles and Mobile Equipment (CP 15 06)** This is a new coverage option designed to address the off-premises business interruption exposures of vehicles and mobile equipment.
- **Alaska – Ordinance Or Law – Increased Period Of Restoration (CP 15 12)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **New York – Ordinance Or Law – Increased Period Of Restoration (CP 15 14)** Added Option to include an ordinance or law that is promulgated or revised after the loss but prior to a commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Ordinance Or Law – Increased Period Of Restoration (CP 15 31)** Added Option to include an ordinance or law that is promulgated or revised after the loss but prior to a commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Utility Services – Time Element (CP 15 45)** As revised, the Schedule of Endorsement CP 15 45 provides for entry of an independent waiting period for Business Income losses arising from utility services interruption, that is, a waiting period which could be different from the policy's waiting period. One of the following waiting periods apply to Business Income coverage under Endorsement CP 15 45, subject to entry in the Schedule of that endorsement: no-waiting period; 12 hours; 24 hours; 48 hours; 72 hours; 96 hours; 120 hours; 144 hours; 168 hours.

2. Clarifying or Reduction In Coverage

- **Protective Safeguards (CP 04 11)** A new condition is added to Paragraph A: An automatic burglary alarm or other automatic system listed in the Schedule must be actively engaged and maintained in the "on" position during all non-work hours and whenever the premises are unoccupied.
- **South Dakota Protective Safeguards (CP 04 12)** New edition dates of existing form numbers are being introduced.
- **Burglary and Robbery Protective Safeguards (CP 12 11)** A new condition is added to Paragraph A: An automatic burglary alarm or other automatic system listed in the Schedule must be actively engaged and maintained in the "on" position during all non-work hours and whenever the premises are unoccupied.

OTHER INLAND MARINE ENDORSEMENTS

1. The following endorsements are used to bring forms into compliance with state regulations and other requirements imposed by the insurance department.
 - IM 2003 ~ Amendatory Endorsement Alaska
 - IM 2021 ~ Amendatory Endorsement Georgia
 - IM 2029 ~ Amendatory Endorsement Indiana
 - IM 2037 ~ Amendatory Endorsement Louisiana
 - IM 2041 ~ Amendatory Endorsement Maryland
 - IM 2047 ~ Amendatory Endorsement Minnesota
 - IM 2051 ~ Amendatory Endorsement Missouri
 - IM 2053 ~ Amendatory Endorsement Montana
 - IM 2059 ~ Amendatory Endorsement New Hampshire
 - IM 2069 ~ Amendatory Endorsement North Dakota
 - IM 2085 ~ Amendatory Endorsement South Dakota
 - IM 2089 ~ Amendatory Endorsement Texas
 - IM 2097 ~ Amendatory Endorsement Washington
 - IM 4102 ~ Mortgageholders Endorsement – Illinois
 - IM 7007 ~ Schedule Of Coverages Contractors' Equipment Blanket Equipment Form – Arizona
 - IM 7020 ~ Replacement Cost Endorsement Missouri
 - IM 7020 ~ Replacement Cost Endorsement Louisiana
 - IM 7020 ~ Replacement Cost Endorsement Washington
 - CL 0114 ~ Amendatory Endorsement South Carolina
 - CL 0122 ~ Amendatory Endorsement Kansas
 - CL 0142 ~ Amendatory Endorsement Minnesota
 - CL 0144 ~ Amendatory Endorsement Montana
 - CL 0148 ~ Amendatory Endorsement Arizona
 - CL 0156 ~ Amendatory Endorsement Kentucky
 - CL 0158 ~ Amendatory Endorsement North Carolina
 - CL 0160 ~ Amendatory Endorsement Florida
 - CL 0166 ~ Amendatory Endorsement Rhode Island
 - CL 0168 ~ Amendatory Endorsement Maryland
 - CL 0170 ~ Amendatory Endorsement Missouri
 - CL 0180 ~ Amendatory Endorsement Connecticut
 - CL 0190 ~ Amendatory Endorsement Iowa
 - CL 0195 ~ Amendatory Endorsement Idaho
 - CL 0348 ~ Amendatory Endorsement Alaska
 - CL 0700 ~ Virus Or Bacteria Exclusion

2. Other AAIS form revisions

- **IM 7026 ~ Agreed Amount** This endorsement amends the Valuation provision and puts the coverage on an agreed amount basis for property listed on the Agreed Amount Schedule or described on the Equipment Schedule with agreed amount indicated as the valuation. The endorsement also indicates that coinsurance conditions to not apply to property covered on an agreed amount basis.
- **IM 7036 ~ Equipment Leased Or Rented From Others Schedule** This schedule is used with the Equipment Leased Or Rented From Others Endorsement, IM 7012 to indicate limits, deductible amount, and reporting conditions. This revised edition adds a section for Valuation and the top portion of this schedule includes a place to insert the policy number.
- **IM 7050 ~ Builders' Risk Coverage Scheduled Jobsite Form Comprehensive Form** This comprehensive coverage form provides coverage for all risks of direct physical loss unless the loss is excluded or limited. It provides coverage for buildings and structures while in the course of construction, erection or fabrication. This form restricts coverage to buildings and structures at the jobsites that are specifically described on the schedule of coverages.
- **IM 7051 ~ Builders' Risk Coverage Scheduled Jobsite Form** This basic coverage form provides coverage for all risks of direct physical loss unless the loss is excluded or limited. It provides coverage for buildings and structures at jobsites specifically described on the schedule while in the course of construction.
- **IM 7053 ~ Builders' Risk Coverage – Builders' Risk and Installation Floater Form** This basic coverage form provides coverage for all risks of direct physical loss unless the loss is excluded or limited. It provides builders' risk and installation floater coverages in one form specifically for contractors. Coverage is on a blanket basis for all of the insured's builders' risk and installation projects. Contingent Coverage and/or Difference in Conditions Coverage can be included by indicating limits on the schedule of coverages. By making the proper selection on the schedule, this policy can be written on a reporting form basis.
- **IM 7055 ~ Builders' Risk Comprehensive Form** This Schedule of Coverages is used with the Builders' Risk Coverage - Scheduled Jobsite Form - Comprehensive Form, IM 7050, to enter coverage limits and deductible amounts at scheduled locations.
- **IM 7056 ~ Schedule of Coverages – Builders' Risk** This Schedule of Coverages is used with the Builders' Risk Coverage - Scheduled Jobsite Form, IM 7051, to enter coverage limits and a deductible amount for scheduled locations.
- **IM 7058 ~ Schedule of Coverages – Builders' Risk and Installation Floater** This Schedule of Coverages is used with the Builders' Risk Coverage - Builders' Risk And Installation Floater Form, IM 7053, to indicate limits, reporting conditions requirements, and deductible amounts.
- **IM 7084 ~ Mortgageholders Endorsement** This endorsement is used with any of the five Builders' Risk coverage forms. It includes mortgage provisions if a mortgagee is named in the policy. It provides the number of days for notice of cancellation or non-renewal of the policy as well as information on premium payment and payment for a loss.
- **IM 7101 ~ Installation Floater Coverage – Reporting Form** This coverage form provides coverage for all risks of direct physical loss unless the loss is excluded or limited. It provides coverage for materials, supplies, machinery, fixtures, and equipment belonging to the insured and similar property of others in the insured's care, custody, and control. This equipment must be at a jobsite where the insured is involved in an installation or construction project and will become a permanent part of the project. The reporting form feature is available. Coverage is provided on a blanket basis and there is no coinsurance provision.
- **IM 7106 ~ Schedule Of Coverages – Installation Floater Coverage – Reporting Form** This Schedule of Coverages is used with the Installation Floater Coverage - Reporting Form, IM 7101, to show limits, reporting conditions, and applicable deductible amounts. Revisions were made in conjunction with changes made to the corresponding revised coverage form, IM 7101. The descriptions for limits have been eliminated since limits are described in the coverage form. Contract Penalty, Testing, Earthquake, and Flood Supplemental Coverage limits have been eliminated. Earthquake, Flood, and Sewer Backup deductible amounts have also been eliminated from the schedule.

- **IM 7257 Schedule Of Coverages – Trip Transit Coverage** This schedule is used with the Trip Transit Coverage form, IM 7252 to describe the covered property and the covered shipment and indicate the limits and deductible amount. The revised edition of this schedule has been revised to refer to the defined term "owned vehicle"
- **IM 7470 Mobile Equipment Coverage** This endorsement provides coverage for direct physical loss caused by a covered peril to mobile equipment and similar property of others that is in your care, custody, or control. The revised edition that adds a place to insert the policy number and includes other minor editorial changes.
- **IM 7476 Unattended Vehicle Exclusion** This revised endorsement has added text to clarify that cargo that is in or on a vehicle that is stolen or disappears is also excluded unless the vehicle is attended as specified in the endorsement.
- **IM 7487 Flood and Earth Movement Exclusion** This endorsement adds exclusions for loss caused by Earth Movement or Flood to covered property while at a terminal location.
- **IM 7501 Miscellaneous Bailee – Processor Floater** The Miscellaneous Bailee – Processor Floater provides coverage for direct physical loss caused by a covered peril to property of others in your care, custody, and control for processing. Processing includes, but is not limited to, finishing, repairing, restoring, or adjusting.
- **IM 7503 Exhibition Floater** The Exhibition Floater form provides coverage for property that is on display at an exhibit. The exhibitions can be covered on a scheduled or blanket basis.
- **IM 7504 Sales Representative Floater** The Sales Representative Floater provides coverage for loss caused by a covered peril to samples of stock in trade (including containers) and similar property of others in your care custody and control. In the revised edition of this miscellaneous floater, under Property Not Covered, the provision for Property At Your Premises has been amended.
- **IM 7507 Schedule Of Coverages – Miscellaneous Bailee – Processor Floater** This Schedule of Coverages is used with the Miscellaneous Bailee -Processor Floater, IM 7501, to describe the covered premises and indicate limits and the deductible amount.
- **IM 7509 Schedule Of Coverages – Exhibition Floater – Scheduled Exhibitions** This Schedule of Coverages - Exhibition Floater - Scheduled Exhibitions is used with the Exhibition Floater, IM 7503, to describe the covered property and the scheduled exhibitions including exhibition dates and to indicate the deductible amount.
- **IM 7510 Schedule of Coverages – Sales Representative Floater** This Schedule of Coverages is used with the Sales Representative Floater, IM 7504, to describe the covered property and indicate limits and the deductible amount.
- **IM 7512 Named Perils Endorsement** This endorsement restricts the perils covered to named perils.
- **IM 7514 Schedule Of Coverages – Mobile Equipment Floater** This schedule of coverages is used with IM 7505, Mobile Equipment Floater to indicate limits, optional coverages, coinsurance percentage, valuation, and deductibles. In the revised edition, under Supplemental Coverages, Newly Acquired Equipment replaces Newly Purchased Equipment.
- **IM 7550 Bailee Customers Floater Coverage – Dry Cleaners and Laundry** This coverage form provides coverage for all risks of direct physical loss or damage to the property of others while in the care, custody, and control of a dry cleaner or laundry unless the loss is caused by a peril that is excluded or limited.
- **IM 7555 Schedule of Coverages – Bailee Customers Floater** This schedule is used with the Bailee Customers Floater Coverage - Dry Cleaners and Laundry Form, IM 7550, to indicate limits and deductible amounts.

IMPORTANT NOTICE TO POLICYHOLDERS

BRONZE PROPERTY BROADENING ENDORSEMENT – 411-0791
SILVER PROPERTY BROADENING ENDORSEMENT – 411-0792
GOLD PROPERTY BROADENING ENDORSEMENT – 411-0793
PLATINUM PROPERTY BROADENING ENDORSEMENT – 411-0794
CONDOMINIUM PROPERTY BROADENING ENDORSEMENT – 411-0795
Summary of Form Changes

THIS NOTICE DOES NOT PROVIDE COVERAGE AND DOES NOT REPLACE ANY PROVISION OF YOUR POLICY. PLEASE READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

THIS NOTICE CONTAINS IMPORTANT INFORMATION ABOUT CHANGE IN YOUR COVERAGE. IT DOES NOT ADDRESS EVERY CHANGE MADE IN YOUR POLICY. PLEASE READ THE ENTIRE NOTICE.

IF YOU HAVE ANY QUESTIONS REGARDING THIS NOTICE, PLEASE CONTACT YOUR INSURANCE AGENT.

The Hanover has replaced the forms referenced below, one of which is attached to your policy. The following is a summary of the changes made to your policy, which will apply at renewal.

- 411-0791 – Bronze Property Broadening Endorsement
- 411-0792 – Silver Property Broadening Endorsement
- 411-0793 – Gold Property Broadening Endorsement
- 411-0794 – Platinum Property Broadening Endorsement
- 411-0795 – Condominium Property Broadening Endorsement

Changes That Clarify or Broaden Coverage in the above referenced forms:

Scheduled Coverages Section

1. **Additional Covered Property** is deleted because:
 - “Theft” of patterns, dies, molds and forms in paragraph **a.** is covered in **Broadened Business Personal Property**
 - The special limits in paragraph **b.** have been moved to the **LIMITATIONS** section
2. In **Broadened Building Coverage**, paragraph **b.** is deleted because the \$2,500 limitation on outdoor signs is not included in **LIMITS OF INSURANCE** section.
3. In **Broadened Business Personal Property**, the coverage for tenant building glass and tenant signs is added and **Building Limit – Inflation Guard** and **Seasonal Increase – Business Personal Property** are moved to the **LIMITS OF INSURANCE** section.
4. **Business Personal Property In Storage Units**, coverage for Business Personal Property stored in a storage unit (including a detached trailer) within 2,000 feet of the buildings of described premises is added.
5. In **Computer and Funds Transfer Fraud**, “electronic data” and “computer programs” have been added to more accurately reflect the fraud exposures created by advances in technology and exclusions are added to clarify the extent of the enhanced coverage.

6. In **Denial of Access to Premises**, “However, this Additional Coverage does not extend beyond the time when ingress to or egress from the described premises is no longer prevented” is added as a clarification.
7. In **Electronic Data Processing Equipment**:
 - An explanation of how this Additional Coverage interacts with the **Extra Expense** Coverage in the endorsement is added.
 - An explanation of how this Additional Coverage applies when only Building Coverage is provided is added.
 - Coverage for modifying or replacing undamaged “hardware” or software” is added as an enhancement (\$10,000 limit).
8. In **Employee Theft including ERISA Compliance**, “clergy or any non-compensated person” is deleted and replaced by volunteer and the Special Exclusion section now addresses the new exposure of virtual currency.
9. In **Fire Protection Equipment Recharge**, coverage for loss or damage to Covered Property from accidental discharge is added and the Special Exclusion section now clarifies that this Additional Coverage is for direct damage and indirect losses such as unrealized income, legal liability damages and expenses are not covered.
10. **Lease Cancellation** is now titled **Business Income and Extra Expense – Lease Cancellation**
11. In **Leasehold Interest**:
 - Coverage is added for increased rent under a replacement lease, not just loss of prepaid rent.
 - The Conditions section clarifies how coverage is applied based on the terms of the lease in effect at the time of loss.
 - The Special Exclusions section now addresses vacancy.
12. In **Money and Securities**, the Special Exclusions section clarifies that coverage for “theft” by the insured or employees is not covered since embezzlement is not insurable and the latter is properly covered by **Employee Theft including ERISA Compliance** included in this endorsement. This section also clarifies that this Additional Coverage is for direct damage and indirect losses such as unrealized income, legal liability damages and expenses are not covered
13. In **Money Orders and Counterfeit Currency**, the Special Exclusion section clarifies that this Additional Coverage is for direct damage and indirect losses such as unrealized income, legal liability damages and expenses are not covered.
14. In **Ordinance or Law**, provisions are added to address how this Additional Coverage applies when relocation to another premises occurs and when Blanket Coverage applies.
15. In **Pollutant Clean-Up and Removal**, payment for testing performed in the course of extracting “pollutants” is added.
16. **Property In Transit** is now titled **Business Personal Property In Transit**.
17. **Property Off Premises** is now titled **Business Personal Property Off Premises** and coverage for property in storage at a leased location is added.
18. **Rewards – Arson, Theft and Vandalism** is now titled **Rewards**.

19. In **Sales Representative Samples**, the exclusion for “theft from an unattended vehicle is deleted.
20. In **Soft Costs**, a clarification is added that this Coverage Extension is excess over other valid and collectible insurance.
21. **Tenant Glass** is added to Broadened Business Personal Property.
22. **Tenant Relocation** is now titled **Lessor’s Tenant Move Expenses**.
23. **Transit Business Income and Extra Expense** is now titled **Business Income and Extra Expense – Transit**.
24. In **Utility Services**, internet access or access to any electronic, cellular or satellite “network” have been added to Services as an enhancement.

Blanket Coverages Section

1. In **Outdoor Property**, the following are added:
 - Fences at locations with Business Personal Property only.
 - Trees, shrubs, plants and lawns that are not “stock” or part of a vegetated roof.
2. In **Valuable Papers and Records**, coverage for “electronic data” is added

New Section

The **LIMITS OF INSURANCE** section is new. It replaces **C. Limits of Insurance** in CP 00 10 and CP 00 18 and makes the Limits of Insurance additional limits unless stated otherwise. In addition, **Business Personal Property Limit – Seasonal Increase** and **Building Limit Increase** are added.

Revised Sections

1. In the **VALUATION** section, the valuation of **Personal Property of Others** is upgraded to **Replacement Cost** when that option is shown in the Declarations.
2. In the **DEFINITIONS** section:
 - “Banking premises” is deleted and replaced by “financial institution”
 - “Communicable disease” is deleted
 - “Computer program” is added
 - “Dependent property” and “dependent property period of restoration” are deleted because they were included in error in this endorsement
 - “Electrical disturbance” is deleted because it is not a defined term
 - “Electronic data” is upgraded to include current technology terms
 - “Finished stock” is added
 - “Flood” now includes release of water from a dam or levee
 - “Food contamination” does not include “communicable disease”

- “Fraudulent instruction” is added
- “Hardware” is upgraded to include current technology terms
- The definition of “in transit” now includes while Covered Property is in the insured’s vehicle, common carrier or contract carrier, including temporary stops and outgoing shipments
- “Mechanical breakdown” is deleted because it is not a defined term
- “Messenger” is added
- “Money” now includes deposits in “financial institutions”
- “Occurrence” is deleted because it is not a defined term
- “Network” is added
- “Period of restoration” is added
- “Social engineering” is added
- “Spoilage” is deleted because it is not a defined term
- “Suspension” is added
- “Valuable papers and records” now includes “electronic data” and items of property that are usual to the graphic arts, printing and publishing industries

Changes That Clarify or Broaden Coverage in the following forms:

Silver Property Broadening Endorsement 411-0792

Gold Property Broadening Endorsement 411-0793

Platinum Property Broadening Endorsement 411-0794

Condominium Property Broadening Endorsement 411-0795

Scheduled Coverages Section:

1. **Business Income and Extra Expenses – Dependent Properties** is added to Business Income (and Extra Expense Coverage) Form CP 00 30 and Business Income (and Extra Expense) Coverage Form – Actual Loss Sustained 411-0581 instead of to Building and Personal Property Coverage Form CP 00 10.
2. Coverage for **Business Income and Extra Expense** is added to **Backup or Overflow of Sewer, Drain or Sump** and the exclusion for failure to maintain sump pumps is deleted.
3. In **Underground Water Seepage**, seepage through doors and windows is added and coverage for Business Income and Extra Expense is added

Changes that Clarify or Broaden Coverage in Condominium Property Broadening Endorsement 411-0795

Realty Tax is retitled **Realty Tax Assessment**. In addition, the phrase “we will reimburse you” is deleted and replaced with “we will pay” and paragraph **a.** in the **Special Exclusion** section clarifies that assessments paid by others on your behalf are not paid by the Company.

Changes to Limits of Insurance have been made in the following forms:

1. Silver Property Broadening Endorsement 411-0792

Limits of Insurance are increased for the following coverages:

- **Business Personal Property in Transit** from \$50,000 to \$100,000
- **Computer/Funds Transfer Fraud** from \$10,000 to \$50,000
- **E-Commerce** from \$5,000 to \$25,000
- **Employee Theft** from \$50,000 to \$100,000
- **Forgery or Alteration** from \$30,000 to \$50,000
- **Money and Securities** from \$10,000 to \$25,000
- **Money Order/Counterfeit Money** from \$10,000 to \$25,000

2. Gold Property Broadening Endorsement 411-0793

Limits of Insurance are increased for the following coverages:

- **Business Personal Property Off Premises** from \$150,000 to \$250,000
- **Computer/Funds Transfer Fraud** from \$15,000 to \$50,000
- **E-Commerce** from \$10,000 to \$50,000
- **Employee Theft** from \$100,000 to \$250,000
- **Forgery or Alteration** from \$30,000 to \$100,000
- **Money and Securities** from \$25,000 to \$50,000
- **Money Orders and Counterfeit Money** from \$25,000 to \$50,000

3. Platinum Property Broadening Endorsement 411-0794

Limits of Insurance are increased for the following coverages:

- **Business Personal Property Off Premises** from \$200,000 to \$250,000
- **Computer/Funds Transfer Fraud** from \$25,000 to \$50,000
- **E-Commerce** from \$25,000 to \$50,000
- **Employee Theft** from \$150,000 to \$250,000
- **Forgery or Alteration** from \$50,000 to \$100,000

4. Condominium Property Broadening Endorsement 411-0795

a. Limits of Insurance are increased for the following coverages:

- **Business Personal Property in Transit** from \$50,000 to \$100,000
- **Computer/Funds Transfer Fraud** from \$10,000 to \$50,000
- **E-Commerce** from \$5,000 to \$25,000
- **Employee Theft** from \$50,000 to \$100,000
- **Forgery or Alteration** from \$30,000 to \$50,000
- **Money and Securities** from \$10,000 to \$25,000
- **Money Order/Counterfeit Money** from \$10,000 to \$25,000

b. The Limit of Insurance for **Backup or Overflow of Sewer, Drain or Sump** is now amendable

Changes That Clarify or Reduce Coverage in the following forms:**411-0791 ~ Bronze Property Broadening Endorsement****411-0792 ~ Silver Property Broadening Endorsement****411-0793 ~ Gold Property Broadening Endorsement****411-0794 ~ Platinum Property Broadening Endorsement****411-0795 ~ Condominium Property Broadening Endorsement**

In E-commerce, b. Interruption of Computer Operations clarification that **Extended Business Income** does not apply to **Interruption of Computer Operations** as **Extended Business Income** is a coverage scheduled separately. We are limiting coverage for **E-commerce. B. Interruption of Computer Operations** to the most we will pay in one policy period is the Limit of Insurance on the Schedule.

The Hanover has replaced the forms referenced below, one of which may or may not be attached to your policy. These coverage forms are being replaced with the corresponding coverage form new edition.

The material is organized by coverage form and endorsements; however, not all coverages, coverage forms or endorsements are included on a particular policy. Please read your policy language carefully.

COVERAGE FORMS, CAUSES OF LOSS FORMS AND RELATED ENDORSEMENTS**Clarifications and Broadening Of Coverage**

- **Special Causes Of Loss (CP 10 30)**

The language is revised relating to such incidents, to include reference to the section of pipe that is connected to the water supply or sewer system. Further, the language is revised to remove reference to municipal systems in favor of reference to potable water supply systems and sanitary sewer systems operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

OTHER PROPERTY ENDORSEMENTS**1. Clarifications or Broadening In Coverage**

- **Multiple Deductible Form (CP 03 20)** New attributes are being introduced with this revision. New edition dates of an existing form number are being introduced. The form provides for different flat dollar deductible amounts for different causes of loss. The form is revised to state explicitly that the endorsement does not apply to Flood.
- **Deductibles By Location (CP 03 29)** New attributes are being introduced with this revision. New edition dates of an existing form number are being introduced. The form provides for different flat dollar deductible amounts for different causes of loss. The form is revised to state explicitly that the endorsement does not apply to Flood.
- **Ordinance Or Law Coverage Endorsement (CP 04 05)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Ordinance Or Law Coverage – Virginia (Broad Form) (CP 04 06)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

- **West Virginia Ordinance Or Law Coverage (CP 04 13)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Ordinance Or Law For Tenant's Interest In Improvements and Betterments (Tenant's Policy) (CP 04 26)** New endorsement provides Ordinance Or Law Coverage under a tenant's policy for improvements and betterments. Coverage(s) **A, B** and/or **C** apply in accordance with entry in the Schedule of this endorsement. This endorsement contains the Post-Loss Ordinance Or Law Option.
- **Ordinance Or Law Coverage For Tenant's Interest In Improvements and Betterments (Tenant's Policy) – Virginia (Broad Form) (CP 04 27)** New endorsement provides Ordinance Or Law Coverage under a tenant's policy for improvements and betterments. Coverage(s) **A, B** and/or **C** apply in accordance with entry in the Schedule of this endorsement. This endorsement contains the Post-Loss Ordinance Or Law Option.
- **West Virginia Ordinance Or Law Coverage For Tenant's Interest In Improvements and Betterments (Tenant's Policy) (CP 04 28)** New endorsement provides Ordinance Or Law Coverage under a tenant's policy for improvements and betterments. Coverage(s) **A, B** and/or **C** apply in accordance with entry in the Schedule of this endorsement. This endorsement contains the Post-Loss Ordinance Or Law Option.
- **California – Ordinance Or Law Coverage For Tenant's Interest In Improvements And Betterments (Tenant's Policy) (CP 04 36 12)** New endorsement provides Ordinance Or Law Coverage under a tenant's policy for improvements and betterments. Coverage(s) **A, B** and/or **C** apply in accordance with entry in the Schedule of this endorsement. This endorsement contains the Post-Loss Ordinance Or Law Option.
- **Functional Building Valuation Endorsement (CP 04 38)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **New Hampshire – Functional Building Valuation (CP 04 42)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Minnesota Changes – Functional Building Valuation (CP 04 43)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Scheduled Building Property Tenant's Policy (CP 14 01)** New endorsement CP 14 01 modifies a tenant's policy by adding certain building property as insured property, on a scheduled basis. Under this endorsement, building property means the building glass, building fixtures and permanently installed machinery and equipment described in the Schedule
- **Unscheduled Building Property Tenant's Policy (CP 14 02)** replaces **CP 14 70** New endorsement CP 14 02 modifies a tenant's policy by adding certain building property as insured property, on an unscheduled basis. When a Limit of Insurance is shown for Building Glass, insurance is provided for building glass that is part of the building shown in the Schedule. When a Limit of Insurance is shown for Building Property Other Than Glass, insurance is provided for building fixtures and permanently installed machinery and equipment that are part of the building shown in the Schedule.
- **Building Glass – Tenant's Policy (CP 14 70)** is replaced by either **CP 14 01** or **CP 14 02**
- **Off-Premises Interruption Of Business – Vehicles and Mobile Equipment (CP 15 06)** This is a new coverage option designed to address the off-premises business interruption exposures of vehicles and mobile equipment.

- **Alaska – Ordinance Or Law – Increased Period Of Restoration (CP 15 12)** The Post-Loss Ordinance Or Law Option, if made applicable via the Schedule of this endorsement(s), broadens Ordinance Or Law Coverage by including an ordinance or law that is promulgated or revised after a loss but prior to commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **New York – Ordinance Or Law – Increased Period Of Restoration (CP 15 14)** Added Option to include an ordinance or law that is promulgated or revised after the loss but prior to a commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Ordinance Or Law – Increased Period Of Restoration (CP 15 31)** Added Option to include an ordinance or law that is promulgated or revised after the loss but prior to a commencement of reconstruction or repair, provided such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
- **Utility Services – Time Element (CP 15 45)** As revised, the Schedule of Endorsement CP 15 45 provides for entry of an independent waiting period for Business Income losses arising from utility services interruption, that is, a waiting period which could be different from the policy's waiting period. One of the following waiting periods apply to Business Income coverage under Endorsement CP 15 45, subject to entry in the Schedule of that endorsement: no-waiting period; 12 hours; 24 hours; 48 hours; 72 hours; 96 hours; 120 hours; 144 hours; 168 hours.

2. Clarifying or Reduction In Coverage

- **Protective Safeguards (CP 04 11)** A new condition is added to Paragraph A: An automatic burglary alarm or other automatic system listed in the Schedule must be actively engaged and maintained in the "on" position during all non-work hours and whenever the premises are unoccupied.
- **South Dakota Protective Safeguards (CP 04 12)** New edition dates of existing form numbers are being introduced.
- **Burglary and Robbery Protective Safeguards (CP 12 11)** A new condition is added to Paragraph A: An automatic burglary alarm or other automatic system listed in the Schedule must be actively engaged and maintained in the "on" position during all non-work hours and whenever the premises are unoccupied.

OTHER INLAND MARINE ENDORSEMENTS

1. The following endorsements are used to bring forms into compliance with state regulations and other requirements imposed by the insurance department.
 - IM 2003 ~ Amendatory Endorsement Alaska
 - IM 2021 ~ Amendatory Endorsement Georgia
 - IM 2029 ~ Amendatory Endorsement Indiana
 - IM 2037 ~ Amendatory Endorsement Louisiana
 - IM 2041 ~ Amendatory Endorsement Maryland
 - IM 2047 ~ Amendatory Endorsement Minnesota
 - IM 2051 ~ Amendatory Endorsement Missouri
 - IM 2053 ~ Amendatory Endorsement Montana
 - IM 2059 ~ Amendatory Endorsement New Hampshire
 - IM 2069 ~ Amendatory Endorsement North Dakota
 - IM 2085 ~ Amendatory Endorsement South Dakota
 - IM 2089 ~ Amendatory Endorsement Texas
 - IM 2097 ~ Amendatory Endorsement Washington
 - IM 4102 ~ Mortgageholders Endorsement – Illinois
 - IM 7007 ~ Schedule Of Coverages Contractors' Equipment Blanket Equipment Form – Arizona
 - IM 7020 ~ Replacement Cost Endorsement Missouri
 - IM 7020 ~ Replacement Cost Endorsement Louisiana
 - IM 7020 ~ Replacement Cost Endorsement Washington
 - CL 0114 ~ Amendatory Endorsement South Carolina
 - CL 0122 ~ Amendatory Endorsement Kansas
 - CL 0142 ~ Amendatory Endorsement Minnesota
 - CL 0144 ~ Amendatory Endorsement Montana
 - CL 0148 ~ Amendatory Endorsement Arizona
 - CL 0156 ~ Amendatory Endorsement Kentucky
 - CL 0158 ~ Amendatory Endorsement North Carolina
 - CL 0160 ~ Amendatory Endorsement Florida
 - CL 0166 ~ Amendatory Endorsement Rhode Island
 - CL 0168 ~ Amendatory Endorsement Maryland
 - CL 0170 ~ Amendatory Endorsement Missouri
 - CL 0180 ~ Amendatory Endorsement Connecticut
 - CL 0190 ~ Amendatory Endorsement Iowa
 - CL 0195 ~ Amendatory Endorsement Idaho
 - CL 0348 ~ Amendatory Endorsement Alaska
 - CL 0700 ~ Virus Or Bacteria Exclusion

2. Other AAIS form revisions

- **IM 7026 ~ Agreed Amount** This endorsement amends the Valuation provision and puts the coverage on an agreed amount basis for property listed on the Agreed Amount Schedule or described on the Equipment Schedule with agreed amount indicated as the valuation. The endorsement also indicates that coinsurance conditions to not apply to property covered on an agreed amount basis.
- **IM 7036 ~ Equipment Leased Or Rented From Others Schedule** This schedule is used with the Equipment Leased Or Rented From Others Endorsement, IM 7012 to indicate limits, deductible amount, and reporting conditions. This revised edition adds a section for Valuation and the top portion of this schedule includes a place to insert the policy number.
- **IM 7050 ~ Builders' Risk Coverage Scheduled Jobsite Form Comprehensive Form** This comprehensive coverage form provides coverage for all risks of direct physical loss unless the loss is excluded or limited. It provides coverage for buildings and structures while in the course of construction, erection or fabrication. This form restricts coverage to buildings and structures at the jobsites that are specifically described on the schedule of coverages.
- **IM 7051 ~ Builders' Risk Coverage Scheduled Jobsite Form** This basic coverage form provides coverage for all risks of direct physical loss unless the loss is excluded or limited. It provides coverage for buildings and structures at jobsites specifically described on the schedule while in the course of construction.
- **IM 7053 ~ Builders' Risk Coverage – Builders' Risk and Installation Floater Form** This basic coverage form provides coverage for all risks of direct physical loss unless the loss is excluded or limited. It provides builders' risk and installation floater coverages in one form specifically for contractors. Coverage is on a blanket basis for all of the insured's builders' risk and installation projects. Contingent Coverage and/or Difference in Conditions Coverage can be included by indicating limits on the schedule of coverages. By making the proper selection on the schedule, this policy can be written on a reporting form basis.
- **IM 7055 ~ Builders' Risk Comprehensive Form** This Schedule of Coverages is used with the Builders' Risk Coverage - Scheduled Jobsite Form - Comprehensive Form, IM 7050, to enter coverage limits and deductible amounts at scheduled locations.
- **IM 7056 ~ Schedule of Coverages – Builders' Risk** This Schedule of Coverages is used with the Builders' Risk Coverage - Scheduled Jobsite Form, IM 7051, to enter coverage limits and a deductible amount for scheduled locations.
- **IM 7058 ~ Schedule of Coverages – Builders' Risk and Installation Floater** This Schedule of Coverages is used with the Builders' Risk Coverage - Builders' Risk And Installation Floater Form, IM 7053, to indicate limits, reporting conditions requirements, and deductible amounts.
- **IM 7084 ~ Mortgageholders Endorsement** This endorsement is used with any of the five Builders' Risk coverage forms. It includes mortgage provisions if a mortgagee is named in the policy. It provides the number of days for notice of cancellation or non-renewal of the policy as well as information on premium payment and payment for a loss.
- **IM 7101 ~ Installation Floater Coverage – Reporting Form** This coverage form provides coverage for all risks of direct physical loss unless the loss is excluded or limited. It provides coverage for materials, supplies, machinery, fixtures, and equipment belonging to the insured and similar property of others in the insured's care, custody, and control. This equipment must be at a jobsite where the insured is involved in an installation or construction project and will become a permanent part of the project. The reporting form feature is available. Coverage is provided on a blanket basis and there is no coinsurance provision.
- **IM 7106 ~ Schedule Of Coverages – Installation Floater Coverage – Reporting Form** This Schedule of Coverages is used with the Installation Floater Coverage - Reporting Form, IM 7101, to show limits, reporting conditions, and applicable deductible amounts. Revisions were made in conjunction with changes made to the corresponding revised coverage form, IM 7101. The descriptions for limits have been eliminated since limits are described in the coverage form. Contract Penalty, Testing, Earthquake, and Flood Supplemental Coverage limits have been eliminated. Earthquake, Flood, and Sewer Backup deductible amounts have also been eliminated from the schedule.

- **IM 7257 Schedule Of Coverages – Trip Transit Coverage** This schedule is used with the Trip Transit Coverage form, IM 7252 to describe the covered property and the covered shipment and indicate the limits and deductible amount. The revised edition of this schedule has been revised to refer to the defined term "owned vehicle"
- **IM 7470 Mobile Equipment Coverage** This endorsement provides coverage for direct physical loss caused by a covered peril to mobile equipment and similar property of others that is in your care, custody, or control. The revised edition that adds a place to insert the policy number and includes other minor editorial changes.
- **IM 7476 Unattended Vehicle Exclusion** This revised endorsement has added text to clarify that cargo that is in or on a vehicle that is stolen or disappears is also excluded unless the vehicle is attended as specified in the endorsement.
- **IM 7487 Flood and Earth Movement Exclusion** This endorsement adds exclusions for loss caused by Earth Movement or Flood to covered property while at a terminal location.
- **IM 7501 Miscellaneous Bailee – Processor Floater** The Miscellaneous Bailee – Processor Floater provides coverage for direct physical loss caused by a covered peril to property of others in your care, custody, and control for processing. Processing includes, but is not limited to, finishing, repairing, restoring, or adjusting.
- **IM 7503 Exhibition Floater** The Exhibition Floater form provides coverage for property that is on display at an exhibit. The exhibitions can be covered on a scheduled or blanket basis.
- **IM 7504 Sales Representative Floater** The Sales Representative Floater provides coverage for loss caused by a covered peril to samples of stock in trade (including containers) and similar property of others in your care custody and control. In the revised edition of this miscellaneous floater, under Property Not Covered, the provision for Property At Your Premises has been amended.
- **IM 7507 Schedule Of Coverages – Miscellaneous Bailee – Processor Floater** This Schedule of Coverages is used with the Miscellaneous Bailee -Processor Floater, IM 7501, to describe the covered premises and indicate limits and the deductible amount.
- **IM 7509 Schedule Of Coverages – Exhibition Floater – Scheduled Exhibitions** This Schedule of Coverages - Exhibition Floater - Scheduled Exhibitions is used with the Exhibition Floater, IM 7503, to describe the covered property and the scheduled exhibitions including exhibition dates and to indicate the deductible amount.
- **IM 7510 Schedule of Coverages – Sales Representative Floater** This Schedule of Coverages is used with the Sales Representative Floater, IM 7504, to describe the covered property and indicate limits and the deductible amount.
- **IM 7512 Named Perils Endorsement** This endorsement restricts the perils covered to named perils.
- **IM 7514 Schedule Of Coverages – Mobile Equipment Floater** This schedule of coverages is used with IM 7505, Mobile Equipment Floater to indicate limits, optional coverages, coinsurance percentage, valuation, and deductibles. In the revised edition, under Supplemental Coverages, Newly Acquired Equipment replaces Newly Purchased Equipment.
- **IM 7550 Bailee Customers Floater Coverage – Dry Cleaners and Laundry** This coverage form provides coverage for all risks of direct physical loss or damage to the property of others while in the care, custody, and control of a dry cleaner or laundry unless the loss is caused by a peril that is excluded or limited.
- **IM 7555 Schedule of Coverages – Bailee Customers Floater** This schedule is used with the Bailee Customers Floater Coverage - Dry Cleaners and Laundry Form, IM 7550, to indicate limits and deductible amounts.



ZHQ H016173 03

**The Hanover Insurance Company (A Stock Company)
440 Lincoln Street, Worcester, MA 01653-0002
Commercial Line Policy
Common Declarations**

CM

Policy Number	Policy Period		Coverage is Provided in the:	Agency Code
	From	To		
ZHQ H016173 03	08/20/2022	08/20/2023	The Hanover Insurance Company	5103209

Named Insured and Address :

Agent :

ACADEMIA ANTONIA ALONSO INC 4403 LANCASTER PIKE BARLEY MILL PLAZA - BLDG #26 WILMINGTON DE 19805	ARTHUR C HALL, INC ARTHUR HALL INSURANCE PO BOX 512 WEST CHESTER PA 19381
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Branch : Maryland
Policy Period : From 08/20/2022 To 08/20/2023
 12:01 A.M. Standard Time at Your Mailing Address Shown Above.
Business Description: School
Legal Entity: Corporation

In Consideration of the premium, insurance is provided the Named Insured with respect to those premises described in the attached schedule(s) for which a specific limit of insurance is shown. This is subject to all terms of this policy including Common Policy Conditions. Coverage Parts, Forms and Endorsements may be subject to adjustment and/or a policy minimum premium.

Commercial Property Coverage	\$19,074.00
Commercial General Liability Coverage	\$10,656.00
Professional Liability Coverage	\$6,750.00
Commercial Inland Marine Coverage	\$511.00
Commercial Crime Coverage	Not Covered
Commercial Auto Coverage	Not Covered
Total Surcharges Premium	N/A
Additional Premium For Policy Minimum	N/A
** Total	\$36,991.00

**INCLUDES PREMIUM, IF ANY, FOR TERRORISM; REFER TO DISCLOSURE NOTICE

Countersigned _____ By _____

10 Pay - 20% Down



ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Group Number ZSX

ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Locations of All Premises You Own, Rent or Occupy

Location: 1

300 N Wakefield Dr
Newark DE
19702

Forms Applicable to all Coverage Parts:

*Asterisk denotes new or changed form

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
401-1337	02/16	Trade Or Economic Sanctions Endorsement
* 401-1374	12/20	Disclosure Pursuant To Terrorism Risk Insurance Act
401-1377	06/20	Company Address Listing
* 401-1402	06/22	Important Notice To Policyholders Summary Of Form Changes
401-1504	01/20	Cap On Losses From Certified Acts Of Terrorism
401-1505	01/20	Exclusion - Punitive Damages Related To A Certified Act Of Terrorism
IL 00 03	09/08	Calculation of Premium
IL 00 17	11/98	Common Policy Conditions
IL 00 21	09/08	Nuclear Energy Liability Exclusion Endorsement
IL 02 37	04/12	Delaware Changes - Termination Provisions
IL 09 35	07/02	Exclusion of Certain Computer-Related Losses
IL 09 52	01/15	Cap On Losses From Certified Acts of Terrorism
SIG 11 00	11/17	Signature Page



ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Commercial Property Coverage Part Declaration

Total Property Premium \$19,074.00

Coverages Provided:

Insurance at the Described Premises applies only for the coverage shown below:

<u>LOC</u>	<u>BLDG</u>		
1	1	Occupancy:	Schools - Public or private - elementary, kindergarten or junior high
		Territory:	020
		Construction:	Frame
		Protection Class:	3

<u>LOC</u>	<u>BLDG</u>	<u>Coverage:</u>	<u>Cause of Loss:</u>	<u>Premiums:</u>
1	1	Tenants Improvements and Betterments	Special	\$10,094.00
		Limit Of Insurance:	\$9,800,000.00	
		Replacement Cost		
		Coinsurance:	100%	
		Agreed Value	Agreed Expiration: 08/20/2023	

<u>LOC</u>	<u>BLDG</u>	<u>Coverage:</u>	<u>Cause of Loss:</u>	<u>Premiums:</u>
1	1	Contents All Inclusive	Special	\$2,060.00
		Limit Of Insurance:	\$2,000,000.00	
		Replacement Cost		
		Coinsurance	100%	
		Agreed Value	Agreed Expiration: 08/20/2023	

<u>LOC</u>	<u>BLDG</u>	<u>Coverage:</u>	<u>Cause of Loss:</u>	<u>Premiums:</u>
1	1	Business Income	Special	\$4,290.00
		Limit Of Insurance:	\$3,000,000.00	
		Coinsurance	100%	



ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Commercial Property Coverage Part Declaration

Extended Period of Indemnity 60 Days Included

Business Income Time Deductible 72 Hours

<u>LOC</u>	<u>BLDG</u>	<u>DED BY</u> <u>LOC</u>	<u>APPLICABLE DEDUCTIBLE</u>	
1	1		Windstorm/Hail Deductible	\$1,000.00
			Theft Deductible:	\$1,000.00
			Other Deductible:	\$1,000.00
			Named Storm % Ded:	Not Applicable

Additional Premium for Property Minimum : N/A

Miscellaneous/Optional Property Coverages: **PREMIUM**

Data Breach	\$65.00
Boiler / Machinery / Equipment Breakdown (Equipment Breakdown Sublimit : \$100,000)	\$1,577.00
Emergency Event Management Coverage	\$140.00
Terrorism Premium	\$130.00
Gold Property Broadening Endorsement	\$619.00
Educational Institutions - Property Broadening Endorsement	\$99.00

ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Forms Applicable to Property Coverage Parts:

*Asterisk denotes new or changed form

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
411-0610	04/14	Emergency Event Management
411-0669	01/15	Data Breach Coverage Form
411-0679	04/10	Associates And Family Members Additional Coverage Endorsement
411-0681	12/09	Identity Theft Resolution Services
* 411-0793	04/22	Gold Property Broadening Endorsement
* 411-0812	04/22	Educational Institutions Property Broadening Endorsement
* 411-1016	04/22	Notice to Policyholders Educational Institution Property Broadening Endorsement
* 411-1022	04/22	Notice To Policyholders Bronze, Silver, Gold, Platinum, Condominium Property Broadening Endorsement
451-0038	11/16	Equipment Breakdown Coverage (Including Electronic Circuitry Impairment)
* 451-0039	11/16	Commercial Property Coverage Part Equipment Breakdown Coverage Schedule
CP 00 10	10/12	Building and Personal Property Coverage Form
CP 00 30	10/12	Business Income (And Extra Expense) Coverage Form
CP 00 90	07/88	Commercial Property Conditions
CP 01 40	07/06	Exclusion of Loss Due to Virus or Bacteria
* CP 10 30	09/17	Causes Of Loss - Special Form
CP 12 18	10/12	Loss Payable Provisions



ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Property Schedule of Additional Interest

Location: 1 Building: 1

Lenders Loss Payable

M&T Bank
PO Box 1358
Buffalo NY 14240

Location: 1 Building: 1

Lenders Loss Payable

TIAA Commercial Finance Inc
PO Box 3886
Bellevue WA 98009
Cannon Image

Location: 1 Building: 1

Lenders Loss Payable

TIAA Commercial Finance Inc
PO Box 3886
Bellevue WA 98009
Cannon IR ADV



ACADEMIA ANTONIA ALONSO
INC

ZHQ H016173 03

ARTHUR C HALL, INC

Commercial General Liability Coverage Part Declaration

Audit Frequency: Annual

Limits of Insurance:

General Aggregate Limit	\$2,000,000
Products-Completed Operations are Included in the General Aggregate Limit	
Each Occurrence Limit	\$1,000,000
Personal and Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You Limit	\$100,000
Medical Expense Limit, Any One Person	\$10,000
General Liability Deductible:	
Total Advance Commercial General Liability Premium	\$10,656.00

THIS POLICY CONTAINS AGGREGATE LIMITS; REFER TO SECTION III - LIMITS OF INSURANCE FOR DETAILS

Forms Applicable to General Liability Coverage Parts:

*Asterisk denotes new or changed form

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
421-0022	12/90	Asbestos Liability Exclusion
421-0334	07/16	Sexual Misconduct Or Sexual Molestation Liability (Occurrence - Separate Aggregate)
421-0361	06/15	Other Coverage Amendment
421-0362	09/19	Exclusion - Law Enforcement Professional Liability
421-0366	07/16	Abuse or Molestation Exclusion
421-1377	10/10	Innocent Employee Defense Coverage Endorsement
421-1729	02/11	Broadened Bodily Injury And Property Damage For Educational Institutions
421-1744	09/19	Incidental Professional Liability Coverage For Educational Institutions Endorsement
421-2139	08/11	Liberalization Clause
421-2915	06/15	Commercial General Liability Broadening Endorsement
421-2925	06/17	Commercial General Liability Enhancement Endorsement - Educational Institutions
* 421-4503	04/18	Neurodegenerative Injury Conditions
CG 00 01	04/13	Commercial General Liability Coverage Form - Occurrence
CG 04 35	12/07	Employee Benefits Liability Coverage
CG 21 06	05/14	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception
* CG 21 32	05/09	Communicable Disease Exclusion
CG 21 47	12/07	Employment - Related Practices Exclusion
CG 21 67	12/04	Fungi or Bacteria Exclusion
CG 21 70	01/15	Cap On Losses From Certified Acts of Terrorism
CG 21 76	01/15	Exclusion of Punitive Damages Related To A Certified Act Of Terrorism



ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Forms Applicable to General Liability Coverage Parts:

*Asterisk denotes new or changed form

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
CG 21 96	03/05	Silica or Silica-Related Dust Exclusion
CG 22 30	07/98	Exclusion - Corporal Punishment
IL 01 51	01/12	Delaware Changes - Civil Union



ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Commercial General Liability Classification Schedule Declaration

<u>LOC</u>	<u>ST</u>	<u>TERR</u>	<u>CODE</u>	<u>SUBLINE</u>	<u>PREMIUM BASIS</u>	<u>PER</u>	<u>RATE</u>	<u>ADVANCE PREMIUM</u>
1	DE	001	47471	334	700 Each Student	Each	11.851	\$8,296.00

Products – Completed Operations are Included in the General Aggregate Limit

Schools public elementary, kindergarten or junior high

Miscellaneous/Optional General Liability Coverages

Advance Premium

Employee Benefits Coverage	\$330.00
Terrorism Premium	\$55.00
Incidental Professional Liability Coverage for Educational Institutions - Occurrence	\$50.00
Innocent Employee Criminal Defense Endorsement	\$25.00
School and Educators Legal Liability - Claims Made (SELL Retro Date) 08/21/2014 (D&O Retro Date) 08/21/2014	\$3,250.00
Educational Institution Employment Practices Liability Endorsement With Third Party Coverage - Defense Expenses Outside Limits (Retro Date) 08/21/2014	\$3,500.00
CGL Enhancement - Educational Institutions	\$250.00
Sexual Misconduct or Sexual Molestation Liability - Occurrence - Separate Aggregate	\$1,650.00

Additional Premium for Coverage Minimum: N/A

Total Advance General Liability Premium \$10,656.00

Subline 334 Premises and Operations

Underwritten by: *The Hanover Insurance Company*

DECLARATIONS

SCHOOL AND EDUCATORS LEGAL LIABILITY COVERAGE PART

**THIS IS CLAIMS-MADE COVERAGE.
READ YOUR COVERAGE PART CAREFULLY.**

CLAIMS-MADE WARNING

THIS POLICY PROVIDES COVERAGE ON A CLAIMS-MADE BASIS. SUBJECT TO ITS TERMS, THIS POLICY APPLIES ONLY TO "CLAIMS" FIRST MADE AGAINST YOU DURING THE "POLICY PERIOD", AUTOMATIC EXTENDED REPORTING PERIOD OR ANY PURCHASED OPTIONAL EXTENDED REPORTING PERIOD THAT MAY APPLY. PLEASE READ THE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES, COVERAGE AND COVERAGE RESTRICTIONS.

"DEFENSE EXPENSES" WITHIN LIMITS NOTICE

THE EMPLOYMENT PRACTICES LIABILITY COVERAGE ENDORSEMENT OF THIS CLAIMS-MADE POLICY MAY PROVIDE FOR "DEFENSE EXPENSES" PAYABLE WITHIN, AND NOT IN ADDITION TO, THE LIMIT OF INSURANCE, AS SELECTED IN ITEM 4 BELOW. "DEFENSE EXPENSES" INCURRED WILL REDUCE AND MAY EXHAUST THE LIMIT OF INSURANCE, AND WILL BE APPLIED AGAINST THE DEDUCTIBLE. IN THE EVENT THAT THE LIMIT OF INSURANCE IS EXHAUSTED, WE SHALL NOT BE LIABLE FOR "DEFENSE EXPENSES", JUDGMENTS OR SETTLEMENTS IN EXCESS OF THE APPLICABLE LIMIT.

Policy Number: ZHQ H016173 03	Policy Period: From: 08/20/2022 To: 08/20/2023	Agent Name and Address: 5103209 ARTHUR C HALL, INC ARTHUR HALL INSURANCE PO BOX 512 WEST CHESTER
12:01 A.M. Standard Time at the address of the First Named Insured as stated herein.		
Underwriting Company: <i>The Hanover Insurance Company</i> Address: 440 Lincoln Street		

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.

Item 1. Named Insured And Address:	ACADEMIA ANTONIA ALONSO INC 4403 LANCASTER PIKE BARLEY MILL PLAZA - BLDG #26 WILMINGTON DE 19805
Item 2. Form of Business:	<input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Organization (Other than Partnership, Joint Venture or Limited Liability Company)
Business Description: School	

**Item 3. SCHOOL AND EDUCATORS LEGAL LIABILITY COVERAGE PART
 LIMITS OF INSURANCE:**

Each "Claim" Limit	\$ 1,000,000
School and Educators Legal Liability Aggregate Limit	\$ 2,000,000

DEDUCTIBLE:

Deductible Amount	\$ 10,000
Basis of Deductible	Each "claim"

- Loss only
- Loss and Defense Expenses

RETROACTIVE DATE:

This insurance does not apply to "educators wrongful acts" or "wrongful acts" committed before the Retroactive Date, if any, shown here: Refer to form 421-5088

(Enter date or "none" if no Retroactive Date applies.)

Item 4. EDUCATIONAL INSTITUTION EMPLOYMENT PRACTICES

- EDUCATIONAL INSTITUTION EMPLOYMENT PRACTICES LIABILITY
- Defense Expenses Outside of Limits
- Defense Expenses Within Limits

LIMITS OF INSURANCE:

"Wrongful Employment Act" Limit	\$1,000,000
Employment Practices Aggregate Limit	\$1,000,000

DEDUCTIBLE:

Deductible Amount	\$10,000
Basis of Deductible	Per "Wrongful Employment Act"

- Loss only
- Loss and Defense Expenses

RETROACTIVE DATE:

This insurance does not apply to "wrongful employment acts" committed before the Retroactive Date, if any, shown here: 08/21/2014

(Enter date or "none" if no Retroactive Date applies.)

Estimated Annual Premium	\$6,750
Annual Minimum Premium	\$
Advance Premium	\$

- PREPAID – the total annual premium is due at inception.
- HANOCASH - the annual premium is payable according to the term of the Hanocash endorsement attached.
- ACCOUNT BILL DIRECT BILL Annual Semi-Annual Other
- Audit period: Non Auditable unless indicated by Annual Semi-Annual Other

Premium

Class Code	Classification Description	Premium Base	Advance Premium
47471	School and Educators Legal Liability coverage	Number of Students	3,250

FORMS AND ENDORSEMENTS

Forms and Endorsements applying to this Coverage Part and made a part of this policy:

Form Number:	Edition Date:	Title:
* 421-0353	06/22	School And Educators Legal Liability Coverage Part
421-0357	06/19	Declarations School And Educators Legal Liability Coverage Part
421-1701	06/17	Punitive Damages Endorsement - Schools And Educators Legal Liability
421-1705	06/17	Exclusion - Recording And Distribution Of Material Or Information In Violation Of Law
421-1719	06/17	Educational Institution Employment Practices Liability (Defense Outside Limits)
421-2081	06/17	Delaware Changes
421-4182	06/17	Liberalization Clause
* 421-5088	06/22	Retroactive Date for School and Educators Legal Liability Coverage Part (Split Retro)

Notice of a Claim:

Report any “educators wrongful act,” “wrongful act” or “wrongful employment act” which may result in a “claim” to the Company as required by **SECTION IV – SCHOOL AND EDUCATORS LEGAL LIABILITY CONDITIONS, 2. Duties in the Event of Educators Wrongful Act, Wrongful Act, Claim, or Suit**

The Hanover Insurance Company
P.O. Box 15145
Worcester, MA 01615

National Claims Telephone Number: 800-628-0250
Facsimile: 800-399-4734
Email: firstreport@hanover.com

Agent's Signature
(required in the state of Florida): _____

(may be electronic scripted signature)

Any purchased Optional Extended Reporting Period will not exceed 200% of the annualized policy premium.

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



ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Inland Marine Declaration

Total Inland Marine Premium \$511.00

Coverages Provided:

Insurance at the Described Premises applies only for the coverage shown below:

Additional Premium for Inland Marine Minimum: N/A

Miscellaneous/Optional Inland Marine Coverages: **PREMIUM**

Educational Institution Miscellaneous Property Coverage \$500.00

Terrorism Premium \$11.00



ACADEMIA ANTONIA ALONSO INC

ZHQ H016173 03

ARTHUR C HALL, INC

Forms Applicable to Inland Marine Coverage Parts:

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
441-0243	02/11	Educational Institution Miscellaneous Property Coverage Form
CM 00 01	09/04	Commercial Inland Marine Conditions

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GOLD PROPERTY BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT – OWNERS COVERAGE FORM
 CAUSES OF LOSS – SPECIAL FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED

The first two above-referenced forms are Coverage Forms. One of these two Coverage Forms is attached to your policy and will hereafter be collectively referred to as “your applicable Coverage Form”. Terms in quotation marks have special meanings that are explained in this endorsement or within a form modified by this endorsement. If a loss is covered by more than one coverage in this policy, only one coverage is applicable and the most we will pay is the Limit of Insurance for the coverage that is applied, regardless of whether or not it is specified in any of the coverages included in this policy. The coverages provided by this endorsement are subject to the provisions of this policy except where amended within this endorsement. There is no coverage for Business Income and Extra Expense for the coverages provided by this endorsement unless specifically stated within section III. **COVERAGES** of this endorsement, and then only to the extent provided for within the applicable coverage provision.

I. SCHEDULE

A. Scheduled Coverages

Scheduled Coverages	Limits of Insurance	Amended Limits of Insurance	Page
1. Back up or Overflow of a Sewer, Drain or Sump	Included	N/A	4
2. Brands and Labels	Included	N/A	4
3. Broadened Building Coverage	Included	N/A	4
4. Broadened Business Personal Property	Included	N/A	5
5. Business Income and Extra Expense – Dependent Properties	\$150,000	\$	5
6. Business Income and Extra Expense – Lease Cancellation	\$50,000	\$	6
7. Business Income and Extra Expense – Transit	\$75,000	\$	6
8. Business Personal Property In Storage Units	\$25,000	\$	7
9. Business Personal Property In Transit	\$100,000	\$	7
10. Business Personal Property Off Premises	\$250,000	\$	8
11. Catastrophe Allowance	\$50,000	N/A	8
12. Computer and Funds Transfer Fraud	\$50,000	\$	8
13. Consequential Loss to Stock	Included	N/A	10
14. Contract Penalties	\$50,000	\$	10
15. Debris Removal	\$250,000	\$	10
16. Denial of Access to Premises	30 Days 72 Hour Waiting Period	N/A	11

17. E-Commerce	\$50,000	\$	11
18. Electronic Data Processing Equipment	Included	N/A	12
19. Employee Theft including ERISA Compliance	\$250,000	\$	13
20. Employee Tools and Work Clothing	\$25,000	\$	15
21. Expediting Expense	\$50,000	\$	16
22. Extended Business Income	180 Days	N/A	16
23. Extended Coverage on Property – within 2,000 feet	Included	N/A	16
24. Extra Expense	\$300,000	\$	16
25. Fire Protection Equipment Recharge	Included	N/A	18
26. Food Contamination	\$25,000	\$	18
– Additional Advertising Expense	\$3,000	\$	
27. Forgery or Alteration	\$100,000	\$	19
28. Foundations and Underground Pipes	Included	N/A	19
29. International Air Shipments	\$50,000	\$	20
30. Inventory and Loss Appraisal	\$250,000	\$	20
31. Key Replacement and Lock Repair	\$20,000	\$	20
32. Leasehold Interest	\$150,000	\$	21
33. Lessor's Tenant Move Expenses	\$50,000	\$	21
34. Marring and Scratching	Included	N/A	22
35. Money and Securities	\$50,000	\$	22
36. Money Orders and Counterfeit Money	\$50,000	\$	23
37. Newly Acquired or Constructed Property			
– Building	\$2,000,000	\$	24
– Business Personal Property	\$1,000,000	\$	24
38. Newly Acquired Locations – Business Income and Extra Expense	\$250,000	\$	25
39. Non-Owned Detached Trailers	\$25,000	\$	25
40. Ordinance or Law			25
– Coverage A	Included	N/A	26
– Coverage B and C	\$500,000	\$	26
41. Pollutant Clean-Up and Removal	\$100,000	\$	29
42. Preservation of Property	90 Days	N/A	29
43. Preservation of Property – Expenses	\$50,000	\$	29
44. Prototypes	Included	N/A	29
45. Rewards	\$75,000	\$	30
46. Sales Representative Samples	\$25,000	\$	30
47. Soft Costs	\$25,000	\$	30
48. Temporary Relocation of Property	\$100,000	\$	31
49. Theft Damage to Building	Included	N/A	31
50. Undamaged Tenants Improvements and Betterments	\$50,000	\$	31
51. Underground Water Seepage	\$50,000	N/A	32
52. Unintentional Property Reporting Errors	\$500,000	N/A	32
53. Unnamed Locations	\$150,000	N/A	32

54. Utility Services – Direct Damage Utility Services – Business Income	\$100,000 \$100,000	\$ \$	33
55. Voluntary Parting	\$50,000	\$	34
56. Water Damage, Other Liquids, Powder or Molten Material Damage	\$50,000	\$	34
57. Windblown Debris	\$10,000	\$	35
58. Worldwide Business Personal Property Off Premises	\$75,000	\$	35

B. Blanket Coverages

Blanket Limit of Insurance \$500,000

The Blanket Limit of Insurance applies for each occurrence to all Scheduled Blanket Coverages shown below unless an Amended Limit of Insurance is shown. At the time of loss, you may apportion the Blanket Limit of Insurance to any combination of the Scheduled Blanket Coverages without an Amended Limit of Insurance, but under no circumstances will the aggregate apportionment be permitted to exceed the Blanket Limit of Insurance. When an Amended Limit of Insurance is shown for any of the Scheduled Blanket Coverages, those coverages are not included within the Blanket Limit of Insurance and the Amended Limit of Insurance is the most we will pay for those coverages.

Scheduled Blanket Coverages	Amended Limits of Insurance	Page
1. Accounts Receivable	\$	35
2. Deferred Payments	\$	36
3. Fine Arts	\$	36
4. Fire Department Service Charge	\$	36
5. Movement of Property	\$	37
6. Outdoor Property	\$	37
7. Personal Effects and Property of Others	\$	37
8. Research and Development Documentation	\$	38
9. Valuable Papers and Records	\$	38

II. DEDUCTIBLE

A. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the Limit of Insurance for all applicable coverages listed under section **I. SCHEDULE** except as shown in paragraph **B.** below.

B. No Deductible applies to the following coverages:

1. ERISA Compliance;
2. Extra Expense;
3. Fire Department Service Charge;
4. Fire Protection Equipment Recharge;
5. Forgery or Alteration;
6. Inventory and Loss Appraisal;
7. Key Replacement and Lock Repair;
8. Personal Effects and Property of Others
9. Rewards

III. COVERAGES

A. Scheduled Coverages

1. Back up or Overflow of a Sewer, Drain or Sump

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Back up or Overflow of a Sewer, Drain or Sump

- (1) We will pay for direct physical loss of or damage to Covered Property at the described premises when solely caused by or resulting from the following:
 - (a) Water or waterborne material that backs up through or overflows or is otherwise discharged from a sewer or drain. With respect to this Additional Coverage, the term drain includes a roof drain and related fixtures.
 - (b) Water or waterborne material that overflows or is otherwise discharged from a sump, sump pump or related equipment.
- (2) This Additional Coverage includes Business Income and Extra Expense coverage. Business Income and Extra Expense losses are subject to the terms of BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30, BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581 or Additional Coverage – Extra Expense of this endorsement.
- (3) With respect to CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 1.g. Water**, paragraph (3) is deleted.
- (4) Payment under this Additional Coverage is included within the applicable Limit of Insurance for Covered Property at the location where the loss or damage occurred.
- (5) **Back up or Overflow of a Sewer, Drain or Sump Special Exclusion**
We will not pay for loss or damage from water or other materials that back up or overflow from any sewer or drain, sump, sump pump or related equipment when it is caused by or results from any “flood”, regardless of the proximity of the back up or overflow to the “flood” condition.

2. Brands and Labels

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Brands and Labels

- (1) The insurance that applies to Business Personal Property is extended to apply to brands or labels that are damaged by a Covered Cause of Loss when we elect to take all or any part of the damaged property at an agreed or appraised value. We will:
 - (a) Pay expenses you incur to:
 - (i) Remove the brand or label and then relabel the damaged property to comply with any applicable law; or
 - (ii) Label or stamp the damaged property Salvage, if doing so will not physically damage the property.
 - (b) Cover any reduction in the salvage value of the damaged property as a result of the removal of the brand or label.
- (2) Payment under this Coverage Extension is included within the Limit of Insurance shown in the Declarations for Business Personal Property.

3. Broadened Building Coverage

With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to **A. Coverage, 1. Covered Property, a. Building:**

- (1) Foundations of machinery, tanks and their component parts including all connections which are below:
 - (a) The lowest basement floor; or
 - (b) The surface of the ground, if there is no basement.
- (2) Your Business Personal Property in apartments or rooms furnished by you as landlord;
- (3) The following property if it is located on or within 2,000 feet of a covered building or structure:
 - (a) Exterior lighting fixtures or poles;
 - (b) Yard fixtures;
 - (c) Fences; and
 - (d) Retaining walls whether or not attached to the building

- (4) Signs, whether or not they are attached to covered buildings or structures;
- (5) Building glass, including encasement frames, lettering, artwork, ornamentation, sensors or other items permanently affixed to, or a part of, building glass;
- (6) Your new buildings while being built on or within 2,000 feet of the described premises; and
- (7) Driveways, walks and patios.

4. Broadened Business Personal Property

- a. With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to **A. Coverage, 1. Covered Property**, **b. Your Business Personal Property** and with respect to CONDOMINIUM COMMERCIAL UNIT – OWNERS COVERAGE FORM CP 00 18, , the following is added to **A. Coverage, 1. Covered Property, a. Your Business Personal Property**:

- (1) Property of others that is in your care, custody and control;
- (2) “Scientific and professional equipment”;
- (3) Glass in a building you occupy but do not own that you, as a tenant, have a contractual responsibility to insure, including encasement frames, lettering, artwork, ornamentation, sensors or other items permanently affixed to, or a part of, building glass;
- (3) “Installation, tools and equipment property”; and
- (4) Patterns, dies, molds and forms; and
- (5) Signs that are:
 - (a) Owned by you; or
 - (b) Owned by others but in your care, custody and control; when you are a tenant in a building you occupy but do not own, whether or not the signs are attached to such building.

- b. With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, **A. Coverage, 1. Covered Property, c.**

Personal Property of Others is deleted.

5. Business Income and Extra Expense – Dependent Properties

With respect to BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581, the following is added to **A. Coverage, 5. Additional Coverages**:

Business Income and Extra Expense – Dependent Properties

- (1) We will pay the actual loss of business income you sustain due to the necessary “suspension” of your “operations” during the “dependent property period of restoration”. The “suspension” must be caused by direct physical loss of or damage to “dependent property” caused by or resulting from a Covered Cause of Loss.
- (2) We will pay the actual and necessary Extra Expense you incur due to direct physical loss of or damage to “dependent property” caused by or resulting from a Covered Cause of Loss.
- (3) With respect to this Additional Coverage, the meaning of Extra Expense is replaced with the following:
Extra Expense means necessary expenses you incur during the “dependent property period of restoration” that you would not have incurred if there had been no direct physical loss or damage to the premises of any “dependent property” caused by or resulting from a Covered Cause of Loss:
 - (a) To avoid or minimize the “suspension” of business and to continue “operations”; or
 - (b) To minimize the “suspension” of business if you cannot continue “operations”.
- (4) For Business Income coverage under this Additional Coverage, the Coverage Territory for “dependent property” is expanded to all parts of the world except any country or jurisdiction that is subject to trade sanction or other economic sanction

or embargo by the United States of America.

- (5) We will reduce the amount of your:
- (a) Business income loss, other than Extra Expense, to the extent you can resume "operations" in whole or in part by using any other available:
 - (i) Source of materials; or
 - (ii) Outlet for your products
 - (b) Extra Expense loss to the extent you can return "operations" to normal and discontinue such extra expense.
- (6) Regardless of the number of "dependent properties" involved, the most we will pay under this Additional Coverage is \$150,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

6. Business Income and Extra Expense – Lease Cancellation

With respect to BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581, the following is added to **A. Coverage, 5. Additional Coverages**:

Business Income and Extra Expense – Lease Cancellation

- (1) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to the cancellation of a lease by your tenant, who occupies a building covered under this policy, because of untenability as a result of direct physical loss of or damage to that building from a Covered Cause of Loss.
- This Additional Coverage only applies:
- (a) If, at the time of loss, the building was occupied and business was being conducted by the tenant canceling the lease or their sub-lessee; or
 - (b) If the lease was signed but the building was not yet occupied by the tenant.
- (2) We will pay for the actual loss of Business Income you sustain after

tenantability is restored until the earlier of:

- (a) The date the premises is leased to another tenant; or
 - (b) 12 months immediately following the "period of restoration".
- (3) Regardless of the number of tenants canceling a lease at the described premises, the most we will pay under this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

(4) Business Income and Extra Expense – Lease Cancellation Special Exclusions

We will not pay when:

- (a) A lease is cancelled after the "period of restoration";
- (b) A lease is cancelled, suspended or allowed to lapse by you;
- (c) There is a return of prepaid rent or security and other deposits made by the tenant; or
- (d) A lease is cancelled at the normal expiration date.

7. Business Income and Extra Expense – Transit

With respect to BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581, the following is added to **A. Coverage, 5. Additional Coverages**:

Business Income and Extra Expense – Transit

- (1) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss of or damage to Covered Property while "in transit". This includes the property of others. The loss or damage must be caused by or result from a Covered Cause of Loss.
- (2) With respect to this Additional Coverage, CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 1.b. Earth Movement** and **1.g. Water** do not apply.
- (3) The most we will pay under this Additional Coverage is \$75,000 unless

a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

8. **Business Personal Property In Storage Units**

With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, **A. Coverage, 5. Coverage Extensions, g. Business Personal Property Temporarily In Portable Storage Units** is replaced by the following:

g. Business Personal Property In Storage Units

- (1) The insurance that applies to Business Personal Property is extended to apply to direct physical loss of or damage to Business Personal Property stored in a storage unit (including a detached trailer) located within 2,000 feet of the buildings or structures described in the Declarations or within 2,000 feet of the described premises, whichever distance is greater. The loss or damage must be caused by or result from a Covered Cause of Loss.
- (2) Payment under this Coverage Extension is included within the Limit of Insurance shown in the Declarations for Business Personal Property. However a loss resulting from theft is limited to \$50,000.
- (3) This Coverage Extension does not apply to loss or damage otherwise covered under this policy, and does not apply to loss or damage to the storage unit itself.
- (4) Business Personal Property Temporarily in Portable Storage Units Special Exclusion

We will not pay for loss of or damage to Business Personal Property temporarily in portable storage units caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

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

- (b) The loss or damage is caused by or resulting from thawing of snow, sleet or ice on the portable storage unit.

9. **Business Personal Property In Transit**

With respect to CAUSES OF LOSS – SPECIAL FORM CP 10 30, **F. Additional Coverage Extensions, 1. Property in Transit** is replaced by the following:

1. Business Personal Property In Transit

- a. The insurance that applies to Business Personal Property is extended to apply to direct physical loss of or damage to Business Personal Property while "in transit". The loss or damage must be caused by or result from a Covered Cause of Loss.
- b. The insurance that applies to Business Personal Property is extended to apply to direct physical loss of or damage to outgoing shipments that have been rejected, while in due course of transit back to you or while awaiting return shipment to you. The loss or damage must be caused by or result from a Covered Cause of Loss.
- c. This Coverage Extension applies to the property while:
 - (1) In a vehicle owned, leased or operated by you; or
 - (2) In the custody of a common carrier, contract carrier or carrier for hire.
- d. With respect to this Coverage Extension, CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 1.b. Earth Movement and 1.g. Water** do not apply.
- e. The most we will pay under this Coverage Extension is \$100,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- f. **Business Personal Property In Transit Special Exclusions**
This Coverage Extension does not apply to:
 - (1) Property that belongs to others that you are

responsible for as a common carrier, contract carrier or carrier for hire;

- (2) Sales Representative Samples; or
- (3) Loss to "perishable stock" resulting from a breakdown of refrigeration equipment on any vehicle owned, leased or operated by you or while in the custody of a common carrier, contract carrier or carrier for hire.

10. Business Personal Property Off Premises

With respect to your applicable Coverage Form, **A. Coverage, 5. Coverage Extensions, d. Property Off-premises** is replaced by the following:

d. Business Personal Property Off Premises

- (1) The insurance that applies to Business Personal Property is extended to apply to direct physical loss of or damage to Business Personal Property while:
 - (a) 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; or
 - (c) At any fair, trade show or exhibition.

The loss or damage must be caused by or result from a Covered Cause of Loss.

- (2) Regardless of the number of storage units involved, the most we will pay for loss or damage to Business Personal Property is \$250,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

(3) Business Personal Property Off Premises Special Exclusion

This Coverage Extension does not apply to property:

- (a) In or on a vehicle; or
- (b) In the care, custody and control of your sales representatives, unless the property is in such care,

custody and control at a fair, trade show or exhibition.

11. Catastrophe Allowance

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Catastrophe Allowance

- (1) This Coverage Extension applies when the direct physical loss of or damage to Covered Property is the result of an event for which Property Claims Service (PCS) has publicly designated a catastrophe number to the event.
- (2) This Coverage Extension applies when the Limits of Insurance for Building and Business Personal Property, as shown in the Declarations, are insufficient to compensate you for covered loss or damage you incur as a result of the catastrophe event.
- (3) This Coverage Extension cannot be applied to the Deductible amount of this policy or any other policy. It also may not be used to cover any loss or damage that would not be covered under this policy.
- (4) The most we will pay under this Coverage Extension in any one occurrence and any one Policy Period is \$50,000.

12. Computer and Funds Transfer Fraud

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Computer and Funds Transfer Fraud

- (1) We will pay for the following:
 - (a) Loss resulting directly from a fraudulent:
 - (i) Entry of "electronic data" or "computer program" into; or
 - (ii) Change of "electronic data" or "computer program" within; any "computer equipment" owned, leased or operated by you, provided that such fraudulent entry or such fraudulent change causes (with respect to **(1)(a)(i)** and **(1)(a)(ii)** in the above paragraph):

- (iii) "Money", "securities" or "other property" to be transferred, paid or delivered; or
 - (iv) Your account at a "financial institution" to be debited or deleted.
 - (b) 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.
- (2) As used in paragraph (1)(a) above, 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 "computer equipment" covered under this Additional Coverage. This is the only coverage provided under this Additional Coverage regardless of any other circumstance including any other "social engineering".
- (3) The most we will pay under this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- (4) With respect to this Additional Coverage, all loss:
- (a) Caused by one or more persons; and
 - (b) Involving a single act or series of acts:
- is considered one occurrence.
- (5) **Computer and Funds Transfer Fraud Special Exclusions**
- (a) We will not pay for loss or damage committed by you or any of your partners, "members", "employees", "managers", directors, trustees or authorized representatives:
 - (i) Whether acting alone or in collusion with other persons; or
 - (ii) While performing services for you or otherwise.
 - (b) Loss that is an indirect result of an occurrence covered by this Additional Coverage, including, but not limited to, loss resulting from the following:
 - (i) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property";
 - (ii) Payment of damages of any type for which you are legally liable. However, we will pay compensatory damages arising directly from a loss covered under this Additional Coverage; or
 - (iii) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this Additional Coverage.
 - (c) Fees, costs and expenses incurred by you, which are related to any legal action.
 - (d) 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.
 - (e) Loss resulting from fraudulent:
 - (i) Entry of "electronic data" or "computer program" into; or
 - (ii) Change of "electronic data" or "computer program" within; any "computer equipment" owned, leased or operated by you by a person or organization with authorized access to that "computer equipment", except as covered under paragraph (2) of this Additional Coverage.
 - (f) 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.
 - (g) Loss resulting from the giving or surrendering of property in any exchange or purchase.

(h) Loss resulting from an “employee” or “financial institution” acting upon any instruction:

(i) To transfer, pay or deliver “money”, “securities” or “other property”; or

(ii) To debit or delete your account;

which instruction proves to be fraudulent, except when covered under paragraphs (1)(b) and (2) of this Additional Coverage.

(i) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon an inventory computation or a profit and loss computation.

13. Consequential Loss to Stock

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Consequential Loss to Stock

(1) The insurance that applies to Business Personal Property is extended to apply to the reduction in value of the remaining parts of “stock” in process of manufacture that are physically undamaged but are unmarketable as a complete product because of direct physical loss or damage from a Covered Cause of Loss to other parts of covered “stock” in process of manufacture at the described premises.

(2) Should it be determined that such “stock” retains only a salvage value, we retain the option of paying the full value of the “stock” as agreed within this policy and taking the damaged property for salvage purposes.

(3) Payment under this Coverage Extension is included within the Limit of Insurance shown in the Declarations for Business Personal Property.

14. Contract Penalties

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Contract Penalties

(1) We will pay for contractual penalties you are required to pay due to your failure to provide your product or service according to contract terms

because of direct physical loss of or damage to Covered Property by or resulting from a Covered Cause of Loss.

(2) Regardless of the number of contracts involved, the most we will pay for all contract penalties under this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

15. Debris Removal

a. With respect to your applicable Coverage Form, **A. Coverage, 4. Additional Coverages, a. Debris Removal**, paragraph (4) is replaced by the following:

(4) We will pay up to an additional \$250,000 for debris removal expense, for each location, in any one occurrence of physical loss of or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) or (4)(b) above apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$250,000 or the higher Amended Limit of Insurance shown in the above **SCHEDULE**.

b. With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, **A. Coverage, 4. Additional Coverages, a. Debris Removal**, paragraph (5) is deleted.

16. Denial of Access to Premises

With respect to BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581, the following is added to **A. Coverage, 5. Additional Coverages:**

Denial of Access to Premises

(1) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur when ingress to or egress from the described premises is prevented, due to direct physical loss of or damage to property that is away from but within 2,000 feet of the described premises, when such loss or damage is caused by or resulting from any Covered Cause of Loss.

(2) We will not pay for any loss of Business Income you sustain until after the first 72 hours that immediately follows the time of loss or damage to the premises that causes the denial of access. Coverage applies for a period of up to 30 consecutive days after coverage begins.

However, this Additional Coverage does not extend beyond the time when ingress to or egress from the described premises is no longer prevented.

(3) The coverage for Extra Expense will begin immediately after the time of loss or damage to the premises that causes the denial of access and will end:

(a) 30 consecutive days after coverage begins; or

(b) When your Business Income coverage ends;

whichever is earlier.

However, this Additional Coverage does not extend beyond the time when ingress to or egress from the described premises is no longer prevented.

17. E-Commerce

a. With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

E-Commerce

(1) Electronic Vandalism

We will pay for direct physical loss of or damage to “computer equipment” at the described premises caused by “electronic vandalism”.

(2) With respect to this Additional Coverage, BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, **A. Coverage, 2. Property Not Covered**, paragraph n. is deleted and CONDOMINIUM COMMERCIAL UNIT – OWNERS COVERAGE FORM CP 00 18, **A. Coverage, 2. Property Not Covered**, paragraph h. is deleted.

(3) With respect to this Additional Coverage, BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, **A. Coverage, 4. Additional Coverages, f. Electronic Data** is deleted and CONDOMINIUM COMMERCIAL UNIT – OWNERS COVERAGE FORM CP 00 18, **A. Coverage, 4. Additional Coverages, e. Electronic Data** is deleted.

b. With respect to BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30, and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE – ACTUAL LOSS SUSTAINED 411-0581, **A. Coverage, 5. Additional Coverages, d. Interruption of Computer Operations** is replaced by the following:

d. Interruption of Computer Operations

(1) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to the necessary “suspension” of your “operations” at the described premises that is caused by an interruption in your computer “operations” at the described premises due to destruction or corruption of your “electronic data” that is stored within your “computer equipment” at the described premises. The loss or damage

must be caused by or result from “electronic vandalism”.

- (2) However, there is no coverage for an interruption related to manipulation of a computer system (including “electronic data”) by any “employee”, including a temporary or leased “employee”, or by an entity retained by you, or for you, to inspect, design, install, modify, maintain, repair or replace that system.
 - (3) If this policy is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply.
 - (4) With respect to this Additional Coverage, BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE – ACTUAL LOSS SUSTAINED 411-0581, **A. Coverage, 4. Additional Limitation** – Interruption of Computer Operations is deleted.
 - (5) The Additional Coverage for **Extended Business Income** does not apply to the **Interruption of Computer Operations**.
- c. The destruction or corruption of your “electronic data” can originate from a person located anywhere in the world.
- d. Regardless of the number of occurrences under the Additional Coverages in paragraphs a. and b. above, the most we will pay in any one Policy Period is the Limit of Insurance shown in the above **SCHEDULE**.
- e. **E-Commerce Special Exclusions**
- (1) With respect to the Additional Coverages in paragraphs a. and b. above, CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 4. Special Exclusions**, paragraph a.(3) applies.
 - (2) We do not cover:

- (a) Loss of proprietary use of any “electronic data” or “proprietary programs” that have been copied, scanned, or altered;
- (b) Loss of or reduction in economic or market value of any “electronic data” or “proprietary programs” that have been copied, scanned, or altered; and
- (c) Theft from your “electronic data” or “proprietary programs” of confidential information through the observation of the “electronic data” or “proprietary programs” by accessing covered “computer equipment” without any alteration or other physical loss of or damage to the records or programs. Confidential information includes, but is not limited to, “employee” information, customer information, processing methods, or trade secrets.

18. Electronic Data Processing Equipment

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages**:

Electronic Data Processing Equipment

- (1) We will pay for direct physical loss or damage to the following Covered Property which is your property or property in your care, custody and control:
 - (a) “Computer equipment”; and
 - (b) Programming documentation and instruction manuals
 caused by or resulting from a Covered Cause of Loss.
- (2) We will also pay the necessary Extra Expense you incur to avoid or minimize the suspension of business and to continue “operations” due to direct physical loss of or damage to Covered Property described in paragraph (1) above.

All of the provisions of the Additional Coverage for **Extra Expense** in this endorsement and BUSINESS INCOME (AND EXTRA EXPENSE)

COVERAGE FORM CP 00 30 or BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE – ACTUAL LOSS SUSTAINED 411-0581 in this policy are applicable to this Additional Coverage except the following:

- (a) There is no requirement that a loss occur at the described premises or within 2,000 feet of the described premises; and
 - (b) Continuing normal operating expenses that you incur, including payroll, are not included under this Additional Coverage
- (3) Payment under this Additional Coverage is included within the Limit of Insurance shown in the Declarations for Business Personal Property, except as described in paragraph (4) directly below.
- (4) In the event of loss of or damage to “computer equipment”, we will pay your costs to modify or replace undamaged “hardware” or “software” when it:
- (a) Was dependent on the damaged “hardware” or “software” prior to the covered loss; and
 - (b) Is not compatible with the “hardware” or “software” that is replacing the property that was involved in the covered loss.

We will only pay for your costs to modify or replace undamaged “hardware” or “software” at the described premises.

The most we will pay for your costs is \$10,000. Payment of these costs is included within the Limit of Insurance shown in the Declarations for Business Personal Property.

- (5) With respect to this Additional Coverage, CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 1.b. Earth Movement** and **1.g. Water** do not apply.
- (6) We will not pay for any loss to the following property:
- (a) Property you rent, loan or lease to others while it is away from the described premises; or
 - (b) Property you hold for sale, distribute or manufacture.

- (7) If we provide Building coverage only, we will only pay for loss to “computer equipment” that service building operations at the described premises and are located at the described premises.

(8) Electronic Data Processing Equipment Special Exclusions

We do not cover:

- (a) Any expense caused by an error or omission in programming or incorrect instructions to “hardware”; or
- (b) Direct physical loss to Covered Property caused by:
 - (i) Electrical disturbance;
 - (ii) “Power supply disturbance”;
 - (iii) “Computer virus”; or
 - (iv) “Computer hacking”.

19. Employee Theft including ERISA Compliance

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Employee Theft including ERISA Compliance

- (1) We will pay for loss or damage to “money”, “securities” and “other property” resulting directly from “theft” committed by an “employee” or volunteer who you have the right to direct and control while performing services for you, whether identified or not, acting alone or in collusion with other persons.

With respect to this Additional Coverage, “theft” shall also include “forgery”.

- (2) This Additional Coverage terminates as to any “employee” as soon as:
- (a) You; or
 - (b) Any of your partners, “members”, “managers”, officers, directors or trustees not in collusion with the “employee”;
- discovered the “theft” or any other dishonest act committed by the “employee” whether before or after becoming employed by you.

- (3) With respect to this Additional Coverage, all loss:

- (a) Caused by one or more persons; and
- (b) involving a single act or series of acts;

is considered one occurrence.

- (4) We will pay only for loss you sustain through acts committed or events occurring anytime which is “discovered” by you:

- (a) During the Policy Period; or
- (b) No later than one year from the date of termination or cancellation of this insurance. 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 Additional Coverage, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- (5) Coverage is extended to apply to loss caused by any “employee” while temporarily outside the Coverage Territory for a period of not more than 90 consecutive days.

- (6) The most we will pay under this Additional Coverage is \$250,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year.

(7) Employee Theft Special Exclusions

We will not pay for the following:

- (a) Loss resulting from “theft” or any other dishonest act committed:
 - (i) By you; or
 - (ii) By any of your partners or “members”;
whether acting alone or in collusion with other persons.
- (b) Loss caused by an “employee” if the “employee” has also committed “theft” or any other dishonest act prior to the effective date of this policy and you or any of your partners, “members”,

“managers”, officers, directors or trustees, not in collusion with the “employee”, learned of such “theft” or dishonest act prior to the Policy Period shown in the Declarations.

- (c) Loss resulting from the following:

- (i) The disclosure or use of another person's or organization's confidential or personal information; or
- (ii) The disclosure of your confidential or personal information. However, this paragraph, **(7)(c)(ii)**, does not apply to loss otherwise covered under this insurance that results directly from the use of your confidential or personal information.

- (d) 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.

- (e) Loss that is an indirect result of an occurrence covered by this Additional Coverage, including, but not limited to, loss resulting from the following:

- (i) Your inability to realize income that you would have realized had there been no loss of or damage to “money”, “securities” or “other property”;
- (ii) Payment of damages of any type for which you are legally liable. However, we will pay compensatory damages arising directly from a loss covered under this Additional Coverage;
- (iii) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this Additional Coverage.

- (f) Fees, costs and expenses incurred by you which are related to any legal action.
- (g) 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.
- (h) Loss or that part of any loss, the proof of which as to its existence or amount is dependent upon
 - (i) An inventory computation; or
 - (ii) A profit and loss computation.
 However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
- (i) Loss resulting from trading, whether in your name or in a genuine or fictitious account.
- (j) Loss resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

(8) Welfare and Pension Plan ERISA Compliance

- (a) "Employee Benefit Plans" (hereafter referred to as Plans) are included as insureds under this Additional Coverage, subject to the following:
- (b) If any Plan is insured jointly with any other entity under this Additional Coverage, you or the Plan Administrator are responsible for selecting a Limit of Insurance for this Additional Coverage that is sufficient to provide a Limit of Insurance for each Plan that is at least equal to that required under ERISA as if each Plan were separately insured.
- (c) With respect to loss sustained or "discovered" by any such Plan, this Additional Coverage is replaced by the following:
We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from

fraudulent or dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

- (d) If the first Named Insured is an entity other than a Plan, any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (e) If two or more Plans are insured under this Additional Coverage, any payment we make for loss:
 - (i) Sustained by two or more Plans; or
 - (ii) Of commingled "money", "securities" or "other property" of two or more Plans;

resulting from an occurrence, will be made to each Plan sustaining loss in the proportion that the Limit of Insurance required under ERISA for each Plan bears to the total of those Limits.
- (f) The Deductible does not apply to this Additional Coverage.

20. Employee Tools and Work Clothing

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extension:**

Employee Tools and Work Clothing

- (1) The insurance that applies to Business Personal Property is extended to apply to direct physical loss of or damage to tools, equipment and work clothing belonging to your "employees" while such tools, equipment and work clothing are:
 - (a) At the described premises;
 - (b) At your job sites; or
 - (c) "In transit" to and from your job sites.

The loss or damage must be caused by or result from a Covered Cause of Loss.

- (2) With respect to this Coverage Extension, CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 1.b. Earth Movement and 1.g. Water** do not apply.
- (3) The most we will pay under this Coverage Extension is \$25,000 unless

a higher Amended Limit of Insurance is shown in the above **SCHEDULE**, but not more than \$500 for any one tool, piece of equipment or item of clothing.

- (4) The Coinsurance Condition does not apply to this Coverage Extension.

21. Expediting Expense

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Expediting Expense

- (1) When a Covered Cause of Loss occurs to Covered Property, we will pay for the reasonable and necessary additional expenses you incur:
- (a) To make temporary repairs;
 - (b) To expedite permanent repair or replacement of damaged property; or
 - (c) To provide training on replacement machines or equipment.
- (2) The most we will pay under this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

22. Extended Business Income

With respect to BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581, **A. Coverage, 5. Additional Coverages, c. Extended Business Income, (1) Business Income Other Than Rental Value**, paragraph (b) and **(2) Rental Value**, paragraph (b) are replaced by the following:

(1) Business Income Other Than Rental Value

- (b) Ends on the earlier of:
- (i) The date you could restore your “operations”, with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 90 consecutive days after the date determined in paragraph **(1)(a)** above.

(2) Rental Value

- (b) Ends on the earlier of:

- (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the “Rental Value” that would have existed if no direct physical loss or damage had occurred; or
- (ii) 180 consecutive days after the date determined in paragraph **(2)(a)** above.

23. Extended Coverage on Property – within 2,000 feet

With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM CP 00 18, BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581, all references that state the location of property must be within 100 feet of a described premise are replaced with within 2,000 feet of a described premise.

24. Extra Expense

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Extra Expense

- (1) We will pay the necessary Extra Expense you incur during the “period of restoration” that you would not have incurred if there had been no direct physical loss or damage to property at the described premises. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises includes the area within 2,000 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your described premises means:

- (a) The portion of the building, which you rent, lease or occupy;
- (b) The area within 2,000 feet of the building or within 2,000 feet of the

- premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (c) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building, which you rent, lease or occupy.
- (2) Extra Expense means necessary expense incurred (other than the expense to repair or replace property):
- (a) To avoid or minimize the "suspension" of business and to continue operations:
- (i) At the described premises; or
- (ii) At replacement premises or at temporary locations, including relocation expenses, and costs to equip and operate the replacement or temporary locations.
- (b) To minimize the "suspension" of business if you cannot continue "operations".
- (c) To repair or replace any property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage or the Additional Coverage for Business Income. We will not pay for any portion of the ordinary and expected cost to actually repair or replace property; or
- (d) To research, replace or restore the lost information on damaged "valuable papers and records".
- (3) The most we will pay under this Additional Coverage is \$300,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- (4) We will reduce the amount of your Extra Expense loss payment to the extent you can return "operations" to normal and discontinue such Extra Expense.
- (5) If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.
- (6) This Additional Coverage does not apply when:
- (a) EXTRA EXPENSE COVERAGE FORM CP 00 50;
- (b) BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30; or
- (c) BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0815
- are made a part of this policy.
- (7) **Extra Expense Special Exclusions**
- We will not pay for the following:
- (a) Any Extra Expense caused by or resulting from the following:
- (i) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons;
- (ii) Temporary cessation, lapse or cancellation of any license, lease or contract. But if the temporary cessation, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" in accordance with the terms described in paragraphs (2)(a) and (2)(b) of this Additional Coverage; or
- (iii) Any other consequential loss.
- (b) Coverage for Extra Expense does not apply when a "suspension" of "operations" is caused by destruction or corruption of "electronic data", or any loss or damage to "electronic data". However, this exclusion does not apply to coverage for Extra Expense included in the Additional Coverage for **Electronic Data Processing Equipment** of this endorsement.

25. Fire Protection Equipment Recharge

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Fire Protection Equipment Recharge

- (1) We will pay:
- (a) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 2,000 feet of the described premises:
 - (i) To prevent or control loss;
 - (ii) Accidentally; or
 - (iii) As a result of malfunction of the equipment.
 - (b) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.
- (2) No coverage will apply if the fire extinguishing system is discharged during installation or testing.
- (3) Payment under this Additional Coverage is included within the applicable Limit of Insurance shown in the Declarations.

26. Food Contamination

With respect to BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581 the following is added to **A. Coverage, 5. Additional Coverages:**

Food Contamination

- (1) If your “operations” at the described premises is ordered closed by the Board of Health or any other governmental authority as a result of the discovery or suspicion of “food contamination”, we will pay:
- (a) Your expense to clean your equipment as required by the Board of Health or any other governmental authority;
 - (b) Your cost to replace food which is, or is suspected by the Board of Health or any other governmental authority, to be contaminated;

- (c) Your expense to provide necessary medical tests or vaccinations for your “employees” (including temporary or leased “employees”) who are potentially infected by “food contamination”. However, we will not pay for any expense that is otherwise covered under a Workers’ Compensation Policy;
- (d) The loss of Business Income you sustain due to the necessary “suspension” of your “operations” as a result of the “food contamination”. The coverage for Business Income will begin 24 hours after you receive notice of closing from the Board of Health or any other governmental authority; and
- (e) Additional Advertising expenses you incur to restore your reputation.

- (2) The most we will pay for all loss under paragraphs (1)(a) through (1)(d) above is \$25,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

The most we will pay for all loss under paragraph (1)(e) above is \$3,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

(3) Food Contamination Special Exclusion

We will not pay any fines or penalties levied against you by the Board of Health or any other governmental authority as a result of the discovery or suspicion of “food contamination” at the described premises.

27. Forgery or Alteration

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Forgery or Alteration

- (1) 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:

- (a) Made or drawn by or drawn upon you; or
- (b) Made or drawn by one acting as your agent;

or that are purported to have been made or drawn.

With respect to this Additional Coverage, a substitute check as defined in the Check Clearing for the 21st Century Act, shall be treated the same as the original it replaced.

- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promises of payment in "money" on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (3) The most we will pay, including legal expenses, under this Additional Coverage is \$100,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- (4) With respect to this Additional Coverage, all loss:
 - (a) Caused by one or more persons; and
 - (b) Involving a single act or series of related acts;

is considered one occurrence.

(5) Forgery or Alteration Special Exclusion

We will not pay for the following:

- (a) Loss that is an indirect result of an occurrence covered by this Additional Coverage, including, but not limited to, loss resulting from the following:
 - (i) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property";
 - (ii) Payment of damages of any type for which you are legally liable. However, we will pay compensatory damages arising directly from a loss covered under this Additional Coverage; or

- (iii) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this Additional Coverage.

- (b) Fees, costs and expenses incurred by you, which are related to any legal action.

28. Foundations and Underground Pipes

- a. With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to **A. Coverage, 5. Coverage Extensions:**

Foundations and Underground Pipes

- (1) The insurance that applies to Buildings is extended to include:
 - (a) Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (i) The lowest basement floor; or
 - (ii) The surface of the ground, if there is no basement;
 - (b) Underground pipes, flues and drains; and
 - (c) The cost of excavating, grading, backfilling or filling; when such loss or damage is caused by a Covered Cause of Loss.
- (2) The most we will pay under this Coverage Extension is the applicable Building Limit of Insurance shown in the Declarations.
- (3) Payment under this Coverage Extension is included within the Limit of Insurance shown in the Declarations for Building.
- b. With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, **A. Coverage, 2. Property Not Covered**, paragraphs **f.**, **g.**, and **m.** do not apply to this Coverage Extension.

29. International Air Shipments

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

International Air Shipments

- (1) The insurance that applies to Business Personal Property is extended to apply to Business Personal Property while being shipped by air:
 - (a) Anywhere within the Coverage Territory to or from a location outside of the coverage territory; or
 - (b) Between locations outside of the coverage territory;
- (2) This Coverage Extension only applies to the shipment of Business Personal Property which originates and terminates at a location specified in the air waybill.
- (3) The most we will pay under this Coverage Extension is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- (4) **International Air Shipments Special Condition**

This Coverage Extension does not apply to Business Personal Property if there is other insurance in force covering the same loss.

30. Inventory and Loss Appraisal

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Inventory and Loss Appraisal

- (1) The insurance that applies to Business Personal Property is extended to apply to all reasonable expenses you incur at our request to assist us with the following:
 - (a) The investigation of a claim;
 - (b) The determination of the amount of loss, such as taking inventory; or
 - (c) The cost of preparing specific loss documents and other supporting exhibits.
- (2) Expenses you incur include costs charged to you by others, including auditors, accountants, architects, engineers and property managers, acting on your behalf to assist us with items shown in paragraph (1) above.

- (3) Regardless of the number of premises involved, the most we will pay under this Coverage Extension is \$250,000 unless a higher Limit of Insurance is shown in the above **SCHEDULE**.

(4) Inventory and Loss Appraisal Special Exclusion

We will not pay for expenses:

- (a) Incurred to perform your duties in the event of loss under **E. Loss Conditions**;
- (b) To prove that loss or damage is covered;
- (c) Billed by and payable to independent or public adjusters, attorneys or any of their affiliated or associated entities;
- (d) To prepare claims not covered by this policy; or
- (e) Incurred under any Appraisal provisions within the policy.

31. Key Replacement and Lock Repair

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Key Replacement and Lock Repair

- (1) Your insurance is extended to apply to the reasonable and necessary expense you incur due to a covered "theft" for:
 - (a) Replacement of keys if they are stolen;
 - (b) Lock repair; or
 - (c) Rekeying, replacing or reprogramming undamaged locks to accept new keys or entry codes when the building security has been compromised.
- (2) The most we will pay under this Coverage Extension is \$20,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

32. Leasehold Interest

With respect BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to **A. Coverage, 4. Additional Coverages:**

Leasehold Interest

- (1) If your lease is cancelled due to direct physical loss of or damage to property at the described premises, caused by or resulting from a Covered Cause of

Loss, we will pay the net loss you sustain due to the following:

- (a) Increased rent under a replacement lease if your lease is cancelled and either:
 - (i) The building owner allows you to continue to use your premises under a new lease not to exceed the prevailing lease rate; or
 - (ii) You relocate to other permanent premises and enter into a new lease.

For the duration of the lease in effect at the time of the loss, we will pay the increase in rent between what you were paying at the time of loss and the rent you will be required to pay for equivalent premises under the replacement lease; and

- (b) Loss of the unused pro-rata portion of prepaid rent based on the period of time remaining in your lease.
- (2) Regardless of the number of leases involved, the most we will pay under this Additional Coverage is \$150,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- (3) **Leasehold Interest Special Conditions**
 - (a) If the lease in effect at the time of the loss contains a renewal option, the expiration date of the renewal option period will replace the expiration of the current lease. Existence of a renewal option will not increase the applicable Limit of Insurance.
 - (b) If the lease has no end date (open-ended), we will pay the difference in rent for a period of no more than 24 months after the date of loss or damage.
 - (c) There is no coverage under this Additional Coverage unless a written or legally binding lease is in place at the time of loss or damage.

(4) **Leasehold Interest Special Exclusions**

We will not pay:

- (a) If the unit or suite rented or leased to you has been vacant more than 60 consecutive days before the loss or damage occurs, and you have not entered into an agreement to sublease the unit or suite. Buildings under construction or renovation are not considered vacant when customary "operations" cannot be conducted as a direct result of the construction or renovation;
- (b) If the lease is cancelled, suspended or allowed to lapse by you; or
- (c) If the lease is cancelled at the normal expiration date.

33. Lessor's Tenant Move Expenses

With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to

A. Coverage, 4. Additional Coverages:

Lessor's Tenant Move Expenses

- (1) In the event that your tenants must temporarily vacate the covered Building at the described premises due to untenability as a result of direct physical loss of or damage to property at the described premises, and such loss or damage is caused by or resulting from a Covered Cause of Loss, we will pay the expenses, as described in paragraph (2) directly below, you incur to move those tenants out of and back into your covered Building.
- (2) We will only pay for the following expenses:
 - (a) Packing, transporting and unpacking your tenant's personal property including the cost of insuring the move out and back and any necessary disassembly and reassembly or setup of furniture and equipment; and
 - (b) The net cost to discontinue and re-establish the tenants' utility and telephone services, after any refunds due the tenants.
- (3) We will only pay for your incurred expenses up to a period of 60 consecutive days after your building has been repaired or rebuilt.
- (4) Regardless of the number of tenants involved, the most we will pay under

this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

34. Marring and Scratching

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Marring and Scratching

- (1) The insurance that applies to Business Personal Property is extended to apply to damage caused directly by sudden and accidental marring and scratching at the described premises to the following:
 - (a) Your "stock";
 - (b) Your printing plates; or
 - (c) Property of others that is in your care, custody and control.
- (2) This Coverage Extension does not apply to:
 - (a) Property at other than the described premises; or
 - (b) Property "in transit".
- (3) Payment under this Coverage Extension is included within the Limit of Insurance shown in the Declarations for Business Personal Property.
- (4) With respect to this Coverage Extension, CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions**, paragraph 2.d.(7)(c) does not apply.

35. Money and Securities

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Money and Securities

- (1) We will pay for loss of "money" and "securities":
 - (a) Inside a building at the described premises or "financial institution" resulting directly from "theft" committed by a person physically inside such building;
 - (b) Inside a building at the described premises or "financial institution" resulting directly from disappearance or destruction; or
 - (c) Outside of a building at or away from the described premises in

the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.

- (2) With respect to this Additional Coverage, all loss:
 - (a) Caused by one or more persons; and
 - (b) Involving a single act or series of related acts;
 is considered one occurrence.
- (3) You must keep records of all "money" and "securities" so we can verify the amount of loss or damage.
- (4) The most we will pay under this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

(5) Money and Securities Special Exclusions

We will not pay for the following:

- (a) Loss resulting from "theft" or any other dishonest act committed by:
 - (i) You; or
 - (ii) Any of your partners or "members";
 whether acting alone or in collusion with other persons.
- (b) Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:
 - (i) Whether acting alone or in collusion with other persons; or
 - (ii) While performing services for you or otherwise.
- (c) Loss that is an indirect result of an occurrence covered by this Additional Coverage, including, but not limited to, loss resulting from the following:
 - (i) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property";
 - (ii) Payment of damages of any type for which you are legally

liable. However, we will pay compensatory damages arising directly from a loss covered under this Additional Coverage; or

- (iii) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this Additional Coverage.
- (d) Fees, costs and expenses incurred by you, which are related to any legal action.
- (e) 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.
- (f) Loss resulting from accounting or arithmetical errors or omissions.
- (g) Loss resulting from giving or surrendering of property in any exchange or purchase.
- (h) Loss of "money" and "securities" contained in any "money"-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (i) Loss or damage to "money" and "securities" following and directly related to the use of any computer to fraudulently cause a transfer of that property.
- (j) Loss of or damage to "money" and "securities" after it has been transferred or surrendered to a person or place outside the described premises or "financial institution" premises on the basis of unauthorized instructions. However, this exclusion does not apply to loss of "money" and "securities" while in the care and custody of a "messenger".

36. Money Orders and Counterfeit Money

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Money Orders and Counterfeit Money

- (1) We will pay for loss resulting directly from your having accepted in good

faith, in exchange for merchandise, "money" or services:

- (a) Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or
 - (b) "Counterfeit money" that is acquired during the regular course of business.
- (2) With respect to this Additional Coverage, all loss:
- (a) Caused by one or more persons; and
 - (b) Involving a single act or series of related acts;
- is considered one occurrence.
- (3) The most we will pay under this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

(4) Money Orders and Counterfeit Money Special Exclusions

We will not pay for the following:

- (a) Loss that is an indirect result of an occurrence covered by this Additional Coverage, including, but not limited to, loss resulting from the following:
 - (i) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property";
 - (ii) Payment of damages of any type for which you are legally liable. However, we will pay compensatory damages arising directly from a loss covered under this Additional Coverage; or
 - (iii) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this Additional Coverage.

- (b) Fees, costs and expenses incurred by you, which are related to any legal action.

37. Newly Acquired or Constructed Property

With respect to your applicable Coverage Form, **A. Coverage, 5. Coverage Extensions**, paragraph a. is replaced by the following:

a. Newly Acquired or Constructed Property

(1) Buildings

(a) The insurance that applies to Buildings is extended to apply to direct physical loss or damage caused by or resulting from a Covered Cause of Loss:

(i) To your new buildings while being built on the described premises; and

(ii) To buildings you acquire at premises, other than the one described, intended for the following:

1) Similar use as the building described in the Declarations; or

2) Used as a warehouse.

(b) The most we will pay under this Coverage Extension for each newly acquired or constructed Building is \$2,000,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

(2) Business Personal Property

(a) The insurance that applies to Business Personal Property is extended to apply to direct physical loss or damage caused by or resulting from a Covered Cause of Loss:

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

(ii) To 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; and

(iii) To Business Personal Property that you newly acquire, located at the described premises.

(b) This Coverage Extension does not apply to the following:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property;

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities; and

(iii) Personal property you acquire as part of your usual customary business dealings whether or not such acquisition was related to anticipated seasonal demands. Under the terms of this Coverage Extension, such property is not considered newly acquired, but falls within the provisions for Business Personal Property.

(c) The most we will pay under this Coverage Extension for newly acquired Business Personal Property at each location is \$1,000,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

(3) Period of Coverage

With respect to insurance provided under this Coverage Extension, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 180 days 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.

38. Newly Acquired Locations – Business Income and Extra Expense

With respect to BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581, **A. Coverage, 6. Coverage Extension, Newly Acquired Locations** is replaced by the following:

Newly Acquired Locations

- a. The insurance that applies to Business Income and Extra Expense is extended to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay under this Coverage Extension at each premises is \$250,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- c. With respect to insurance provided under this Coverage Extension, coverage will end when any of the following first occurs:
 - (1) This policy expires;
 - (2) 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as Covered Property; or
 - (3) 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.

39. Non-Owned Detached Trailers

With respect to your applicable Coverage Form, **A. Coverage, 5. Coverage Extensions, f. Non-Owned Detached Trailers**, paragraph (3) is replaced by the following:

- (3) The most we will pay under this Coverage Extension is \$25,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

40. Ordinance or Law

With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to **A. Coverage, 4. Additional Coverages:**

Ordinance or Law

- (1) This Additional Coverage applies only to buildings which are insured on a Replacement Cost basis.

(2) Application of Coverage

The coverages provided under this Additional Coverage apply only if paragraphs (a) and (b) below are satisfied and are then subject to the qualifications in (c).

(a) The ordinance or law:

- (i) Regulates the demolition, construction or repair of buildings or establishes zoning or land use requirements at the described premises;
- (ii) Requires the demolition of undamaged parts of a covered building or structure that is damaged or destroyed by a Covered Cause of Loss; and
- (iii) Is in force at the time of loss.

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

(b) The building sustains only direct physical damage:

- (i) That is covered under this policy and, as a result of such damage, you are required to comply with the ordinance or law; or
- (ii) That is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building damage in its entirety, you are required to comply with the ordinance or law.

However, there is no coverage under this Additional Coverage 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, even if the building has also sustained covered direct physical damage.

- (c) In the situation described in paragraph (b)(ii) above, we will not pay the full amount of loss otherwise payable under the terms of coverages for Loss to the Undamaged Portion of the Building, Demolition Cost Coverage or Increased Cost of Construction Coverage. Instead, we will pay a proportion of such loss, meaning the proportion that the covered direct physical damage bears to the total direct physical damage. Paragraph (6) of this Additional Coverage provides an example of this procedure.

However, if the covered direct physical damage alone would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of the loss otherwise payable under the terms of coverages for Loss to the Undamaged Portion of the Building, Demolition Cost Coverage or Increased Cost of Construction Coverage under this Additional Coverage.

- (3) We will not pay under this Additional Coverage for the following:
 - (a) Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria;
 - (b) The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond

to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria; or

- (c) Any loss in value or any cost incurred due to an ordinance or law that you were required to comply with before the time of the current loss, even in the absence of building damage, if you failed to comply.

(4) Coverage

(a) 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 for the loss in value of the undamaged portion of the building as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building. Coverage for Loss to the Undamaged Portion of the Building is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage for Loss to the Undamaged Portion of the Building does not increase the Limit of Insurance.

(b) Coverage B – Demolition Cost Coverage

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

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

(c) Coverage C – Increased Cost of Construction

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

- (i) To repair or reconstruct damaged portions of that buildings; or

- (ii) To reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

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

However:

- (iii) 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.

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

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

(5) Loss Payment

- (a) Loss payment provisions (b), (c) and (d) below are subject to the apportionment procedure set forth in paragraph (2)(c) of this Additional Coverage.

- (b) When there is a loss in value of an undamaged portion of the building to which Coverage A – Coverage for Loss to the Undamaged Portion of the Building applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

- (i) If the Replacement Cost Option applies and such building is being repaired or replaced on the same or another premises, we will not pay more than the lesser of the following:

- 1) The amount you actually spend to repair, rebuild or reconstruct such 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 applicable to such building shown in the Declarations or addressed elsewhere in this policy. (If this policy is endorsed to cover Earth Movement or Flood as a Covered Cause of Loss, the Limit of Insurance applicable to the building in the event of damage by such Covered Cause of Loss may be lower than the Limit of Insurance that otherwise would apply).

- (ii) If the Replacement Cost Coverage Option applies and such building is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of the following:

- 1) The actual cash value of the building at the time of loss; or
- 2) The Limit of Insurance applicable to such building as shown in the Declarations or addressed elsewhere in this policy. (If this policy is endorsed to cover Earth Movement or Flood as a Covered Cause of Loss, the Limit of Insurance applicable to the building in the event of damage by such Covered Cause of Loss may be lower than the Limit of Insurance that otherwise would apply.)

- (c) The most we will pay for the total of all covered losses for Coverage B – Demolition Cost Coverage and Coverage C – Increased Cost of Construction is the Limit of Insurance shown in paragraph (5)(d) below, subject to the following loss payment provisions:

- (i) For Coverage B – Demolition Cost Coverage, we will not pay for more than the amount you actually spend to

demolish and clear the site of the described premises.

(ii) For Coverage C – Increased Cost of Construction Coverage, we will not pay for the increased cost of construction:

- 1) Until the property is actually repaired or replaced, at the same or another premises; and
- 2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(iii) 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.

(iv) 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.

(d) The most we will pay for the total of all covered losses under Coverage B – Demolition Cost Coverage and Coverage C – Increased Cost of Construction Coverage for each building described in the Declarations is \$500,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**. If damaged buildings are covered under a Blanket Limit of Insurance and the Blanket Limit of Insurance applies to more than one building or item of property, then the most we will pay under this Additional Coverage for each building is \$100,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

(6) Example of Proportionate Loss Payment for Ordinance or Law Coverage losses; procedures as set forth in paragraph (2)(c) of this Additional Coverage.

Assume:

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

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

$$\begin{aligned} & \$30,000 \text{ divided by } \$100,000 \\ & = .30 \end{aligned}$$

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

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

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

Note: The same procedure applies to losses under Loss to the Undamaged Portion of the Building and Demolition Cost of this Additional Coverage.

41. Pollutant Clean-Up and Removal

With respect to your applicable Coverage Form, **A. Coverage, 4. Additional**

Coverages, d. Pollutant Clean-Up and Removal is replaced by the following:

d. Pollutant Clean-Up and Removal

- (1) We will pay your expense to extract “pollutants” from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the “pollutants” is caused by or results from a Covered Cause of Loss that occurs during the Policy Period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.
- (2) This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of “pollutants”. However, we will pay for testing, which is performed in the course of extracting the “pollutants” from the land or water.
- (3) The most we will pay for each location under this Additional Coverage is \$100,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**, for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

42. Preservation of Property

With respect to your applicable Coverage Form, **A. Coverage, 4. Additional Coverage, b. Preservation of Property** is replaced by the following:

b. Preservation of Property

If it is necessary to move property covered under this policy from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss of or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 90 days after the property is first moved.

43. Preservation of Property – Expenses

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Preservation of Property – Expenses

- (1) If it is necessary to move property covered under this policy from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay your expenses to move or store such property.
- (2) This coverage applies for 90 days after the property is first moved but does not extend past the date on which this policy expires.
- (3) The most we will pay under this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

44. Prototypes

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Prototypes

- (1) The insurance that applies to Business Personal Property is extended to apply to direct physical loss of or damage to “prototypes” related to your “research and development operations” that:
 - (a) You own; or
 - (b) Are owned by others and in your care, custody and control;

while at a described premises. The loss or damage must be caused by or result from a Covered Cause of Loss.

- (2) We will not pay for loss or damage to “prototypes” until you actually repair or replicate such property. Repairs or replication must be made as soon as reasonably possible after the loss or damage, but in no event later than two years after the loss or damage unless we grant an extension in writing prior to the expiration of the two year period.
- (3) Payment under this Coverage Extension is included within the Limit of Insurance shown in the Declarations for Business personal Property.

45. Rewards

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Rewards

- (1) We will reimburse you for payment of any reward offered on your behalf and for information that leads to the arrest and conviction of the person or persons responsible for:
 - (a) Arson;
 - (b) "Theft"; or
 - (c) Vandalism
 to Covered Property.
- (2) The arrest and conviction must involve a covered loss caused by arson, "theft" or vandalism.
- (3) Regardless of the number of persons involved in providing the information, the most we will pay under this Additional Coverage is \$75,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

46. Sales Representative Samples

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Sales Representative Samples

- (1) We will pay for direct physical loss of or damage to samples of your "stock" in trade (including containers) caused by or resulting from a Covered Cause of Loss while:
 - (a) In the custody of your sales representative, agent or any "employee" who travels with sales samples;
 - (b) In your custody while acting as a sales representative; or
 - (c) "In transit" between the described premises and your sales representatives.
- (2) With respect to this Additional Coverage, **CAUSES OF LOSS – SPECIAL FORM CP 10 30, B. Exclusions, 1.b. Earth Movement and 1.g. Water** do not apply.
- (3) The most we will pay under this Additional Coverage is \$25,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- (4) We will not pay for loss to the following property:
 - (a) Property which has been sold;

- (b) Jewelry, precious or semiprecious stones, gold, silver, platinum or other precious metals or alloys;
- (c) Fur, fur garments of garments trimmed with fur; or
- (d) Any property while waterborne.

47. Soft Costs

With respect to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10**, the following is added to **A. Coverage, 5. Coverage Extensions:**

Soft Costs

- (1) The insurance that applies to Buildings is extended to apply to the actual "soft cost expenses" that arise out of a delay in the construction, erection or fabrication of a Covered Building, as described in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, A. Coverage, 1. Covered Property**, paragraph. **a.(5)**, due to direct physical loss of or damage to that Covered Building caused by or resulting from a Covered Cause of Loss.
- (2) We will only pay the necessary "soft cost expenses" that are over and above those costs that would have been incurred had there been no delay.
- (3) The most we will pay under this Coverage Extension is \$25,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- (4) This Coverage Extension is excess to any other valid and collectible insurance.

48. Temporary Relocation of Property

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Temporary Relocation of Property

- (1) We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss while such property is away from the described premises and being stored temporarily at a location you do not own, lease or operate while the described premises is being renovated or remodeled.
- (2) This Additional Coverage applies for 90 days after the property is first

moved but does not extend past the date on which this policy expires.

- (3) The most we will pay under this Additional Coverage is \$100,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

49. Theft Damage to Building

With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to **A. Coverage, 5. Coverage Extensions:**

Theft Damage to Building

- (1) The insurance that applies to Business Personal Property is extended to apply to direct physical damage to a building leased to you or damage to non-owned equipment when the damage is caused by or results from "theft" or attempted "theft", burglary or robbery of your Business Personal Property. This Coverage Extension does not apply when the "theft" or attempted "theft" is of a building component or non-owned equipment.
- (2) Payment under this Coverage Extension is included within the Limit of Insurance shown in the Declarations for Business Personal Property.

50. Undamaged Tenants Improvements and Betterments

With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to **A. Coverage, 5. Coverage Extensions:**

Undamaged Tenants Improvements and Betterments

- (1) The insurance that applies to Business Personal Property is extended to apply to your use as a tenant in the undamaged portion of Improvements and Betterments:
 - (a) Made part of the building or structure you occupy but do not own; and
 - (b) You acquired but cannot legally remove due to cancellation of your written lease. The cancellation must result from direct physical loss of or damage to a building at the described premises caused by or resulting from a Covered Cause of Loss. This Coverage Extension

does not apply if you do not have a written lease in place at the time of loss.

- (2) We will determine the proportionate value of Undamaged Tenants Improvements and Betterments as follows:

- (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
- (b) Divide the amount determined in paragraph (a) directly above by the number of days from the installation of improvements to the expiration of the lease.

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

- (3) The most we will pay under this Coverage Extension is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

51. Underground Water Seepage

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Underground Water Seepage

- (1) We will pay for direct physical loss of or damage to Covered Property at the described premises caused by or resulting from water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings in any building or other structure
- (2) With respect to CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 1.g. Water**, paragraph (4) is deleted.
- (3) This Additional Coverage includes Business Income and Extra Expense coverage. Business Income and Extra Expense losses are subject to the terms in BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS

INCOME (AND EXTRA EXPENSE)
 COVERAGE FORM – ACTUAL LOSS
 SUSTAINED 411-0581, **A. Coverage,**
1. Business Income and **2. Extra**
Expense.

- (4) The most we will pay under this Additional Coverage is \$50,000.
- (5) **THIS IS NOT FLOOD INSURANCE OR PROTECTION FROM AN INUNDATION OF SURFACE WATER, HOWEVER CAUSED.**

This Additional Coverage provides coverage for physical loss of or damage to Covered Property caused by or resulting from subterranean water when such event is a localized incident and not a part of a general, widespread “flood”, regardless of the proximity of the “flood” event.

We will not pay for loss or damage to property when the subterranean water causing the Underground Water Seepage is itself caused by any “flood” or general “flood” conditions including, but not limited to, those enumerated under CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 1.g. Water**

52. Unintentional Property Reporting Errors

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Unintentional Property Reporting Errors

- (1) If you unintentionally fail to report or describe a location to us, coverage provided by this policy will not be invalid. However, you must report such error or omission to us in writing as soon as you discover them. You also agree to pay the additional premium that would have been earned by us if the location was correctly reported or described to us.
- (2) This Additional Coverage only applies to direct loss or damage caused by or resulting from a Covered Cause of Loss at the omitted location and does not include any coverage for Flood or Earth Movement even if Flood and Earth Movement coverage are purchased for this or another policy.
- (3) You must provide reasonable documentation and clear and

convincing evidence explaining the cause of the oversight.

- (4) For any location you have failed to correctly report or describe to us, this coverage will end when any of the following first occurs:
 - (a) This policy expires; or
 - (b) You report values or provide correct descriptions to us.
- (5) Regardless of the number of occurrences of reporting or description errors or omissions, the most we will pay in any one Policy Period under this Additional is \$500,000.
- (6) This Additional Coverage does not apply to a loss that is covered under **Newly Acquired or Constructed Property** coverage.

53. Unnamed Locations

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Unnamed Locations

- (1) The insurance that applies to Business Personal Property is extended to apply to direct physical loss of or damage to Business Personal Property or Personal Property of Others that is in your care, custody and control while it is at other than a described premises located within the Coverage Territory. The loss or damage must be caused by or result from a Covered Cause of Loss.

(2) Unnamed Locations Special Exclusions

This Coverage Extension does not apply to:

- (a) Loss or damage caused directly or indirectly by “Flood” or Earth Movement, even when coverage for Flood and Earth Movement Coverage are purchased for this or another policy.
- (b) Loss or damage covered under the following coverages:
 - (i) Additional Coverage – Business Personal Property in Transit
 - (ii) Additional Coverage – Sales Representatives Samples; or
 - (iii) Property on exhibition.

- (3) Regardless of the number of unnamed locations, the most we will pay under this Extension of Coverage is \$150,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

54. Utility Services

- a. With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages**:

Utility Services – Direct Damage

We will pay for loss of or damage to Covered Property caused by an interruption in service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to property not on the described premises that provides the services shown below in paragraph c.

The most we will pay at each described premises under this Additional Coverage is \$100,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

- b. With respect to BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581, the following is added to A. Coverage, 5. Additional Coverages:

Utility Services – Business Income and Extra Expense

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by the interruption of service at the described premises. The interruption must result from direct physical loss or damage that is caused by or resulting from a Covered Cause of Loss to property not at the described premises that provides the services shown below in paragraph c.

We will only pay for loss you sustain after the first 24 hours following the loss or damage.

The most we will pay under this Additional Coverage for Business Income and Extra Expense combined at each described premises is \$100,000 unless a higher Amended

Limit of Insurance is shown in the above **SCHEDULE**.

- c. Services:
- (1) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - (a) Pumping stations; and
 - (b) Water mains.
 - (2) Communication Supply Services, meaning the following types of property supplying communication services, including but not limited to telephone, radio, microwave, television services, internet access or access to any electronic, cellular or satellite “network” to the described premises, such as:
 - (a) Communication transmission lines, including optic fiber transmission lines;
 - (b) Coaxial cables; and
 - (c) Microwave radio relays except satellites.
 - (3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - (a) Utility generating plants;
 - (b) Switching stations;
 - (c) Substations;
 - (d) Transformers; and
 - (e) Transmission lines.
- d. Services under this Additional Coverage do not include overhead transmission lines that deliver utility services to you. Overhead transmission lines include, but are not limited to:
- (1) Overhead transmission and distribution lines;
 - (2) Overhead transformers and similar equipment; and
 - (3) Supporting poles and towers.
- e. As used in this Additional Coverage, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

f. Coverage under this Additional Coverage for loss or damage to Covered Property does not apply to loss or damage to “electronic data”, including destruction or corruption of “electronic data”.

g. Utility Services Special Exclusion

Coverage under this Additional Coverage does not include loss of “perishable stock” due to spoilage that results from:

- (1) Complete or partial lack of electrical power; or
- (2) Fluctuation of electrical current.

55. Voluntary Parting

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Voluntary Parting

- (1) We will pay for loss of or damage to Covered Property when you or your “employees” are fraudulently induced to part with such property to or by:
 - (a) Persons who falsely represent themselves as the proper persons to receive the property; or
 - (b) Acceptance of fraudulent bills of lading or shipping receipts.
- (2) The most we will pay under this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- (3) This Additional Coverage does not include the items described in **A. Coverage, 2. Property Not Covered** of your applicable Coverage Form, even if coverage is granted for such items elsewhere in this policy.

56. Water Damage, Other Liquids, Powder or Molten Material Damage

With respect to CAUSES OF LOSS – SPECIAL FORM CP 10 30, F. Additional Coverage Extensions, **2. Water Damage, Other Liquids, Powder or Molten Material Damage** is replaced by the following:

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

- a. If loss or damage caused by or resulting from covered water damage or other liquid, powder or molten material damage loss occurs, we will also pay the cost

to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. We will also pay the cost to tear out and replace lawns, shrubs and paved areas to repair damage to underground pipes from which the water or other substance escapes.

- b. Payment under this Coverage Extension is included within the applicable Limit of Insurance. However, the maximum we will pay for loss or damage to lawns, shrubs or paved areas is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

THIS IS NOT FLOOD INSURANCE OR PROTECTION FROM AN INUNDATION OF SURFACE WATER, HOWEVER CAUSED.

57. Windblown Debris

With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to **A. Coverage, 5. Coverage Extensions:**

Windblown Debris

- (1) Your insurance is extended to apply to your reasonable expenses to remove windblown debris (including trees) from the described premises, if such debris is blown to the described premises from the premises of others by wind.
- (2) The most we will pay in total for the removal of all windblown debris under this Coverage Extension is \$10,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

58. Worldwide Business Personal Property Off Premises

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Worldwide Business Personal Property Off Premises

- (1) The insurance that applies to Business Personal Property and Personal Property of Others is extended to apply to your Business Personal Property while it is

temporarily outside the Coverage Territory if it is:

- (a) Temporarily at a location you do not own, lease or operate;
 - (b) Temporarily on display or exhibit at any fair, trade show or exhibition;
 - (c) Samples of your “stock” in trade in the custody of your sales representatives; or
 - (d) While “in transit” between the described premises and a location described in paragraphs (a), (b) or (c) above.
- (2) The most we will pay under this Coverage Extension is \$75,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

B. Blanket Coverages

1. Accounts Receivable

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Accounts Receivable

- (1) We will pay for loss of or damage to accounts receivable when such loss or damage is caused by or results from a Covered Cause of Loss. We will pay:
 - (a) All amounts due from your customers that you are unable to collect;
 - (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
 - (c) Collection expenses in excess of your normal collection expenses that are made necessary by loss or damage; and
 - (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable.

(2) Accounts Receivable Special Exclusions

- (a) With respect to CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions** do not apply to this Additional Coverage except for paragraphs:
 - (i) **1.c. Governmental Action;**
 - (ii) **1.d. Nuclear Hazard;**

- (iii) **1.f. War And Military Action;**
- (iv) **2.h.**
- (v) **2.i. and**
- (vi) **3.**

(b) We will not pay for the following:

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

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

- (ii) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions

- (iii) Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

2. Deferred Payments

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Deferred Payments

- (1) When a Business Personal Property Limit of insurance is shown in the Declarations, we will pay for your interest in lost or damaged personal property sold by you under a conditional sale or trust agreement or any installment or deferred payment plan after delivery to buyers. The loss or damage must be caused by a Covered Cause of Loss.
- (2) In the event of a total loss to such property, deferred payments are valued on the amount shown on your books as due from the buyer.

When a partial loss to that property occurs and the buyer refuses to continue payment, forcing you to repossess the property, deferred payments are valued as follows:

- (a) If the realized value of the repossessed property is greater than or equal to the amount shown on your books as due from

the buyer, we will make no payment; but

- (b) If the realized value of the repossessed property is less than the amount shown on your books as due from the buyer, we will pay the difference.

- (3) When loss occurs and the buyer continues to pay you, there will be no loss payment.

3. Fine Arts

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Fine Arts

- (1) We will pay for direct physical loss of or damage to “fine arts” which are your property or the property of others in your care, custody and control while on the described premises. We also cover your “fine arts” while temporarily on display or exhibit away from the described premises or while “in transit” between the described premises and a location where the “fine arts” will be temporarily on display or exhibit. Loss or damage must be caused by or result from a Covered Cause of Loss.

- (2) With respect to this Additional Coverage, CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 1.b. Earth Movement and 1.g. Water** do not apply.

(3) Fine Arts Special Exclusion

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

- (a) Breakage of statuary, glassware, bric-a-brac, marble, porcelain and similar fragile property. But we will pay if the loss or damage is caused directly by Flood or Earth Movement or one of the “specified causes of loss”; and

- (b) Any repairing, restoration or retouching of the “fine arts”.

4. Fire Department Service Charge

With respect to your applicable Coverage Form, **A. Coverage, 4. Additional Coverages, c. Fire Department Service Charge** is replaced by the following:

c. Fire Department Service Charge

- (1) When the fire department is called to save or protect Covered

Property from a Covered Loss, we will pay your incurred expenses for your liability for fire department service charges at each described premises.

- (2) This Additional Coverage applies to your liability for fire department service charges:

- (a) Assumed by contract or agreement prior to loss; or

- (b) Required by local ordinance.

- (3) The applicable Limit of Insurance is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

5. Movement of Property

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Movement of Property

- (1) Your insurance is extended to apply to direct physical loss or damage from a Covered Cause of Loss to your Business Personal Property from an insured location which has been deleted from this policy if:

- (a) You moved Covered Property from the deleted location to a new premises; and

- (b) A Limit of Insurance for the new premises has been added to this policy; and

- (c) The direct physical loss or damage occurs to Covered Property at the prior insured location before the movement of property to the new premises is completed.

- (2) Insurance under this Coverage Extension will end when any of the following first occurs:

- (a) The movement of property to the new premises is completed; or

- (b) 30 days after the effective date of the endorsement adding the new premises.

6. Outdoor Property

With respect to your applicable Coverage Form, **A. Coverage, 5. Coverage Extensions, e. Outdoor Property** is replaced by the following:

e. Outdoor Property

(1) Your insurance is extended to apply to direct physical loss of or damage to your fences, radio and television antennas (including satellite dishes), trees, shrubs, plants and lawns (other than trees, shrubs or plants which are “stock” or are a part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss:

- (a) Fire;
- (b) Windstorm;
- (c) Ice, snow, sleet and hail;
- (d) Lightning;
- (e) Explosion;
- (f) Riot or Civil Commotion;
- (g) Vandalism;
- (h) Aircraft or Vehicles;
- (i) Theft; or
- (j) Falling Objects.

(2) This Coverage Extension does not apply:

- (a) To property held for sale by you;
- (b) In the situation in which you are a tenant and such property is owned by the landlord of the described premises; or
- (c) When there is a Building Limit shown in the Declarations for the premises where a loss that involves damage to a fence has occurred.

(3) We will not pay more than \$1,000 for loss or damage to any one tree, shrub or plant under this Coverage Extension.

7. Personal Effects and Property of Others

With respect to your applicable Coverage Form, **A. Coverage, 5. Coverage Extensions, b. Personal Effects and Property of Others** is replaced by the following:

b. Personal Effects and Property of Others

(1) The insurance that applies to Business Personal Property is

extended to apply to direct physical loss or damage:

- (a) To personal effects owned by you, your officers, your partners or members, your “managers”, your directors, your trustees or your “employees”; and
- (b) To Personal Property of Others in your care, custody and control.

when such loss or damage is caused by or resulting from a Covered Cause of Loss.

(2) We will not pay more than \$5,000 for any one person, in any one occurrence. Our payment for loss or damage to Personal Property of Others will only be for the account of the owner of the property.

8. Research and Development Documentation

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Research and Development Documentation

(1) The insurance that applies to Business Personal Property is extended to apply to direct physical loss of or damage to “research and development documentation” that you own or that is in your care, custody and control at a described premises. The loss or damage must be caused by or result from a Covered Cause of Loss.

(2) With respect to CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions** do not apply to this Coverage Extension, except for:

- (a) **1.c. Governmental Action;**
- (b) **1.d. Nuclear Hazard;**
- (c) **1.f. War and Military Action;**
- (d) **2.h.;**
- (e) **2.i.;** and
- (f) **3.**

(3) This Coverage Extension does not apply to loss or damage caused by or resulting from:

- (a) Electrical or magnetic injury, disturbance or erasure of

electronic recordings that is caused by or results from:

- (i) Programming errors or faulty machine instructions; or
 - (ii) Faulty installation or maintenance of data processing equipment or component parts.
- (b) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the direct loss or damage caused by the fire or explosion;
- (c) Erasure of “research and development documentation”; or
- (d) Unauthorized instructions to transfer property to any person or place.
- (4) This Coverage Extension does not apply to “research and development documentation” which exist as “electronic data”.
- (5) We will not pay for loss or damage to “research and development documentation” until you actually replicate such documentation. Repairs or replication must be made as soon as reasonably possible after the loss or damage, but in no event later than two years after the loss or damage unless we grant an extension in writing prior to the expiration of the two-year period.
- (6) We will not pay for loss or damage to “research and development documentation” applicable to:
- (a) Products that are obsolete;
 - (b) Existing products you have withdrawn from the market; or
 - (c) Existing products you have not sold in the last twelve months prior to the loss.

9. Valuable Papers and Records

With respect to your applicable Coverage Form, **A. Coverage, 5. Coverage Extensions, c. Valuable Papers and Records (Other Than Electronic Data)** is replaced by the following:

c. Valuable Papers and Records

- (1) The insurance that applies to Business Personal Property is extended to apply to direct

physical loss of or damage to “valuable papers and records” that you own, or that are in your care, custody and control when caused by or resulting from a Covered Cause of Loss. This Coverage Extension includes the cost to research, replace or restore the lost information that previously existed on “valuable papers and records” for which duplicates do not exist.

- (2) This Coverage Extension does not apply:
 - (a) To property held as samples or for delivery after sale; or
 - (b) To property in storage away from the premises shown in the Declarations;
- (3) With respect to CAUSES OF LOSS – SPECIAL FORM CP 10 30, B. Exclusions do not apply to this Coverage Extension except for paragraphs:
 - (a) **1.c. Governmental Action;**
 - (b) **1.d. Nuclear Hazard;**
 - (c) **1.f. War And Military Action;**
 - (d) **2.h.;**
 - (e) **2.i.;**
 - (f) **3.;** and
 - (g) **5. Additional Exclusion**

However, this paragraph, (3), does not include loss or damage to “valuable papers and records” that are “electronic data”, as described in the definition of “valuable papers and records” in **VII. DEFINITIONS** of this endorsement. For such “electronic data”, CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions, 1.b. Earth Movement** and **1.g. Water** do not apply.

IV. LIMITATIONS

With respect to CAUSES OF LOSS – SPECIAL FORM CP 10 30, C. Limitations, paragraph 3. is replaced by the following:

- 3. The special limits for each category shown below are the total limits for all property in that category. The special limits apply to any one occurrence of “theft”, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:

- a. \$10,000 for furs, fur garments and garments trimmed in fur.
- b. \$10,000 for jewelry, watches, watch movements, jewels and pearls. This limit does not apply to jewelry and watches worth \$500 or less per item.
- c. \$35,000 for precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals.
- d. \$5,000 for patterns, dies, molds and forms owned by others. This special limit does not apply to those patterns, dies, molds and forms owned by you or for which you have a written contractual responsibility to insure.
- e. \$1,000 for tickets, including lottery tickets held for sale, and letters of credit.

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

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

V. LIMITS OF INSURANCE

With respect to your applicable Coverage Form, **C. Limits of Insurance** is replaced by the following:

C. Limits of Insurance

- 1. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance.
- 2. Limits of Insurance for Additional Coverages and Coverage Extensions:
 - a. Apply to any one occurrence; and
 - b. Are additional Limits of Insurance; unless stated otherwise.
- 3. **Building Limit Increase**

When a Building Limit of Insurance is shown in the Declarations, we will pay either the actual cash value or the replacement cost value, based on the Valuation method shown in the Declarations, of the damaged portion of the building at the time of loss, but not more than 115% of the Limit of Insurance for Building if:

- a. The amount of loss to a building covered by this policy exceeds the Limit of Insurance shown in the Declarations for Building; and
- b. The repair or replacement is completed within one year of the date of loss.

If damaged buildings are covered under a Blanket Limit of Insurance and the Blanket Limit of Insurance applies to more than one building or item of property, the amount we pay for the damaged portion of the building will be based on the statement of values on file with us at the time of loss.

4. Business Personal Property Limit – Seasonal Increase

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

VI. VALUATION

A. With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, **E. Loss Conditions, 7. Valuation**, paragraph **b.** is replaced by the following:

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

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

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

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering;
- (3) Outdoor equipment or furniture; or
- (4) Retaining walls.

B. With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, the following is added to **E. Loss Conditions**,

7. Valuation and with respect to CONDOMINIUM UNIT – OWNERS COVERAGE FORM CP 00 18, the following is added to **E. Loss Conditions**, **8. Valuation**:

- a. “Valuable papers and records” at the cost of restoration or replacement, including the cost of data entry, re-programming, computer consultation services and the media on which the data or programs reside. To the extent that the contents of the “valuable papers and records” are not replaced or restored, the “valuable papers and records” will be valued at the cost of blank materials for reproducing the records and the labor to transcribe or copy the records when there is a duplicate.
- b. “Money” at its face value.
- c. “Securities” at their value at the close of business on the day you become aware of the loss.
- d. Accounts Receivable:
 - (1) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage:
 - (a) We will determine the total of the average monthly amounts of accounts receivable for the 12 months preceding the month in which loss or damage occurs; and
 - (b) We will adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
 - (2) The following will be deducted from the total amount of accounts receivable, regardless of how that amount is established:
 - (a) The amount of the accounts for which there is no loss or damage;
 - (b) The amount of the accounts that you are able to re-establish or collect;
 - (c) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (d) All unearned interest and service charges.
- e. Property that is being shipped while “in transit” (other than “stock” you have sold) at the amount of invoice, including your

prepaid or advanced freight charges and other charges which may have accrued or become legally due since the shipment. If you have no invoice, actual cash value will apply.

- f. “Hardware”:
 - (1) “Hardware” that is replaced will be at the cost of replacing the “hardware” with new equipment that is functionally comparable to the “hardware” that is being replaced.
 - (2) “Hardware” that is not replaced will be at actual cash value at the time of loss.
 - (3) In no event will we pay more than the reasonable cost of restoring partially damaged “hardware” to its condition directly prior to the damage.
- g. “Software”:
 - (1) “Programs and applications” will be at the cost to reinstall the “programs and applications” from the licensed discs that were originally used to install the programs or applications.
If the original licensed discs are lost, damaged, or can no longer be obtained, the value of “programs and applications” will be based on the cost of the most current version of the “programs or applications”.
 - (2) “Proprietary programs” will be at the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies.
If duplicate copies do not exist, the value of “proprietary programs” will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost “proprietary programs”.
 - (3) “Electronic data” will be at the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies.
If duplicate copies do not exist, the value of “electronic data” will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost files, documents and records.

- (4) "Media" will be at the cost to repair or replace the "media" with material of the same kind or quality.
- h. "Fine Arts"
- We will pay the lesser of:
- (1) The market value at the time of loss or damage;
 - (2) The reasonable cost of repair or restoration to the condition immediately before the covered loss or damage; or
 - (3) The cost of replacement with substantially identical property.
- For pairs or sets, we will either:
- (4) Repair or replace any part to restore the value and condition of the pair or set to that immediately before the covered loss or damage; or
 - (5) Pay the difference between the value of the pair or set before and after the covered loss or damage.
- i. Personal Property of Others will be at replacement cost when Replacement Cost Valuation is shown in the Declarations. Our payment for loss of or damage to personal property of others will only be for the account of the owners of the property. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. With respect to BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, **G. Optional Coverages, 3. Replacement Cost, paragraph b.(1)** is deleted.
- j. We may elect to defend you against suits arising from claims of owners or property. We will do this at our expense.
- k. Labor, materials and services that you furnish or arrange on personal property of others are valued based on the actual cost of the labor, materials and services.
- l. "Finished stock" you manufactured at the selling price less discounts and expenses you otherwise would have had.
- m. "Prototypes"
- We will not pay more than the lesser of the following amounts:
- (1) The replacement cost of such property used for the same product, but only if replacement cost is shown as applicable to Personal Property in the Declarations.

However, when replacement with identical property is impossible or unnecessary, the amount of loss will be based on the cost to replace with similar property used to perform the same functions. Property of others will be valued in the same manner, but we will not pay more than the amount for which you are legally liable; or

- (2) The amount you actually spend to repair or replace lost or damaged "prototypes" used for the same purpose.
- n. "Research and development documentation":
- We will not pay more than the least of the following amounts:
- (1) Your cost actually spent to reproduce lost or damaged "research and development documentation" from back-up files or original source documents;
 - (2) The reasonable cost necessary to research, repair, restore, recreate, reconstitute, reproduce or replace "research and development documentation", used for the same product, to their condition immediately before the loss or damage;
 - (3) If identical "research and development documentation" cannot be purchased, the cost to purchase such documentation of comparable kind, functionality and quality; or
 - (4) The amount you actually spend to research, repair, restore, recreate, reconstitute, reproduce or replace "research and development documentation", used for the same-product.

But we will not pay more than the cost to restore "research and development documentation" to its condition immediately prior to the loss.

VII. DEFINITIONS

With respect to your applicable Coverage Form, the following is added to **H. Definitions**:

1. "Antique" means an object having value because its:
 - a. Craftsmanship is in the style or fashion of former times; and
 - b. Age is 100 years or older.
2. "Computer equipment" means:

- a. "Hardware" and related component parts. Component parts include but are not limited to modems, routers, printers, keyboards, monitors, and scanners;
 - b. "Software"; and
 - c. "Protection and control equipment".
"Computer equipment" does not mean "computer equipment" used to operate production-type machinery or equipment.
3. "Computer hacking" means an unauthorized intrusion by an individual or group of individuals, whether employed by you or not, into "hardware" or "software", a Web site, or a computer network and that results in but is not limited to the following:
- a. Deletion, destruction, generation, or modification of "software";
 - b. Alteration, contamination, corruption, degradation, or destruction of the integrity, quality or performance of "software";
 - c. Observation, scanning, or copying of "electronic data", "programs and applications", and "proprietary programs";
 - d. Damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware" or "media" used with "hardware"; or
 - e. Denial of access to or denial of services from "hardware", "software", computer network, or Web site including related "software".
4. "Computer program" or "computer programs" 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".
5. "Computer virus" means the introduction into "hardware", "software", computer network, or Web site of any malicious, self-replicating electronic data processing code or other code and that is intended to result in, but is not limited to the following:
- a. Deletion, destruction, generation, or modification of "software";
 - b. Alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
 - c. Damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware" or "media" used with "hardware"; or
 - d. Denial of access to or denial of services from "hardware", "software", computer network, or Web site including related "software".
6. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.
7. "Denial of service attack" means the malicious direction or a high volume of worthless inquiries to website or e-mail destinations, effectively denying or limiting legitimate access regardless of whether or not damage to "computer equipment" results.
8. "Dependent property" or "dependent properties" means property operated by others whom you depend on:
- a. To deliver materials or services directly to you, or directly to others for your account. However, any property that delivers any of the following services is not a dependent property:
 - (1) Water supply services, including wastewater removal services;
 - (2) Power supply services; or
 - (3) Communication supply services, including but not limited to, internet related services or any services related to a "network";
 - b. To directly accept your products or services;
 - c. To manufacture products for direct delivery to your customers under contract of sale; or
 - d. To attract customers directly to your business.
- "Dependent property" or "dependent properties" does not include or extend to any secondary dependencies meaning any properties or locations that a "dependent property" or "dependent properties" depends on in any manner.
9. "Dependent property period of restoration" means the period of time that:
- a. Begins 72 hours after the time of direct physical loss or damage at the premises of the "dependent property"; and
 - b. Ends on the date when the property at the premises of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.
- "Dependent property period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- c. Regulates the construction, use or repair, or requires the tearing down, of any property; or
- d. 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 "dependent property period of restoration".

10. "Discover" or "discovered" means:

- a. 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 policy 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 may not be known.
- b. "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.

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

12. "Electronic vandalism" means "computer hacking", "computer virus", "denial of service attacks" or "ransom". "Electronic vandalism" does not include the "theft" of any property or services.

13. "Employee" or "employees":

a. Means:

(1) Any natural person:

- (a) While in your service and for the first 30 days immediately after termination of service;
- (b) Who you compensate directly by salary, wages or commissions; and
- (c) Who you have the right to direct and control while performing services for you;

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

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

while that person is subject to your direction and control and performing services for you;

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

(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"; or
- (b) Your director or trustee while that person is engaged in handling "funds" or "other property" of any "employee benefit plan";

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

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

(7) Any natural person employed by an entity merged or consolidated with you prior to the effective date of this insurance; and

(8) Any natural person who is your "manager", director or trustee while:

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

b. Does not mean:

Any agent, broker, factor, commission merchant, consignee, independent

contractor or representative of the same general character not specified in paragraph **a.** directly above.

14. "Employee benefit plans" means any welfare or pension benefit plan that you sponsor and that is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

15. "Financial institution" means:

a. With respect to the Additional Coverage for **Money and Securities** of this endorsement:

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

(2) An insurance company.

b. With respect to the Additional Coverage for Computer and Funds Transfer Fraud of this endorsement:

(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 the Additional Coverages for **Money and Securities** and **Computer and Funds Transfer Fraud**, any "financial institution" identified in paragraphs **a.** and **b.** directly above.

16. "Fine arts" means paintings, etchings, pictures, tapestries, rare art glass, art glass windows, valuable rugs, statuary, sculptures, "antique" furniture, "antique" jewelry, bric-a-brac, porcelains and similar property of rarity, historical value or artistic merit. If you are an Architect or Engineer, "fine arts" also means architectural models.

17. "Finished stock" means "stock" you have manufactured. "Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown in the Declarations.

"Finished stock" does not include "stock" you have manufactured that is held for sale on the premises of any retail outlet under this Commercial Property Coverage Part.

18. "Flood" means a general and temporary condition of partial or complete inundation of normally dry land areas due to the following:

a. Surface water or waves, tides, tidal waves, tsunami, overflow of any body of water or

their spray, all whether driven by wind or not (including storm surge).

b. The unusual or rapid accumulation of runoff of surface waters from any source.

c. Mudslides or mudflows which are caused by "flood" water. A mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

d. The release of water impounded by a dam, levee, dike, seawall or "flood" control device, whether driven by wind or not (including storm surge).

When a "flood" is a continuous or protracted event, it will constitute a single "flood" occurrence.

19. "Food contamination" means an incidence of food poisoning or food-related illness of one or more persons as a result of:

a. Tainted food you distributed or purchased; or

b. Food which has been improperly processed, stored, handled or prepared in the course of your "operations".

20. "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.

21. "Fraudulent instruction" means:

a. With respect to the Additional Coverage for **Computer and Funds Transfer Fraud**, paragraph **(1)(b)** of this endorsement:

(1) An 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 the "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 the Additional Coverage for **Forgery or Alteration** of this endorsement, 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 respect to the Additional Coverage for **Computer and Funds Transfer Fraud**, paragraph (2) of this endorsement:

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

22. "Funds" means "money" and "securities".

23. "Hardware":

- a. Means a system of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions, and producing desired results. "Hardware" includes but is not limited to the following:

- (1) Mainframe and mid-range computers and servers;
- (2) Personal computers and workstations;
- (3) Portable electronic devices. Portable electronic devices include laptops, tablets, readers, smartphones or other lightweight, hand-held or wearable devices capable of storing, retrieving and processing data; and
- (4) Peripheral data processing equipment, including but not limited to, printers, keyboards, monitors, and modems.

- b. Does not mean:

- (1) Diagnostic equipment;
- (2) Electronic items that contain a computer to perform functions other than "hardware"; and
- (3) Peripheral data processing equipment with a value more than the "hardware" itself.

Electronic items that are not similar to the items described in paragraph a. above are not "hardware".

24. "Installation, tools and equipment property" means:

- a. Materials, supplies, machinery, fixtures and equipment that will become a permanent part of your installation while:

- (1) Located at the site of installation;
- (2) "In transit" by you to or from the described premises and the job site; or
- (3) While in temporary storage awaiting installation.

- b. Commercial tools and equipment usual to your business and used in your installation which are:

- (1) Your property; or
- (2) The property of others in your care, custody and control.

Commercial tools and equipment does not include:

- (3) Aircraft or watercraft;
- (4) Any property while waterborne, airborne or underground;
- (5) Property you have loaned, rented or leased to others;
- (6) Property that is permanently mounted to a vehicle; or
- (7) Property held for sale.

25. "In transit" means Covered Property being carried by vehicle for the purpose of your business.

"In transit" includes:

- a. Temporary stops or delays, incidental to the business destination;
- b. Outgoing shipments that have been rejected, while in due course of transit or while awaiting return shipment; and
- c. Covered Property while in a vehicle owned, leased or operated:
 - (1) By you; or
 - (2) By a common carrier or contract carrier, to the extent you are legally liable.

26. "Manager" or "managers" means a person or persons serving in a directorial capacity for a limited liability company (LLC).

27. "Media" means an instrument that is used with "hardware" and on which "electronic data", "programs and applications", and "proprietary programs" can be recorded or stored. "Media" includes, but is not limited to, films, tapes, cards, discs, drums, cartridges, cells, DVDs, CD-ROMs or other portable data devices.

28. "Member" or "members" means an owner of a limited liability company (LLC) represented by its membership interest who, if a natural person, may also serve as a "manager".
29. "Messenger" means you, or your relative, or any of your partners or "members", or any "employee".
30. "Money" means:
- Currency, coins and bank notes in current use and having a face value;
 - Traveler's checks and money orders held for sale to the public; and
 - In addition, includes:
 - With respect to the Additional Coverages for **Employee Theft including ERISA Compliance and Forgery or Alteration** of this endorsement, deposits in your account at any "financial institution"; and
 - With respect to the Additional Coverage for **Computer and Funds Transfer Fraud** of this endorsement, deposits in your account at a "financial institution" as defined in paragraph b. of the definition for "financial institution".
31. "Network" or "networks" means any services provided by or through the facilities of any electronic or computer communication system, including any shared "networks", internet access facilities or other similar facilities for such systems.
32. "Operations" means:
- Your business activities occurring at the described premises; and
 - With respect to "Rental Value", the tenantability of the described premises.
33. "Other property" means 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 policy.
34. "Period of restoration":
- Means the period of time that:
 - Begins:
 - 72 hours after the time of direct physical loss or damage for Business Income Coverage; or
 - Immediately after the time of direct physical loss or damage for Extra Expense Coverage;
- caused by or resulting from any Covered Cause of Loss; and
- Ends on the earlier of the following:
 - The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - The date when business is resumed at a new permanent location.
- b. Does not include any increased period required due to the enforcement of or compliance with any ordinance or law:
- That regulates the construction, use or repair, or requires the tearing down of any property; or
 - That 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".
35. "Perishable stock" means personal property:
- Maintained under controlled temperature or humidity conditions for preservation; and
 - Susceptible to loss or damage if the controlled temperature or humidity conditions change.
36. "Power supply disturbance" means interruption of power supply, power surge, blackout, or brownout.
37. "Programs and applications" means operating "programs and applications" that you purchase and that are:
- Stored on "media"; or
 - Pre-installed and stored in "hardware".
- Applications include, but are not limited to, programs for word processing, spreadsheet calculations, and graphic design.
38. "Proprietary programs" means proprietary operating "programs and applications" that you developed or that you had developed specifically for use in your "operations" and that are:
- Stored on "media"; or
 - Installed and stored in "hardware".
39. "Protection and control equipment" means:

- a. Air conditioning equipment used exclusively in the operation of the “hardware”;
 - b. Fire protection equipment used for the protection of the “hardware”, including automatic and manual fire suppression equipment and smoke and heat detectors; and
 - c. Uninterruptible power supply system, line conditioner, and voltage regulator.
- 40.** “Prototype” means an original version of a newly designed product that is an outcome of your “research and development operations”. A “prototype” includes sample designs, experimental models or displays that are associated with or integral to the manufacture of the original version of a newly designed product.
- 41.** “Ransom” means monies extorted from and paid by you because of a threat or connected series of threats to commit an intentional attack on your “computer equipment” that if so committed, would result in direct physical loss of or damage to your “computer equipment”.
- 42.** “Rental Value” means Business Income that consists of the following:
- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair “Rental Value” of any portion of the described premises which is occupied by you; and
 - b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (1) Payroll; and
 - (2) The amount of charges, which are the legal obligation of the tenant but would otherwise be your obligations.
- 43.** “Research and development documentation” means written evidence of facts, information, processes, concepts or formulas that are directly related to the development of new products or enhancement of existing products. Written evidence includes written papers, plans, manuscripts, written or inscribed documents or plans.
- “Research and development documentation” does not include “valuable papers and records”, accounts receivable or “media”, “software” or “electronic data”.
- 44.** “Research and development operations” means your business activities that are directly related to the development of new products or the enhancement of existing products.
- 45.** “Scientific and professional equipment” means medical, engineering, veterinary, measurement, recording, analyzing or similar equipment.
- 46.** “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”.
- 47.** “Social engineering” means a scheme that intentionally misleads you or an “employee” into voluntarily parting with “money”, “securities” and “other property”, based on fraudulent information.
- 48.** “Soft cost expenses” means additional:
- a. Realty taxes and other assessments that you incur for the period of time that construction has been extended beyond the projected completion date;
 - b. Interest on money borrowed to finance construction, remodeling, renovation or repair; and
 - c. Advertising, public relations and promotional expenses.
- 49.** “Software” means:
- a. “Media”;
 - b. “Electronic data”;
 - c. “Programs and applications”; and
 - d. “Proprietary programs”.
- 50.** “Suspension” means:
- a. The slowdown or cessation of your business activities; or
 - b. With respect to “Rental Value”, that part or all of the described premises is rendered untenable.
- 51.** “Theft” means the unlawful taking of property to the deprivation of the insured.
- 52.** “Transfer account” means an account maintained by you at a financial institution from which you can initiate the transfer,

payment or delivery of "money" and "securities" by means of the following:

- a. Computer, telefacsimile, telephone or other electronic instructions; or
- b. Written instructions, other than those covered under the Additional Coverage for **Forgery or Alteration** of this endorsement, establishing the conditions under which such transfers are to be initiated by such "financial institution" through an electronic funds transfer system.

53. "Valuable papers and records":

- a. Means tangible property that is inscribed, printed or written:
 - (1) Documents;
 - (2) Manuscripts; and

(3) Records

including abstracts, books, deeds, drawings, films, maps or mortgages;

- b. If you are a printer, publisher or graphic artist by trade, "valuable papers and records" also means tangible property that are negatives, positives, artwork, separations, plates, dies, molds, forms, stock manuscripts and other similar property usual to the graphic arts, printing or publishing industry.
- c. Means "electronic data" of the items described in paragraphs a. and b. directly above but only if the "electronic data" was originally tangible property and then converted and stored as "electronic data".
- d. Does not mean "money" or "securities".

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS PROPERTY BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT – OWNERS COVERAGE FORM
 CAUSES OF LOSS – SPECIAL FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED

The first two above-referenced forms are Coverage Forms. One of these two Coverage Forms is attached to your policy and will hereafter be collectively referred to as “your applicable Coverage Form”. Terms in quotation marks have special meanings that are explained in this endorsement or in other forms included in this policy. If a loss is covered by more than one coverage in this policy, only one coverage is applicable and the most we will pay is the Limit of Insurance for the coverage that is applied, regardless of whether or not it is specified in any of the coverages included in this policy. There is no coverage for Business Income and Extra Expense for the coverages provided by this endorsement unless specifically stated within section **II. COVERAGES** of this endorsement, and then only to the extent provided for within the applicable coverage provision.

The coverages provided by this endorsement are subject to the provisions of this policy, including the provisions in sections **II. DEDUCTIBLE, IV. LIMITATIONS, V. LIMITS OF INSURANCE, VI. VALUATION** and **VII. DEFINITIONS** in the following Broadening Endorsements, one of which is attached to your policy:

BRONZE PROPERTY BROADENING ENDORSEMENT
 SILVER PROPERTY BROADENING ENDORSEMENT
 GOLD PROPERTY BROADENING ENDORSEMENT
 PLATINUM PROPERTY BROADENING ENDORSEMENT

I. SCHEDULE

Scheduled Coverages	Limits of Insurance	Amended Limits of Insurance	Page
1. Automated External Defibrillators	\$5,000	\$	2
2. Broadened Building Coverage	Included	N/A	2
3. Business Income and Extra Expense - Fundraising Events	\$50,000	\$	2
4. Emergency Evacuation Expense	\$25,000	\$	2
5. Glass Showcases	\$2,500	\$	2
6. Paved Surfaces	\$100,000	\$	3
7. Personal Effects of Students	\$100,000	\$	3
8. Real Property of Others Required by Contract	\$5,000	\$	3
9. Special Settlement Provisions			
– Agreed Value Coverage (Losses Less Than \$25,000)	Included	N/A	
– Replacement Cost – Leased Personal Property	Included	N/A	3
10. Spoilage			
– On Premises	\$25,000	N/A	
– In Transit	\$5,000	N/A	3

II. COVERAGES

1. Automated External Defibrillators

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Automated External Defibrillators

(1) In the event of a Covered Cause of Loss, your insurance is extended to apply to direct physical loss of or damage to automated external defibrillators while at a described premises which are:

- (a) Your property; or
- (b) The property of others for which you have a written contractual responsibility to insure.

(2) The most we will pay under this Coverage Extension is \$5,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

2. Broadened Building Coverage

With respect to the above-referenced Broadening Endorsements, the following is added to the Additional Coverage for **Broadened Building Coverage:**

Playground equipment located on or within 2,000 feet of a covered building or structure.

3. Business Income and Extra Expense – Fundraising Event

With respect to BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 and BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM – ACTUAL LOSS SUSTAINED 411-0581, the following is added to **A. Coverage, 5. Additional Coverages:**

Business Income and Extra Expense – Fundraising Event

- (1) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to the necessary cancellation of a scheduled fundraising event as a result of direct physical loss of or damage to Covered Property at the described premises caused by or resulting from a Covered Cause of Loss.
- (2) This Additional Coverage will only apply if the fundraising event is not rescheduled within 120 days of the originally scheduled date.
- (3) The most we will pay under this Additional Coverage is \$50,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

4. Emergency Evacuation Expense

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages:**

Emergency Evacuation Expense

- (1) We will pay for the reasonable expenses you incur for the emergency evacuation of your students, “employees” and visitors from a described premises.
- (2) The emergency evacuation must be in response to an imminent danger of injury or loss of life to your students, “employees” and visitors from a Covered Cause of Loss.
- (3) We will not pay for any expenses arising out of:
 - (a) Planned evacuation drills; or
 - (b) The evacuation of one or more of your students, “employees” and visitors due to their medical conditions.
- (4) With respect to evacuation due to the threat of a named storm, this Additional Coverage is only applicable when the path of a named storm is projected to come within 250 miles of the described premises.
- (5) Regardless of the number of students, “employees” and visitors involved, the most we will pay under this Additional Coverage at any one described premises is \$25,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.
- (6) No deductible applies to this Additional Coverage.

5. Glass Showcases

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 5. Coverage Extensions:**

Glass Showcases

- (1) The insurance that applies to Covered Property is extended to apply to direct physical loss of or damage to glass showcases or glass wall cases, including the frames encasing the damaged glass, by any Covered Cause of Loss while at the described premises.
- (2) With respect to CAUSES OF LOSS – SPECIAL FORM CP 10 30, **B. Exclusions** does not apply to this Coverage Extension, except for the following:
 - (a) **1.c. Governmental Action;**
 - (b) **1.d. Nuclear Hazard;** and
 - (c) **1.f. War and Military Action.**

- (3) The most we will pay under this Coverage Extension is \$2,500 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

6. Paved Surfaces

With respect to the above-referenced Broadening Endorsements, the following is added to the Additional Coverage for **Broadened Building Coverage**:

Paved Surfaces

- (1) Bridges, roadways and parking lots.
- (2) Regardless of the number of paved surfaces involved, the most we will pay for loss of or damage to the paved surfaces described in paragraph (1) directly above at the described premises is \$100,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**. This Limit of Insurance does not apply to driveways, walks or patios as shown in **Broadened Building Coverage** in the above-referenced Broadening Endorsements.
- (3) With respect to this coverage, BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 10, **A. Coverage, 2. Property Not Covered**, paragraph d. is deleted.

(4) Paved Surfaces Special Exclusion

We will not pay for loss of or damage to paved surfaces described in paragraph (1) directly above caused by or resulting from freezing or thawing.

7. Personal Effects of Students

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages**:

Personal Effects of Students

- (1) We will pay for direct physical loss of or damage to the personal effects of your students while located at the described premises or while in your vehicle when such loss or damage is caused by or results from a Covered Cause of Loss.
- (2) The most we will pay in any one occurrence under this Additional Coverage is \$100,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE** but not more than \$2,500 for the personal effects of any one of your students.

8. Real Property of Others Required by Contract

With respect to the above-referenced Broadening Endorsements, the following is

added to the Additional Coverage for **Broadened Business Personal Property**:

Real Property of Others, such as building items and appurtenant structures, for which you have a written contractual responsibility to insure.

- (a) The most we will pay under this coverage is \$5,000 unless a higher Amended Limit of Insurance is shown in the above **SCHEDULE**.

(b) This coverage is available for tenants only.

9. Special Settlement Provisions

a. Agreed Value Coverage (Losses Less Than \$25,000)

If Coinsurance is shown as applicable in the Declarations, with respect to your applicable Coverage Form, **F. Additional Conditions, 1. Coinsurance** applies only when the total loss or damage to all Covered Property in any one occurrence is at least \$25,000, before application of any deductible.

b. Replacement Cost – Leased Personal Property

If **Replacement Cost** is shown as applicable in the Declarations, with respect to your applicable Coverage Form, **G. Optional Coverages, 3. Replacement Cost**, paragraph b.(1) replaced by the following:

- (1) Personal property of others except for leased personal property for which you have a written contractual responsibility to insure.

10. Spoilage

With respect to your applicable Coverage Form, the following is added to **A. Coverage, 4. Additional Coverages**:

Spoilage

- (1) We will pay for direct physical loss of or damage to your “perishable stock”:
- (a) At a described premises; or
- (b) In a vehicle owned, leased or operated by you while “in transit”.
- (2) Loss or damage must be caused by or result from Breakdown or Contamination, or Power Outage.
- (a) Breakdown or Contamination means:
- (i) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or

apparatus is at the described premises or in a vehicle owned, leased or operated by you while "in transit"; or

(ii) Contamination by a refrigerant.

Mechanical breakdown and mechanical failure do not mean power interruption, regardless of how or where the interruption is caused and whether or not the interruption is complete or partial.

- (b) Power Outage**, means change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises due to conditions beyond your control.
- (3)** This Additional Coverage does not apply to property located on the exterior of buildings or in the open.
- (4)** The most we will pay under this Additional Coverage for loss or damage occurring at a described premises is \$25,000.
- (5)** The most we will pay under this Additional Coverage for loss or damage while "in transit" is \$5,000.

(6) Spoilage Special Exclusions

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

- (a)** The disconnection of any refrigerating, cooling or humidity control system from the source of power;
- (b)** The deactivation of electrical power caused by the manipulation of any

switch or other device used to control the flow of electrical power or current;

- (c)** The inability of an electrical utility company or other power source to provide sufficient power due to:
- (i)** Lack of fuel; or
- (ii)** Governmental order.
- (d)** The inability of a power source at a described premises to provide sufficient power due to lack of generating capacity to meet demand;
- (e)** Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit;
- (f)** The failure to maintain adequate fuel levels for the refrigeration, cooling or humidity control apparatus or equipment in a vehicle; or
- (g)** Your or a service representatives failure to inspect a vehicles' refrigeration, cooling or humidity control apparatus or equipment at least quarterly.
- (7)** This Additional Coverage Extension will not apply unless:
- (a)** A record of each inspection of refrigeration, cooling or humidity control apparatus or equipment in a vehicle is retained and maintained for at least 24 consecutive months prior to the date of loss; and
- (b)** You provide us with all records.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

COMMERCIAL PROPERTY COVERAGE PART EQUIPMENT BREAKDOWN COVERAGE SCHEDULE

Equipment Breakdown is subject to the Limits of Insurance shown in the Declarations except as specifically shown below.

These coverages apply to all locations covered on the policy, unless otherwise specified.

Coverages	Limits
Equipment Breakdown Limit	\$14,800,000
Business Income	\$3,000,000
Extra Expense	\$Included
Data Restoration	\$100,000
Expediting Expenses	\$100,000
Hazardous Substances	\$100,000
Scientific Animals	\$0
Service Interruption	\$Included in Business Income, Extra Expense and/or Spoilage Limit
Spoilage	\$100,000

	Deductibles
Combined, All Coverages	\$Not Applicable
Direct Coverages	\$1,000
Indirect Coverages	72 hours
Spoilage	\$1,000

Other Conditions

Service Interruption - 24 hour waiting period.
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CAUSES OF LOSS – SPECIAL FORM

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

A. Covered Causes Of Loss

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

B. Exclusions

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

a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

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

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

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

b. Earth Movement

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

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

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

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

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

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

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

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

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

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

d. Nuclear Hazard

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

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

e. Utility Services

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

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

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

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

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

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

f. War And Military Action

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

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

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

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

- (2) Mudslide or mudflow;

- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

- (4) Water under the ground surface pressing on, or flowing or seeping through:

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

- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

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

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

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

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

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

This exclusion does not apply:

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

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

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

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

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

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

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

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

- b. Delay, loss of use or loss of market.**
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.**

d.(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

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

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

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

(a) Dampness or dryness of atmosphere;

(b) Changes in or extremes of temperature; or

(c) Marring or scratching.

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

e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

- g.** Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
- (1) You do your best to maintain heat in the building or structure; or
 - (2) You drain the equipment and shut off the supply if the heat is not maintained.
- h.** Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

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

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

This exclusion, **k.**, does not apply:

- (a) To the extent that coverage is provided under the Additional Coverage, Collapse; or
 - (b) To collapse caused by one or more of the following:
 - (i) The "specified causes of loss";
 - (ii) Breakage of building glass;
 - (iii) Weight of rain that collects on a roof; or
 - (iv) Weight of people or personal property.
- l.** Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".
- This exclusion, **l.**, does not apply to damage to glass caused by chemicals applied to the glass.
- m.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- 3.** We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a.** Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph **1.** above to produce the loss or damage.
 - b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c.** Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;

of part or all of any property on or off the described premises.

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

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

We will not pay for:

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

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

b. Leasehold Interest Coverage Form

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

c. Legal Liability Coverage Form

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

(a) Contractual Liability

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

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

(b) Nuclear Hazard

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

5. Additional Exclusion

The following provisions apply only to the specified property:

Loss Or Damage To Products

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

C. Limitations

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

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

However, this limitation does not apply to:

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

However, this limitation does not apply:

 - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income Coverage or to Extra Expense Coverage.

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

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

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

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

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

D. Additional Coverage – Collapse

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

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

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

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

(1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and

(2) The property is Covered Property under this Coverage Form.

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

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

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

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

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

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

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

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

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

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

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

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

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

F. Additional Coverage Extensions

1. Property In Transit

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

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$5,000.

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

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

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

3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

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

G. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and

- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEURODEGENERATIVE INJURY CONDITIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** For the purpose of this endorsement only, the following are added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

Concussion Awareness Program Conditions

As a condition of coverage for any concussion or sub-concussive injury sustained by a “participant”, the Named Insured shall:

- a.** Maintain a “Reasonable System” for the implementation of a formal “concussion awareness program” for all “participants”. Such program must comply with state and federal laws, if applicable;
- b.** Distribute written “concussion awareness program” materials to all “participants” and “participants” legal guardian(s) (if under eighteen (18) years of age); and
- c.** Maintain the “concussion awareness program” materials including all records and communication sent to “participants” or “participants” guardians.

Unintentional error on the Named Insured’s part related to training materials included as part of the “concussion awareness program” will not jeopardize coverage in the event of an “occurrence” related to a concussion or sub-concussive injury to a “participant”. However, the failure to maintain a “Reasonable System” shall be grounds for denial of coverage for any actual or alleged concussion or sub-concussive injury to any “participant”.

Duties in The Event of “Occurrence”, Claim or Suit Involving Concussion or Sub-concussive Injury

When you notify us of an “occurrence” involving a concussion or sub-concussive injury to a “participant”, you must also provide us with a copy of the “concussion awareness program” materials and any communication sent to “participants” or “participants” guardians regarding the “concussion awareness program” that was in place at the time

of the “participant’s” involvement in athletic activities.

- B.** For the purpose of this endorsement, the following is added to **SECTION V – DEFINITIONS:**

- 1.** “Concussion Awareness Program” means a formal educational program designed specifically to address concussion and sub-concussive injury awareness. The “concussion awareness program” includes materials:
 - a.** Describing, and understanding concussions and sub-concussive injuries and the potential consequences of such injuries;
 - b.** Recognizing and responding to concussions and sub-concussive injuries;
 - c.** Injury management standards for the “participant’s” return to activities following a concussion or sub-concussive injury; including medical clearance required; and
 - d.** Prevention of concussions and sub-concussive injuries.

The “concussion awareness program” should be updated regularly and include the Center for Disease Control and Prevention’s *Heads UP: Concussion in Youth Sports* training course or any similar course as well as programs mandated by law or by the governing body for the athletic or sports game, contest, activity, practice, scrimmage or exhibition.

- 2.** “Participant” means any person engaged in athletic activities. “Participant” does not include spectators, referees, umpires or coaching staff.
- 3.** “Reasonable System” means any electronic or written communication to regularly advance education materials to “participants”, parents and coaches about the nature of risk of concussions, including but not limited to all material outlined in the “Concussion Awareness Program” definition listed below.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

**COMMERCIAL GENERAL LIABILITY
CG 21 32 05 09**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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.

SCHOOL AND EDUCATORS LEGAL LIABILITY COVERAGE PART

CLAIMS-MADE WARNING

THIS POLICY PROVIDES COVERAGE ON A CLAIMS-MADE BASIS. SUBJECT TO ITS TERMS, THIS POLICY APPLIES ONLY TO "CLAIMS" FIRST MADE AGAINST YOU DURING THE "POLICY PERIOD", AUTOMATIC EXTENDED REPORTING PERIOD OR ANY PURCHASED OPTIONAL EXTENDED REPORTING PERIOD THAT MAY APPLY. PLEASE READ THE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES, COVERAGE AND COVERAGE RESTRICTIONS.

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 VI – DEFINITIONS**.

SECTION I – COVERAGES

1. Insuring Agreements

a. Coverage A – Educators Liability

We will pay, on behalf of the insured, those sums which the insured becomes legally obligated to pay as "loss" due to a "claim" arising out of an "educators wrongful act" to which this insurance applies.

b. Coverage B – Directors and Officers Liability

(1) Individual Liability

We will pay on behalf of each "insured individual" all "loss" which the "insured individual" becomes legally obligated to pay due to a "claim" arising out of a "wrongful act" to which this insurance applies.

(2) Entity Liability

We will pay on behalf of the "insured entity" all "loss" which the "insured entity" is legally obligated to pay due to a "claim" arising out of a "wrongful act" to which this insurance applies.

2. When This Insurance Applies

This insurance applies to an "educators wrongful act" or a "wrongful act" which occurs anywhere in the "coverage territory" but only if:

- a. The "claim" is made within the United States of America, its territories or possessions, Puerto Rico or Canada;
- b. The "educators wrongful act" or "wrongful act" did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the "policy period". The Retroactive Date is

the specific date entered in the Declarations or, if no date is entered, the policy inception date shown in the Declarations;

- c. The insured did not give notice to any prior insurer of such "educators wrongful act" or "wrongful act"; and
- d. A "claim" because of an "educators wrongful act" or a "wrongful act" is first made against any insured, in accordance with paragraph e. below, during the "policy period" or any Extended Reporting Period we provide under **SECTION V – EXTENDED REPORTING PERIODS**.
- e. A "claim" by a person or organization seeking damages will be deemed to have been made at the earlier of the following:
 - (1) When notice of such "claim" is received by any insured or by us, whichever comes first; or
 - (2) When we make settlement in accordance with paragraph 1.a. or 1.b. above.
- f. Two or more "claims" arising out of a single "educators wrongful act" or a single "wrongful act" or a series of "educators wrongful acts" or a series of "wrongful acts" related in any way to each other shall be considered one "claim". Any such "claims" whenever made shall be considered as first made at the time the first of those "claims" was made.

3. Defense, Investigation and Settlement

- a. We will have the right and duty to defend the insured against any "claim" alleging an "educators wrongful act" or a "wrongful act" to which this insurance applies.

- b. We may at our sole discretion investigate any allegation of “educators wrongful act” or “wrongful act” and settle any claim that may arise.
 - c. If a “loss” only deductible option is selected on the Declarations, the amount we will pay for “loss” will be in excess of the applicable deductible, and as otherwise limited in **SECTION III – LIMITS OF INSURANCE AND DEDUCTIBLE**.
 - d. If a “loss” and “defense expenses” deductible option is selected on the Declarations, we will pay “defense expenses” with respect to any “claim” we defend arising out of any “educators wrongful act” or “wrongful act” in excess of the deductible. These payments will not reduce the applicable Limits of Insurance for payment of “loss”. Our duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments, settlements.
 - e. We will have no duty to defend any insured against any “claim” to which this Coverage Part does not apply.
 - f. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under this Coverage Part.
- 4. Exclusions Applicable to Coverage A – Educators Liability**
- This insurance does not apply to:
- a. **“Bodily Injury”, “Personal and Advertising Injury”, or “Property Damage”**
“Bodily injury”, “personal and advertising injury”, or “property damage”.
 - b. **Fidelity**
Any “claim” arising from embezzlement, misuse, misappropriation, or breach of fiduciary duty in the handling or managing of public and/or private monies, investments or employee benefit programs.
 - c. **Abuse and Molestation**
Any “claim” or “civil rights claim” directly or indirectly arising out of or in any way related to:
 - (1) The actual or threatened abuse, sexual misconduct, or molestation by anyone of any person regardless whether the abuse or molestation was specifically intended or resulted from negligent conduct and regardless whether any insured subjectively intended the injury or damage for which a “claim” is made, or
 - (2) The negligent:
 - (a) Employment;
 - (b) Investigation;
 - (c) Supervision;
 - (d) Reporting to the proper authorities, or failure to so report; or
 - (e) Retention
of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by paragraph (1) above.
 - d. **Breach of Contract**
Any “claim” based upon or in any way related to any liability under any written, oral or implied contract or agreement other than a contract for educational services between a student and the Insured; provided, however, that this exclusion shall not apply to the extent that liability would have been incurred in the absence of such contract or agreement.
 - e. **Fiduciary**
Any Claim based on or arising out of acts, errors or omissions by any person in a fiduciary capacity, as a trustee, director, officer or in any similar capacity.
- 5. Exclusions Applicable to Coverage B – Directors and Officers Liability**
- This insurance does not apply to:
- a. **“Bodily Injury”, “Property Damage” and “Personal and Advertising Injury”**
“Bodily injury”, “property damage”, or “personal and advertising injury”.
 - b. **Compensation**
Salary, compensation or bonuses voted to or denied to any insured by the directors, officers and trustees of the Named Insured.
 - c. **Breach of Contract**
Any “claim” alleging breach of any oral, written or implied contract or agreement.
This exclusion c. does not apply to reasonable legal fees and expenses as provided under **SECTION I – COVERAGES, 7. Supplementary Payments**, paragraph d.
 - d. **Professional Services**
Any “claim” arising out of the rendering of or failure to render any professional service, advice or instruction:
 - (1) By any insured; or
 - (2) On behalf of any insured; or
 - (3) For which any insured has assumed liability by reason of a contract or

agreement, regardless of whether any such service, advice or instruction is ordinary to any insured's profession.

This exclusion applies even if a "claim" alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "wrongful act" which caused the "loss" involved the rendering of or failure to render any professional service.

This exclusion **d.** does not apply to accounting services performed for the "Insured entity" by an accountant who is an "Employee" of the "Insured entity" or legal services performed for the "Insured entity" by an attorney who is an "Executive".

e. Product Defect

Any "claim" based upon, arising out of or in any way related to any malfunction of any product or failure of any product to perform in any manner as a result of any defect, deficiency, inadequacy or dangerous condition in such product or in its design or manufacture.

f. Abuse and Molestation

Any "claim" or "civil rights claim" directly or indirectly arising out of or in any way related to:

- (1) The actual or threatened abuse, sexual misconduct, or molestation by any one of any person regardless whether the abuse or molestation was specifically intended or resulted from negligent conduct and regardless whether any insured subjectively intended the injury or damage for which a "claim" is made, or

- (2) The negligent:

- (a) Employment;
- (b) Investigation;
- (c) Supervision;
- (d) Reporting to the proper authorities, or failure to so report; or
- (e) Retention

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by paragraph (1) above.

g. Educators Wrongful Act

Any "claim" arising out of an "Educators Wrongful Act".

6. Exclusions Applicable To Coverage A – Educators Liability and Coverage B – Directors and Officers Liability.

This insurance does not apply to:

a. Intentional or Criminal Act

Any "claim" arising out of any intentional, dishonest, fraudulent, criminal, or malicious act or omission or any willful violation of law by the insured. This exclusion applies even if:

- (1) The insured lacks the mental capacity to control or govern his or her own conduct; or
- (2) The insured temporarily lacks the capacity to control or govern his or her own conduct or is temporarily unable to form any intent to cause harm.

However, this exclusion shall not apply unless and until there is an adverse admission by the insured, finding of fact, or final adjudication against the insured as to such excluded conduct, at which time the insured shall reimburse us for all "loss" and "defense expenses" we paid or incurred on account of such "claim".

b. Illegal Financial Gain

Any "claim" arising out of the insured obtaining or attempting to obtain remuneration or financial gain to which such insured was not legally entitled.

However, this exclusion shall not apply unless and until there is an adverse admission by the insured, finding of fact, or final adjudication against the insured as to such excluded conduct, at which time the insured shall reimburse us for all "loss" and "defense expenses" we paid or incurred on account of such "claim".

c. Contractual Liability

Any "claim" for which the insured has assumed liability in a contract or agreement.

This exclusion **c.** does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

d. Employee Retirement Income Security Act

Any "claim" arising out of any responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 or any amendments thereto.

e. Employee Benefit Plan

Any "claim" alleging a "wrongful act" related to the administration of any employee benefit plan.

f. Workers Compensation

Any obligation of the insured under a workers compensation, disability benefits, social

security or unemployment compensation law or any similar rule, regulation or law.

g. Employers Liability

Any "claim" made by or on behalf of:

- (1) An "employee" or former "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) A spouse, child, parent, brother, sister, "domestic partner" or any other relative of that "employee" as a consequence of paragraph (1) above.

This exclusion **g.** applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

h. Intellectual Property Rights

Any "claim" arising out of intellectual property rights including, but not limited to piracy, misappropriation of advertising ideas or style of doing business, or any alleged or actual infringement of patent, trade secrets, trademark, service mark, trade dress, or trade name or other intellectual property rights, privileges, or laws.

i. War

Any "claim", however caused, arising directly or indirectly out of:

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

j. Physical Modifications and Changes in Business Operations

The costs of complying with physical modifications to your premises or any changes to your usual business operations as mandated by the Americans With Disabilities Act including any amendments, or any similar rule, regulation or law.

k. Professional Health Care Services

Any "claim" arising out of the rendering of or failure to render professional health care

services by any insured, or by any person for whose acts or omissions any insured is legally responsible.

- (1) This exclusion **k.** shall not apply to any "claim" arising out of the education, teaching or supervision of students, or the "educators wrongful act" of a school psychologist, a school psychometrist supervised by a school psychologist, or a school counselor employed by the "Insured entity".
- (2) This exclusion **k.** shall not apply to any "claim" arising out of student intern participating in any supervised practicum, field work experience or internship program that may be legally performed by a student who holds no professional license.

l. Asbestos

Any "claim" arising out of any actual or alleged:

- (1) Inhaling, ingesting or prolonged physical exposure by any person to asbestos or asbestos fibers or goods or products containing asbestos; or
- (2) Use of asbestos in constructing or manufacturing any good, product or structure; or
- (3) Intentional or accidental removal including encapsulation, dispersal, sealing or disposal of asbestos or asbestos fibers from any good, product or structure; or
- (4) Manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos; or
- (5) Product manufactured, sold, handled or distributed by or on behalf of the insured which contains asbestos; or
- (6) Acts or omissions of the insured in connection with the general supervision of any job involving the removal, enclosure, encapsulation, dispersal, sealing, or disposal of asbestos, asbestos fibers or products containing asbestos. General supervision includes the rendering of or failure to render any instructions, recommendations, warnings, or advice.

m. Lead

Any "claim" arising out of any actual or alleged lead poisoning due to:

- (1) Inhaling, ingesting or prolonged physical exposure by any person to any premises, structure, goods or products containing lead; or

- (2) The use of lead in constructing or manufacturing any good, product or structure; or
- (3) Intentional or accidental removal including encapsulation, dispersal, sealing or disposal of any good, product or structure containing lead; or
- (4) The manufacturing, transportation, storage or disposal of goods or products containing lead; or
- (5) Any product manufactured, sold, handled or distributed by or on behalf of the insured which contains lead; or
- (6) Acts or omissions of the insured in connection with the general supervision of any job involving the removal, enclosure, encapsulation, dispersal, sealing, or disposal of products or materials containing lead. General supervision includes the rendering of or failure to render any instructions, recommendations, warnings, or advice.

n. Pollution

Any "claim" which 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; or "pollution cost or expense".

"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. "Pollution cost or expense" means any loss, cost or expense arising out of any:

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

o. Fungi or Bacteria

Any "claim" arising out of:

- (1) The actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents,

regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage; or

- (2) Any "loss", cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

For purposes of this exclusion, "fungi" means any type of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

p. Nuclear Energy Liability

(1) This Coverage Part does not apply:

- (a) To any "claim" seeking "loss" or damages:

- (i) 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

- (ii) 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 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) To any "loss" or damage resulting from "hazardous properties" of "nuclear material", if:

- (i) The "nuclear material" is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or has been discharged or dispersed there from;
- (ii) 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
- (iii) The "loss" or 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), Puerto Rico or Canada, this exclusion applies only to "property damage" to such "nuclear facility" and any property thereat.

(2) As used in this exclusion:

"Hazardous properties" includes radioactive, toxic, or explosive properties; "Nuclear material" means "source material", "Special nuclear material" or "by-product material"; "Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof; "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor"; "Waste" means any waste material 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 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 separating the isotopes of uranium or plutonium, processing or utilizing "spent fuel", or 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; Damages include all forms of radioactive contamination of property.

q. Employment Related Practices

Any "claim" seeking damages to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, "domestic partner", child, parent, brother or sister of that person as a consequence of damages to that person at whom any of the employment-related practices described in paragraph (1) above is directed.

This exclusion applies:

- (3) Whether the injury-causing event described in paragraph (1) above occurs before employment, during employment or after employment of that person;
- (4) Whether you may be liable as an employer or in any other capacity; and
- (5) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

r. Prior Notice

Any "claim" based upon, arising out of or in any way related to any "claim", "educators wrongful act", "wrongful act", investigation, proceeding, act, event, transaction, decision, fact, circumstance or situation which has been the subject of any notice accepted under any similar policy of which this policy is a direct or indirect renewal or replacement.

s. Prior & Pending Proceedings

Any "claim" based upon, arising out of or in any way related to any litigation, administrative or arbitration proceeding, or written demand pending against any Insured, or any order, decree or judgment entered prior to or on the Inception Date set forth in the Declarations.

t. Law Enforcement

Any "claim" based upon, arising from, or in any way related to the provision of security or police services.

u. Eminent Domain, Inverse Condemnation, Adverse Possession

Any "claim" arising out of eminent domain, inverse condemnation, or condemnation proceedings, adverse possession or dedication by adverse use, or by whatever name called, whether such liability accrues directly against any insured or by virtue of any agreement entered into by or on behalf of any insured.

v. Tax Assessment

Any "claim" arising out of:

1. Any tax assessment or adjustments;
2. The collection, refund, disbursement or application of any taxes;
3. Failure to anticipate tax revenue shortfalls; or
4. Guarantee on bond issues.

w. Insurance

Any "claim" arising out of the failure to purchase proper insurance or maintain adequate limits of insurance.

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

Any "claim" that arises 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.

This exclusion x. does not apply to a "claim" that arises out of a violation of the Family Education Rights and Privacy Act (FERPA) or the Buckley Amendment.

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.

7. Supplementary Payments

We will pay, with respect to any "claim" we investigate or settle, or defend:

- a. All expenses we incur, including "defense expenses";
- b. 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;
- c. 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; and
- d. Reasonable legal fees and expenses charged by a lawyer, approved by us, that you incur in the investigation and defense of a "claim" alleging breach of contract arising out of a "wrongful act". This payment is limited to \$300,000 per breach of contract "claim" under **SECTION I – COVERAGES, 1. Insuring Agreements, b. Coverage B – Directors and Officers Liability** and is subject to the "loss" and "defense expenses" deductible, if any.

These payments will not reduce the limits of insurance.

SECTION II – WHO IS AN INSURED

Each of the following is an insured to the extent set forth below:

1. The "educational institution" named in the Declarations, its School Board, School Committee, Board of Trustees, Board of Governors or similar governing body and, for acts within the scope of their duties as such, all persons who were, now are, or shall be, its:
 - a. Elected or appointed members of the Board of Education, Board of Trustees, School Directors, School Committee, Board of Governors, or similar governing body;
 - b. "Employees";
 - c. "Executives";
 - d. Student Teachers teaching at your Educational Institution as part of their educational requirements;
 - e. "School Volunteers";
 - f. Your students while serving in a supervised internship program sponsored by the "educational institution";
 - g. Parent-teacher organizations or associations, but only if under the direct supervision of the "educational institution" and only while performing services authorized by the "educational institution";
 - h. "Insured Entity";
 - i. "Insured Individual"; and

The spouse or "domestic partner" of an insured under paragraph 1. above, but solely with respect to such person's status as a spouse or "domestic partner" and not for any "educators wrongful acts" or "wrongful acts" actually or allegedly committed by the spouse or "domestic partner";

The persons or organizations described under paragraph 1. above whether past, present or future, are insureds but only while acting within the scope of their duties for, or for activities sponsored by the "educational institution".
2. With respect to the liability of insureds described under paragraph 1. above, the heirs, administrators, assigns, and legal representatives of each insured in the event of death, incapacity, or bankruptcy.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. **Coverage A – Educators Liability** does not apply to an "educators wrongful act" that

occurred before you acquired or formed the organization; and

- c. **Coverage B – Directors and Officers Liability** does not apply to a "wrongful act" 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 AND DEDUCTIBLE

1. Limits of Insurance

- a. The Limits of Insurance shown in the Declarations are the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) "Claims" made; or
 - (3) Persons or organizations making "claims".
- b. The School and Educators Legal Liability Aggregate Limit is the most we will pay for all "loss" arising out of all "claims" alleging "educators wrongful acts" under **SECTION I – COVERAGES, 1. Insuring Agreements, a. Coverage A – Educators Liability** and "wrongful acts" under **SECTION I – COVERAGES, 1. Insuring Agreements, b. Coverage B – Directors and Officers Liability** to which this insurance applies.
- c. Subject to paragraph b. above, the Each "claim" Limit is the most we will pay for "loss" arising out of any one "claim" alleging "educators wrongful acts" and "wrongful acts" to which this insurance applies and shall be subject to the Each "Claim" Deductible.
- d. Two or more "claims" arising out of a single "educators wrongful act", "wrongful act" or a series of "educators wrongful acts" or "wrongful acts" related in any way to each other shall be considered one "claim".
- e. 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.

2. Deductible

- a. If selected, the "loss" only deductible amount shown in the Declarations applies to each

“educators wrongful act” or “wrongful act” arising out of all “claims” alleging the same “educators wrongful acts” or “wrongful acts” to which this insurance applies.

- b. If selected, the “loss” and “defense expenses” deductible amount shown in the Declaration applies to each “educators wrongful act” or “wrongful act” and to both “loss” and “defense expenses” arising out of all “claims” alleging the same “educators wrongful acts” or “wrongful acts” to which this insurance applies.
- c. For each “claim”, we will only pay those sums that are in excess of the deductible amount designated as the Deductible – Each “Claim”.
However, we may pay any part or all of the Deductible – Each “Claim” to effect settlement of any “claim” and upon notification of the action taken, you shall promptly reimburse us for such part of the deductible that has been paid by us.
- d. The terms of this Coverage Part including those with respect to our right and duty to defend any “claim” and your duties in the event of a “claim” apply irrespective of the application of the deductible.

SECTION IV – SCHOOL AND EDUCATORS LEGAL 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 Educators Wrongful Act, Wrongful Act, Claim, or Suit

- a. You must see to it that we are notified as soon as practicable of any “educators wrongful act” or “wrongful act” which may result in a “claim”. Notice should include:
 - (1) How, when, and where the “educators wrongful act” or “wrongful act” took place;
 - (2) The names and addresses of persons involved in the “educators wrongful act” or “wrongful act” and witnesses; and
 - (3) The nature of the harm resulting from the “educators wrongful act” or “wrongful act”.
- b. If a “claim” is received by an insured, you must:
 - (1) Immediately record the specifics of the “claim” and the date received;
 - (2) Notify us as soon as practicable; and
 - (3) Forward written notice of the “claim” to us 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 an insured because of “loss” to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

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.

Any disputes between the insured and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Puerto Rico or Canada.

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

4. Other Insurance

If other insurance is available to the insured for a “loss” we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when paragraph **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 paragraph **c.** below.

b. Excess Insurance

- (1) This insurance is excess over any other insurance, whether primary, excess, contingent, or on any other basis available to the insured for any "educators wrongful act" or "wrongful act" which took place prior to the "policy period".
- (2) This insurance is excess over any other insurance, whether primary, excess, contingent, or on any other basis available to any insured who is insured under this Coverage Part.
- (3) When this insurance is excess, we will have the right but not the duty to defend the insured against any "claim".
- (4) When this insurance is excess over other insurance, we will pay only our share of the amount of "loss", if any, that exceeds the sum of:
 - (a) The total amount that all such other insurance would pay for the "loss" in the absence of this insurance; and
 - (b) The total of all deductible and self-insured amounts under all that other insurance.

Other insurance includes, but is not limited to, policies or insurance programs purchased or established by or on behalf of an insured to insure against liability arising from activities of the insured and its "employees" and "executives", including law enforcement personnel, whether primary, excess, contingent, or on any other basis. The person seeking coverage shall cooperate with us to determine the existence, availability and coverage of any such other insurance policy, insurance program or defense or indemnification arrangement.

Other insurance does not include any umbrella policy issued by us or any coverage specifically issued by us as excess over this coverage part. Nothing in this provision shall be construed to require any such umbrella or excess coverage issued by us to apply unless and until all other valid and collectible insurance is exhausted.

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. 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.

6. Two or More Coverage Parts, Coverage Forms, Endorsements or Policies Issued By Us

It is our stated intent that the various coverage parts, coverage forms, endorsements or policies issued to you by us, or any company affiliated with us do not provide any duplication or overlap of coverage for the same "claim" or "suit". If this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same "educators wrongful act" or "wrongful act"; then the maximum Limit of Insurance under all such coverage parts or policies combined shall not exceed the highest applicable Limit of Insurance under any one coverage part or policy.

This condition does not apply to any Excess or Umbrella Policy issued by us specifically to apply as excess insurance over this coverage part.

7. 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.

8. Cancellation and Nonrenewal

If we decide not to renew or cancel your policy, the provisions outlined in the Commercial General Liability Coverage Form of the policy for such action shall apply and will automatically include the nonrenewal or cancellation of this coverage form. You agree that no further notice regarding termination of this coverage form will be required.

9. Your Right to Claim, Educators Wrongful Act and Wrongful Act Information

We will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding School and Educators Legal Liability Claims-Made Coverage Part we

have issued to you during the previous three years:

- a. A list or other record of each "educators wrongful act" or "wrongful act" not previously reported to any other insurer, of which we were notified in accordance with **SECTION IV – SCHOOL AND EDUCATORS LEGAL LIABILITY CONDITIONS, 2. Duties in the Event of Educators Wrongful Act, Wrongful Act, Claim, or Suit.** We will include the date and brief description of the "educators wrongful act" or "wrongful act" if that information was in the notice we received.
- b. A summary by policy year, of payments made and amounts reserved, stated separately under the applicable Aggregate for Each Annual Policy Year limit. Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values. You must not disclose this information to any claimant or claimant's representative without our consent.

If we cancel or elect not to renew this Coverage Part, we will provide such information no later than 30 days before the date of policy termination. In other circumstances, we will provide this information only if we receive a written request from the first Named Insured. In this case, we will provide this information within 45 days of receipt of the request.

We compile "claim", "educators wrongful acts" and "wrongful acts" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or nonrenewal will be effective even if we inadvertently provide inaccurate or incomplete information.

10. 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.

SECTION V – EXTENDED REPORTING PERIODS

1. We will provide one or more Extended Reporting Periods, as described below, if:
 - a. This Coverage Part is canceled or not renewed; or

- b. We renew or replace this Coverage Part with insurance that:
 - (1) Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
 - (2) Does not apply to "loss" arising out of "educators wrongful acts" or "wrongful acts" on a claims-made basis.
2. Extended Reporting Periods do not extend the "policy period" or change the scope of the coverage provided. They apply only to "claims" arising out of "educators wrongful acts" or "wrongful acts" committed prior to the end of the "policy period", but not before the Retroactive Date, if any, shown in the Schedule or Declarations. Once in effect, Extended Reporting Periods may not be canceled.
3. If we cancel or do not renew for any reason other than nonpayment of premium, an Automatic Extended Reporting Period will be provided without an additional premium. This period starts with the end of the "policy period" and lasts for 60 days with respect to "claims" arising out of "educators wrongful acts" or "wrongful acts" committed prior to the end of the "policy period", but not before the Retroactive Date, if any, shown in the Schedule or Declarations and not previously reported to us.
 - a. This Automatic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to "claims".
 - b. The Automatic Extended Reporting Period does not reinstate or increase the School and Educators Legal Liability Limits of Insurance.
4. If this Coverage Part is cancelled or not renewed, you shall have the right, upon payment of an additional premium, to an Optional Extended Reporting Period. This period starts with the end of the "policy period" with respect to "claims" arising out of "educators wrongful acts" or "wrongful acts" committed prior to the end of the "policy period", but not before the Retroactive Date, if any, shown in the Schedule or Declarations and not previously reported to us.
 - a. This Optional Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to "claims".
 - b. The Optional Extended Reporting Period does not reinstate or increase the School and Educators Legal Liability Limits of Insurance.

- c. You must give us a written request for the Optional Extended Reporting Period endorsement within 60 days following the date of cancellation or nonrenewal. The Optional Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due. If the cancellation or nonrenewal is for nonpayment of premium, this Optional Extended Reporting Period will not be provided unless any earned premium due is paid within 60 days after the effective date of such cancellation or expiration.
- d. The available Optional Extended Reporting Periods and associated additional premiums are displayed in the table below.

Optional Reporting Period	Percent of Annual Premium
One Year	100%
Two Years	150%
Three Years	200%

- 5. In the event similar insurance is in force covering "claims" first made during the Extended Reporting Period, coverage provided by this Coverage Part shall be excess over any part of any other insurance available to the insured, whether primary, excess, and contingent or on any other basis, whose "policy period" begins or continues after our "policy period" ends.

SECTION VI – 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 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".
- 2. "Bodily injury" means bodily injury, sickness, or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".
- 3. "Civil rights claim" means a "claim" by a past, current or accepted student, or applicant for admission, seeking "loss" for discrimination resulting in a violation of Title IX of the Education Amendments of 1972 or similar federal or state

laws, or for other education-related due process granted under federal or state laws.

- 4. "Claim" means:
 - a. A written demand for monetary damages; or
 - b. A "suit" against an insured for an "educators wrongful act" or "wrongful act" to which this insurance applies.
- 5. "Coverage territory" means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.
Notwithstanding the definition of "coverage territory" this insurance does not apply to any "educators wrongful act" or "wrongful act" occurring in a country or jurisdiction subject to OFAC sanctions.

- 6. "Defense Expenses" means payments allocated to a specific "claim" for investigation or defense including:
 - a. Any reasonable and necessary legal fees and expenses, including attorney fees and expert fees, incurred in the defense and appeal of a "claim";
 - b. Reasonable and necessary fees of attorneys the insured retains when by mutual agreement or court order the insured is given the right to retain defense counsel to defend a "claim";
 - c. The cost of appeal bonds or bonds to release attachments in any "claims" we are defending, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds;
 - d. Costs taxed against the insured in the "claim"; however, these payments do not include attorney's fees or attorney's expenses taxed against the insured; and
 - e. Up to \$500 per day per insured individual for reasonable expenses incurred for attendance at hearings, trials or depositions at our request or with our consent by such insured individual. Such payment shall not exceed \$5,000 in the aggregate for all insured individuals in each "claim".

"Defense expenses" does not include:

- f. Salaries, wages, fees, overhead or benefit expenses associated with any insured except as specified in paragraph e. above;
- g. Salaries and expenses of our employees, including our employed attorneys, salaries and expense of the insured's "employees" (other than those described in paragraph e. above); or

- h. Any damages, including punitive damages, exemplary damages, multiplied damages, fines or penalties.
 - i. Any amounts incurred in defense of a "claim" for which any other insurer has a duty to defend, regardless of whether or not such other insurer undertakes that duty.
 - j. Claimant's attorney's fees.
7. "Domestic Partner" means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by a Named Insured.
8. "Educational Institution" means the school or other educational institution named in the Declarations of this Coverage Part as legally constituted at the beginning of the "policy period".
9. "Educators Wrongful act" means any actual or alleged negligent act, error or omission, misstatement or misleading statement committed by any insured:
- a. In the lawful discharge of the duties that are characteristic of, distinctive or inherent to, the operation and functioning of an educational institution, including but not limited to:
 - (1) classroom or other educational instruction;
 - (2) career and academic guidance;
 - (3) compliance with Family Education Rights and Privacy Act (FERPA) or the Buckley Amendment;
 - (4) grading and class content;
 - (5) admittance procedures or academic placement;
 - (6) expulsion or discipline procedures;
 - (7) student enrollment;
 - (8) provision of equal access to education under state and federal laws;
 - (9) participation in any school program, education program or extracurricular activities; or
 - (10) discrimination resulting in a violation of Title IX of the Education Amendments of 1972 or similar federal or state laws; and
 - b. While acting within the course and scope of his or her duties for the Named Insured.
- Any series of "educators wrongful acts" that are connected by reason of a common claimant, transaction, policy, action, omission or decision are a single "educators wrongful act".
10. "Employee" includes a "leased worker".
"Employee" does not include a "temporary worker" but does include substitute teachers.

"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".

"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.

11. "Executive" means any natural person who is or shall become:
- a. A duly-elected or appointed director, officer, manager, in-house counsel or trustee of the "insured entity";
 - b. A duly elected or appointed manager or member of a Board of Managers of a limited liability company, boards, committees or other units operated under the "insured entity's" charter or with the "insured entity's" approval; or
 - c. Any person holding an equivalent position to those described in a. and b. above in any "insured entity".
12. "Insured entity" means the Named Insured.
13. "Insured individual" means any past, present or future "executive" or "employee", intern or volunteer of the "insured entity" while acting solely within his or her capacity as such on behalf of the "insured entity".
14. "Loss" means a compensatory monetary award, settlement or judgment that the Insured is legally obligated to pay, including costs and attorney's fees awarded pursuant to a judgment.
However, "Loss" does not include:
- a. Any sum awarded for punitive damages, exemplary damages, multiplied damages, taxes, fines or penalties imposed by law;
 - b. The cost of compliance with injunctive or other non-monetary relief;
 - c. The value of tuition and fees paid to you, including fees for room, board, laboratories, and other similar fees;
 - d. The value of scholarships granted by you or from other sources.
 - e. Any amounts offered by any insured as severance, part of a severance package, or otherwise, without our prior written consent, whether or not a "claim" had been made, or any "claim or potential "claim" had been reported to us, prior to any such offer;
 - f. Claimant's attorney's fees with respect to a "claim" or "suit" for non-monetary relief.

15. "Outside capacity" means service by an Insured as a director, officer, trustee, regent, governor or equivalent executive of an "Outside Organization" at the written request of the "Insured entity".
16. "Outside organization" means any:
- Nonprofit organization described in section 501(c)3 of the Internal Revenue Code of 1986 (as amended);
 - Other entity organized for a religious or charitable, educational purpose under any nonprofit organization act or statute.
17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- False arrest, detention or imprisonment;
 - Malicious prosecution;
 - Wrongful entry, eavesdropping, eviction, trespass or other invasion of the right of private occupancy;
 - Defamation, libel, slander, product disparagement, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organization;
 - The use of another's advertising idea in your "advertisement"; or
 - Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
 - Invasion, intrusion or interference with the right of privacy or publicity, including false light, public disclosure of private information, or commercial appropriation of name or likeness.
18. "Policy period" means the period beginning with the Inception Date shown in the Declarations and ending with the earlier of:
- The date of cancellation of this policy; or
 - The expiration date shown in the Declarations.
19. "Property damage" means:
- 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
 - 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.
20. "School volunteer" means a person who is not your "employee" and who donates his or her works 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. "Suit" means a civil proceeding in which "loss" because of an "educators wrongful act" or "wrongful act" to which this insurance applies is alleged. "Suit" includes:
- An arbitration proceeding in which such "loss" is claimed and to which the insured must submit or does submit with our consent; or
 - A formal administrative or regulatory proceeding established under federal, state or local laws and commenced by the filing of a notice of charges, formal investigative order or similar document; or
 - Any other alternative dispute resolution proceeding in which such "loss" is claimed and to which the insured submits with our consent.
22. "Wrongful act" means any actual or alleged act, error, omission, misstatement, misleading statement, neglect, or breach of duty by an insured while acting in the scope of their duties for the Named Insured, or by an insured acting in an "Outside Capacity", or any matter claimed against the insured solely by reason of their serving as a director or officer for the Named Insured.
- Any series of "wrongful acts" that are connected by reason of a common claimant, transaction, policy, action, omission or decision are a single "wrongful act".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

**RETROACTIVE DATE FOR SCHOOL AND EDUCATORS LEGAL LIABILITY
COVERAGE PART (SPLIT RETRO)**

This endorsement modifies insurance provided under the following:

SCHOOL AND EDUCATORS LEGAL LIABILITY COVERAGE PART

SCHEDULE

Entity	Coverage	Retroactive Date
	Coverage A – Educators Liability	08/21/2014
	Coverage B – Directors and Officers Liability	08/21/2014

(If the Retroactive Date shown in the Schedule above is blank, the inception date shown in the policy Declarations shall apply.)

If an entity and corresponding Coverage appear in the **SCHEDULE** above, then for such entity and corresponding Coverage, the Retroactive Date shown in Item **3.** on the Declarations is replaced with the corresponding Retroactive Date shown in the **SCHEDULE** above. For such entity, we will have no obligation to pay “loss” or claim expenses because of a “claim” or “suit” arising out of a “wrongful act” that occurred prior to the Retroactive Date in the **SCHEDULE** above.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

