

Commercial Property Declarations

Named Insured**Producer**

STANLEY BOYD AREA SCHOOL DISTRICT
507 E 1ST AVE
STANLEY, WI 54768-1279
DIRECT BILL

TRICOR LLC
PO BOX 450
LANCASTER, WI 53813-0450
AGENT NO. D7743
AGENT PHONE: 877-468-7426
CLAIM REPORTING: 888-362-2255
SERVICING CARRIER: 262-717-3900

This policy renewal is offered contingent upon the receipt of payment which is due on 08/01/2026.

See attached schedule for description of locations, special interests and deductibles.

Coverages

Coverages Provided	Premium
Blanket ID Number - 1 - See Schedule for Description	\$53,387.00
Blanket ID Number - 2 - See Schedule for Description	\$7,722.00
Blanket ID Number - 3 - See Schedule for Description	\$7,423.00
Property off Premises and In Transit	\$375.00
Property Premium	\$68,907.00

Total Property Premium **\$68,907.00**

Forms Applicable

CP0090(07/88), CP0113(10/12), CP0140(07/06), CP0320(04/18), CP1075(12/20), CP1218(10/12), CP1219(06/07), CP1615A(02/12), CP7001A(02/12), CP7123.10(01/18), CP7123.11(04/16), CP7123.4(10/20), CP7123(11/23), CP7173(12/19), CP7175(03/25), CP7358(02/17), CP8036(07/21), IL0017(11/98), IL0283(11/18), IL0952(01/15), IL7004(03/20), IL7131A(04/01), IL7170(09/24), IL7306(08/98), IL8046(01/90), IL8118(07/24), IL8383.2A(12/20), IL8384A(01/08), IL8493(01/25)

Date of Issue: 06/25/2026

Commercial Property Policy Declarations

Endorsement Schedule

Form	Edition Date	Description/Additional Information	Premium
CP 00 90	07 88	Commercial Property Conditions	
CP 01 13	10 12	Wisconsin Changes	
CP 01 40	07 06	Exclusion Of Loss Due To Virus Or Bacteria	
CP 03 20	04 18	Multiple Deductible Form (Fixed Dollar Deductibles)	
CP 10 75	12 20	Cyber Incident Exclusion	
CP 12 18	10 12	Loss Payable Provisions	
CP 12 19	06 07	Additional Insured - Building Owner Location 1 Building 1 Building Description -BUILDING Building Owner Name -MARCO TECHNOLOGIES LLC Building Owner Address -4510 HEATHERWOOD RD-	
CP 16 15A	02 12	Statement Of Values	
CP 70 01A	02 12	Commercial Property Schedule	
CP 71 23	11 23	Building and Personal Property Coverage Form - Schools	
CP 71 23.10	01 18	School Flood Coverage Endorsement	
CP 71 23.11	04 16	School Earthquake and Volcanic Eruption Endorsement	
CP 71 23.4	10 20	School Quick Reference	
CP 71 73	12 19	Cannabis Exclusion	
CP 71 75	03 25	Limitations On Coverage For Roof System Location 1 Building 1 Paragraphs A and B Apply Roof Age (Years) : 15 Location 1 Building 2 Paragraphs A and B Apply Roof Age (Years) : 15	

Date of Issue: 06/25/2026

Form	Edition Date	Description/Additional Information	Premium
		Location 1 Building 3 Paragraphs A and B Apply Roof Age (Years) : 15 Location 1 Building 4 Paragraphs A and B Apply Roof Age (Years) : 15 Location 1 Building 5 Paragraphs A and B Apply Roof Age (Years) : 15 Location 1 Building 6 Paragraphs A and B Apply Roof Age (Years) : 15 Location 1 Building 8 Paragraphs A and B Apply Roof Age (Years) : 15 Location 1 Building 9 Paragraphs A and B Apply Roof Age (Years) : 15 Location 1 Building 10 Paragraphs A and B Apply Roof Age (Years) : 15 Location 1 Building 11 Paragraphs A and B Apply Roof Age (Years) : 15 Location 1 Building 12 Paragraphs A and B Apply Roof Age (Years) : 15 Location 2	

Form	Edition Date	Description/Additional Information	Premium
		Building 1 Paragraphs A and B Apply Roof Age (Years) : 15 Location 2 Building 2 Paragraphs A and B Apply Roof Age (Years) : 15	
CP 73 58	02 17	Equipment Breakdown Coverage (Including Electronic Circuitry Impairment)	
CP 80 36	07 21	Commercial Property Valuation Increase	
IL 00 17	11 98	Common Policy Conditions	
IL 02 83	11 18	Wisconsin Changes - Cancellation And Nonrenewal	
IL 09 52	01 15	Cap On Losses From Certified Acts Of Terrorism	
IL 70 04	03 20	Mutual Policy Provisions	
IL 71 31A	04 01	Commercial Policy Endorsement Schedule	
IL 71 70	09 24	Actual Cash Value Definition	
IL 73 06	08 98	Exclusion Of Certain Computer-Related Losses	
IL 80 46	01 90	Notice Cancellation Requested By You	
IL 81 18	07 24	Keep This Notice With Your Insurance Papers	
IL 83 83.2A	12 20	Disclosure Pursuant To Terrorism Risk Insurance Act	\$1,609.00
IL 83 84A	01 08	Terrorism Notice	
IL 84 93	01 25	Actual Cash Value Definition - PHN	

Terrorism Notice

This insurance may include coverage for certified acts of terrorism as defined in the terrorism risk insurance act, as amended.

Attached you will find a disclosure, which identifies the specific charge for certified acts of terrorism.

You may have the option to reject this terrorism coverage.

For additional information, please contact your agent.

This endorsement is attached to and made part of your policy in response to the disclosure requirements of the Terrorism Risk Insurance Act. This endorsement does not grant any coverage or change the terms and conditions of any coverage under the policy.

Disclosure Pursuant to Terrorism Risk Insurance Act

Schedule

Terrorism Premium (Certified Acts)	\$1,609.00
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A. Disclosure Of Premium:

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorism acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. 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.

C. 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 rate allocations in accordance with the procedures established by the Secretary of the Treasury.

The following statement is required to be part of the disclosure notice in MISSOURI:

The premium above is for certain losses resulting from certified acts of terrorism as covered pursuant to coverage provisions, limitations and exclusions in this policy. You should read the definition in your policy carefully, but generally speaking, "certified" acts of terrorism are acts that exceed \$5 million in aggregate losses to the insurance industry and which are subsequently declared by the U.S. Secretary of Treasury as a certified terrorist act under the Terrorism Risk Insurance Act. Some losses resulting from certified acts of terrorism are not covered. Read your policy and endorsements carefully.

Commercial Property Schedule

Blanket coverage applies only as indicated by an entry below:

Blanket: 1

Building Only: Only at Locations/Buildings as indicated in the Schedule below

Blanket Limit of Insurance **\$65,252,257** **Coinsurance: 100%**

Blanket: 2

Personal Property Only: Only at Locations/Buildings as indicated in the Schedule below

Blanket Limit of Insurance **\$9,630,284** **Coinsurance: 100%**

Blanket: 3

Building Only: Only at Locations/Buildings as indicated in the Schedule below

Blanket Limit of Insurance **\$5,431,635** **Coinsurance: 100%**

Locations

For inspection contact: See agent on Dec page

Location 1

507 E 1st Ave
Stanley, WI 54768

Building 1

Description: 2 Story Masonry Non-Combustible - Other Than Reinforced - Light Steel Building
In Protection Class: 5
Occupancy: Stanley Boyd K-12
Deductible Per Occurrence: \$10,000
Except: \$75,000 On Windstorm Or Hail

	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000
	YOUR BUSINESS PERSONAL PROPERTY	See Blkt 2	Special	See Blkt 2	1,2	Replacement Cost Agreed Value Inflation Guard 4%
Description: 1 Story Frame Building In Protection Class: 4 Occupancy: BUS GARAGE/SHOP Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail						
Building 2	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000
	YOUR BUSINESS PERSONAL PROPERTY	See Blkt 2	Special	See Blkt 2	2	Replacement Cost Agreed Value Inflation Guard 4%

Building 3	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: SPORTS GARAGE Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					
	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000

Building 4	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: MAINTENANCE BUILDING Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					
	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000
	All Personal Property	See Blkt 2	Special	See Blkt 2		Replacement Cost Agreed Value Inflation Guard 4%

Building 5	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: BUS STORAGE Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail															
	<table> <tr> <th>Coverage</th><th>Limit of Insurance</th><th>Covered Causes of Loss</th><th>Coinsurance</th><th>Spec Int</th><th>Optional Coverages</th></tr> <tr> <td>Building</td><td>See Blkt 1</td><td>Special</td><td>See Blkt 1</td><td></td><td> Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000 </td></tr> </table>	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000			
Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages											
Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000											
Building 6	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: BUS GARAGE Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail															
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Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages											
Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000											

Building 7	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: MAIN TICKET BOOTH Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					
	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Debris Removal \$250,000

Building 8	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: CONCESSION BUILDING WITH BATHROOMS AND STORAGE Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					
	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000
	All Personal Property	See Blkt 2	Special	See Blkt 2		Replacement Cost Agreed Value Inflation Guard 4%

Building 9	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: FOOTBALL PRESS BOX Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					
	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000

Building 10	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: SPORTS COMPLEX GARAGE Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					
	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000
	All Personal Property	See Blkt 2	Special	See Blkt 2		Replacement Cost Agreed Value Inflation Guard 4%

Building 11	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: WEST TICKET BOOTH Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail															
	<table> <tr> <th>Coverage</th><th>Limit of Insurance</th><th>Covered Causes of Loss</th><th>Coinsurance</th><th>Spec Int</th><th>Optional Coverages</th></tr> <tr> <td>Building</td><td>See Blkt 1</td><td>Special</td><td>See Blkt 1</td><td></td><td> Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000 </td></tr> </table>	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000			
Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages											
Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000											
Building 12	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: BASEBALL/LITTLE LEAGUE PRESSBOX Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail															
	<table> <tr> <th>Coverage</th><th>Limit of Insurance</th><th>Covered Causes of Loss</th><th>Coinsurance</th><th>Spec Int</th><th>Optional Coverages</th></tr> <tr> <td>Building</td><td>See Blkt 1</td><td>Special</td><td>See Blkt 1</td><td></td><td> Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000 </td></tr> </table>	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000			
Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages											
Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000											
Special Class 1	Associated to Building: 1 Description: PROPERTY IN THE OPEN Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail															

Special Class 1	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Property In The Open	See Blkt 3	Special	See Blkt 3		Replacement Cost Agreed Value
Special Class 2	Description: Property In The Open - ORIOLE PARK Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					
	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Property In The Open	See Blkt 3	Special	See Blkt 3		Replacement Cost Agreed Value
Special Class 3	Description: Property In The Open Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					
	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Property In The Open	See Blkt 3	Special	See Blkt 3	3	Replacement Cost Agreed Value

Location 2

303 E Park St
Boyd, WI 54726-9401

Building 1	Description: 2 Story Joisted Masonry - Other Than Reinforced Building In Protection Class: 5 Occupancy: STANLEY BOYD EARLY LEARNING (1S) Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail

	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000
	YOUR BUSINESS PERSONAL PROPERTY	See Blkt 2	Special	See Blkt 2	2	Replacement Cost Agreed Value Inflation Guard 4%
Building 2	Description: 1 Story Frame Building In Protection Class: 5 Occupancy: GARAGE Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					
	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Building	See Blkt 1	Special	See Blkt 1		Replacement Cost Agreed Value Inflation Guard 4% Limitations On Coverage For Roof System Debris Removal \$250,000
Special Class 1	Associated to Building: 1 Description: PROPERTY IN THE OPEN Deductible Per Occurrence: \$10,000 Except: \$10,000 On Windstorm Or Hail					

	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Spec Int	Optional Coverages
	Property In The Open	See Blkt 3	Special	See Blkt 3		Replacement Cost Agreed Value

Miscellaneous Location Level Coverages

See coverage form for deductible amounts applicable to these coverages.

Location	Coverage	Limit of Insurance
1	School Location Additional Coverages and Coverage Extensions	See Coverage Form
1	Fire Department Service Charge	\$50,000
2	School Location Additional Coverages and Coverage Extensions	See Coverage Form
2	Fire Department Service Charge	\$50,000

Miscellaneous Policy Level Coverages

School Line Additional Coverages and Coverage Extensions	See Coverage Form
School Flood Coverage Endorsement	\$150,000
Unreported Buildings, Structures and Outdoor Fixtures	\$50,000
School - Property off Premises and In Transit	
Limit	\$250,000
Deductible: Deductible - \$1,000	

Equipment Breakdown Endorsement

See Coverage Form

Coverages

Expediting Expenses	\$100,000
Hazardous Substances	\$100,000
Perishable Goods/Spoilage	\$100,000

Special Interest(s)

1 Loss Payable

MARCO TECHNOLOGIES LLC
4510 HEATHERWOOD RD
SAINT CLOUD, MN 56301-9500

2 Loss Payable

BB COMMUNITY LEASING SERVICES INC
7700 MINERAL POINT RD
MADISON, WI 53717-1694

3 Loss Payable

XCEL ENERGY
1414 W Hamilton Ave
Eau Claire, WI 54701-7252

Statement of Values

Location 1

507 E 1st Ave

Stanley, WI 54768

Building 1	Description: 2 Story Masonry Non-Combustible - Other Than Reinforced - Light Steel Building In Protection Class: 5 Occupancy: Stanley Boyd K-12		
	Coverage	100% Values	Value Type
	Building	\$57,431,771.00	Replacement Cost
	YOUR BUSINESS PERSONAL PROPERTY	\$8,614,766.00	Replacement Cost
Building 2	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: BUS GARAGE/SHOP		
	Coverage	100% Values	Value Type
	Building	\$416,248.00	Replacement Cost
	YOUR BUSINESS PERSONAL PROPERTY	\$62,451.00	Replacement Cost
Building 3	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: SPORTS GARAGE		
	Coverage	100% Values	Value Type
	Building	\$54,080.00	Replacement Cost

Building 4	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: MAINTENANCE BUILDING		
	Coverage	100% Values	Value Type
	Building	\$902,492.00	Replacement Cost
	All Personal Property	\$135,374.00	Replacement Cost
Building 5	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: BUS STORAGE		
	Coverage	100% Values	Value Type
	Building	\$86,528.00	Replacement Cost
Building 6	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: BUS GARAGE		
	Coverage	100% Values	Value Type
	Building	\$632,767.00	Replacement Cost
Building 7	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: MAIN TICKET BOOTH		
	Coverage	100% Values	Value Type
	Building	\$21,632.00	Replacement Cost

Building 8	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: CONCESSION BUILDING WITH BATHROOMS AND STORAGE		
	Coverage	100% Values	Value Type
	Building	\$1,040,000.00	Replacement Cost
	All Personal Property	\$156,000.00	Replacement Cost
Building 9	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: FOOTBALL PRESS BOX		
	Coverage	100% Values	Value Type
	Building	\$108,160.00	Replacement Cost
Building 10	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: SPORTS COMPLEX GARAGE		
	Coverage	100% Values	Value Type
	Building	\$86,528.00	Replacement Cost
	All Personal Property	\$12,979.00	Replacement Cost
Building 11	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: WEST TICKET BOOTH		
	Coverage	100% Values	Value Type
	Building	\$21,632.00	Replacement Cost

Building 12	Description: 1 Story Frame Building In Protection Class: 4 Occupancy: BASEBALL/LITTLE LEAGUE PRESSBOX		
	Coverage Building	100% Values \$108,160.00	Value Type Replacement Cost
Special Class 1	In Protection Class: 4		
	Coverage PROPERTY IN THE OPEN	100% Values 540,800	Value Type Replacement Cost
Special Class 2	In Protection Class: 4		
	Coverage Property In The Open - ORIOLE PARK	100% Values 4,526,768	Value Type Replacement Cost
Special Class 3	In Protection Class: 4		
	Coverage Property In The Open	100% Values 324,480	Value Type Replacement Cost

Location 2

303 E Park St

Boyd, WI 54726-9401

Building 1	Description: 2 Story Joisted Masonry - Other Than Reinforced Building In Protection Class: 5 Occupancy: STANLEY BOYD EARLY LEARNING (1S)		

Building 1	Coverage	100% Values	Value Type
	Building	\$4,324,756.00	Replacement Cost
	YOUR BUSINESS PERSONAL PROPERTY	\$648,714.00	Replacement Cost
Building 2	Description: 1 Story Frame Building In Protection Class: 5 Occupancy: GARAGE		
	Coverage	100% Values	Value Type
	Building	\$17,503.00	Replacement Cost
Special Class 1	In Protection Class: 5		
	Coverage	100% Values	Value Type
	PROPERTY IN THE OPEN	39,587	Replacement Cost

Total Building \$65,252,257.00 RC

Total Personal Property \$9,630,284.00 RC

Total Property in the Open \$5,431,635.00 RC

Combined Total \$80,314,176.00

1. Values shown must be 100% actual cash value or replacement cost and should reflect coverage basis for each item of buildings, personal property or both.
2. Value shall be submitted to insurance company, subject to its acceptance.
3. Nothing contained in these instructions shall be construed as changing in any manner the conditions of this policy.
4. The company may require this statement of values to be signed by the insured or in the case of firms, by a partner or an officer.



Employers Mutual Casualty Company

Policy: 5A71523 - 27

Policy Term: 07/01/2026–07/01/2027

All values submitted are correct to the best of my knowledge and belief.

Signed: _____

Title: _____ Date: _____

Date of Issue: 06/25/2026

COMMERCIAL PROPERTY CONDITIONS

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

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

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

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

B. CONTROL OF PROPERTY

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

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

C. INSURANCE UNDER TWO OR MORE COVERAGES

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

D. LEGAL ACTION AGAINST US

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

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

E. LIBERALIZATION

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

F. NO BENEFIT TO BAILEE

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

G. OTHER INSURANCE

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

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

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

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

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

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

This will not restrict your insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WISCONSIN CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

- A. The Concealment, Misrepresentation Or Fraud Commercial Property** Condition is replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

1. No misrepresentation and no breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Coverage Part affects our obligations unless, if a misrepresentation, the person knew or should have known that the representation was false, and unless:
 - a. We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or
 - b. The facts misrepresented or falsely warranted contribute to the loss.
2. No failure of a condition before a loss and no breach of a promissory warranty affects our obligation under this Coverage Part unless such failure or breach exists at the time of loss and either:
 - a. Increases the risk at the time of loss; or
 - b. Contributes to the loss.

B. Legal Action Against Us

1. The **Legal Action Against Us** Commercial Property Condition is replaced by the following:

LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless the action is brought within 2 years after the date on which the direct physical loss or damage occurred.

2. Paragraph (1) of Additional Condition **F.4.e. Legal Action Against Us** in the Mortgageholders Errors And Omissions Coverage Form is replaced by the following:

No one may bring a legal action against us under Coverages **A** and **B** unless the action is brought within 2 years after you discover the error or accidental omission.

3. The following are deleted:

- a. The Legal Action Against Us Loss Condition in the Legal Liability Coverage Form; and
- b. Paragraph (2) of Additional Condition **F.4.e. Legal Action Against Us** in the Mortgageholders Errors And Omissions Coverage Form.

- C. The following exclusion and related provisions are added to Paragraph **B.2. Exclusions** in the Causes Of Loss Forms and to any Coverage Form or policy to which a Causes Of Loss Form is not attached:**

1. We will not pay for loss or damage arising out of any act committed:
 - a. By or at the direction of any insured; and
 - b. With the intent to cause a loss.
2. However, this exclusion will not apply to deny coverage to an insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Part and:
 - a. The loss arose out of an act or pattern of abuse or domestic abuse; and
 - b. The perpetrator of the loss is criminally prosecuted for the act or acts causing the loss.
3. If we pay a claim pursuant to Paragraph **C.2.**, our payment to the innocent insured is limited to that insured's ownership interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

D. The following is added to the **Transfer Of Rights Of Recovery Against Others To Us Commercial Property Condition:**

If we pay an insured for a loss described in Paragraph **C.2.**, the rights of the insured to recover damages from the perpetrator are transferred to us to the extent of our payment. Following the loss, the insured may not waive such rights to recover against the perpetrator.

We will be entitled to a recovery only after you have been fully compensated for damages.

E. The following are added:

1. Knowledge And Acts Of Agents

a. If any of our agents knows any fact that breaches a condition of this policy, we will be considered to know it also if that fact:

(1) Is known to the agent at the time the policy is issued or an application made; or

(2) Later becomes known to the agent in the course of his or her dealings as an agent with you.

b. Any fact that breaches a condition of this policy and is known to the agent before the loss will not:

(1) Void this policy; or

(2) Prevent a recovery in the event of loss.

2. The **Ordinance Or Law Exclusion in the Basic, Broad and Special – Causes Of Loss Forms, or in any endorsement, does not apply to dwelling properties occupied as a residence by you.**

3. Conformity To Statute Or Rule

Any provision of this Coverage Part (including endorsements which modify the Coverage Part) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under Wis. Stat. Ann. s. 227.11(2) and published in the Wisconsin Administrative Code.

F. The following is added to the **Loss Payment Loss Condition in the Commercial Property Coverage Part:**

If a municipality, which is a first class city, has elected to apply the provisions of Wis. Stat. Ann. Secs. 632.10 through 632.104, a part of our payment for fire or explosion loss or damage to your covered real property in that municipality will be withheld if the loss or damage is subject to the aforementioned provisions.

1. The withheld amount will be paid in accordance with the law, to the following:

a. The municipality where the covered property is located;

b. You and any other interest named in the Declarations; or

c. The mortgageholder, if any.

However, we will not pay more than the amount of loss payable under this policy.

2. Within 10 days after withholding the required amount, we will give written notice of the withholding to the following:

a. The building inspection official of the municipality where the covered property is located;

b. You;

c. Any mortgageholder and any other lienholder who has an existing lien against the property and is named in the Declarations; and

d. The court in which judgment was entered if the final settlement was determined by judgment.

3. We will not be liable in any cause of action, nor may any liability be imposed on us, arising from the payment, withholding or transferring of all or any portion of a final settlement in accordance with Wis. Stat. Ann. Secs. 632.10 through 632.104.

G. The following is added to the **Valuation** Loss Condition:

1. When this Coverage Part insures real property in Wisconsin which is owned and occupied by you primarily as a dwelling, and the property is wholly destroyed, we will pay the limit of insurance that applies to such property, subject to the exceptions and conditions in Paragraphs **G.2.** and **G.3.** below.
2. Builders Risk policies of insurance covering property in the process of being constructed shall be valued and settled according to the actual value of that portion of the construction completed at the time of the loss. The Limit of Insurance on a Builders Risk policy represents the value of the building when it is completed.
3. The Valued Policy Provision, Paragraph **G.1.** above, does not apply to any claim for loss to any building which is insured under a blanket form or endorsement with one Limit of Insurance applicable to two or more buildings. When a building, owned and occupied by you primarily as a dwelling, is wholly destroyed, the loss will be settled at the value stated in the most recent Statement of Values on file with us.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
 - 1.** Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
 - 2.** Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MULTIPLE DEDUCTIBLE FORM

(FIXED DOLLAR DEDUCTIBLES)

This endorsement modifies insurance provided under the following:

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

SCHEDULE

The Deductibles applicable to any one occurrence are shown below:

Premises Number	Building Number	Deductible	Covered Cause(s) Of Loss*
		\$	
		\$	
		\$	

*For each deductible listed in this Schedule, enter the number corresponding to the Covered Cause(s) of Loss to which that deductible applies (or enter the description):

- (1) All Covered Causes of Loss
- (2) All Covered Causes of Loss **except** Windstorm Or Hail
- (3) All Covered Causes of Loss **except** Theft
- (4) All Covered Causes of Loss **except** Windstorm Or Hail and Theft
- (5) Windstorm Or Hail
- (6) Theft

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

The following is added to the **Deductible** section:

- A.** In the event that loss or damage occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule above or in the Declarations, will apply.
- B.** The terms of this endorsement do not apply to any Windstorm Or Hail Percentage Deductible provided elsewhere in this policy.
- C.** This policy does not cover Earthquake or Flood unless such causes of loss are added to the policy as covered causes of loss. If Earthquake and/or Flood are added to this policy as covered causes of loss, the terms of this endorsement do not apply to Earthquake or Flood and corresponding deductibles will be shown elsewhere in this policy and identified as such.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The following exclusion is added to Paragraph B. Exclusions:

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

Cyber Incident

1. Unauthorized access to or use of any computer system (including electronic data).
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Additional Coverage

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

- a. Additional Coverage – Electronic Data; or
- b. Additional Coverage – Interruption Of Computer Operations.

3. Electronic Commerce Endorsement

The exclusion in Paragraph **A.** does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

C. Vandalism

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Standard Property Policy or the Causes Of Loss – Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph **A.**

POLICY NUMBER:

COMMERCIAL PROPERTY
CP 12 18 10 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

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

SCHEDULE

Location Number:	Building Number:	Applicable Clause (Enter C.1., C.2., C.3. or C.4.):
Description Of Property:		
Loss Payee Name:		
Loss Payee Address:		
Location Number:	Building Number:	Applicable Clause (Enter C.1., C.2., C.3. or C.4.):
Description Of Property:		
Loss Payee Name:		
Loss Payee Address:		
Location Number:	Building Number:	Applicable Clause (Enter C.1., C.2., C.3. or C.4.):
Description Of Property:		
Loss Payee Name:		
Loss Payee Address:		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

- A. When this endorsement is attached to the Standard Property Policy **CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.
- B. Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.
- C. The following is added to the **Loss Payment** Loss Condition, as indicated in the Declarations or in the Schedule:

1. Loss Payable Clause

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

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

2. Lender's Loss Payable Clause

- a. The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- (1) Warehouse receipts;
- (2) A contract for deed;
- (3) Bills of lading;
- (4) Financing statements; or
- (5) Mortgages, deeds of trust, or security agreements.

- b. For Covered Property in which both you and a Loss Payee have an insurable interest:

- (1) We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
- (2) The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.

- (3) If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (a) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (b) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (c) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

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

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

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

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

- c. If we cancel this policy, we will give written notice to the Loss Payee at least:

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

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

3. Contract Of Sale Clause

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

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

4. Building Owner Loss Payable Clause

- a. The Loss Payee shown in the Schedule or in the Declarations is the owner of the described building in which you are a tenant.
- b. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
- c. We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ADDITIONAL INSURED – BUILDING OWNER**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY**SCHEDULE**

Premises Number:		Building Number:	
Building Description:			
Building Owner Name:			
Building Owner Address:			
Premises Number:		Building Number:	
Building Description:			
Building Owner Name:			
Building Owner Address:			
Premises Number:		Building Number:	
Building Description:			
Building Owner Name:			
Building Owner Address:			
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

The building owner identified in this endorsement is a Named Insured, but only with respect to the coverage provided under this Coverage Part or Policy for direct physical loss or damage to the building(s) described in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHOOL FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

A. Additional Covered Cause Of Loss

The following is added to the Covered Causes Of Loss:

Flood, meaning a general and temporary condition of partial or complete inundation of normally dry land areas due to:

1. The overflow of inland or tidal waters; or
2. The unusual or rapid accumulation or runoff of surface waters from any source.

All flooding in a continuous or protracted event will constitute a single flood.

B. Exclusions, Limitations And Related Provisions

1. The Exclusions And Limitations section of the Building And Personal Property Coverage Form apply to coverage provided under this endorsement except as provided in **B.2.** and **B.3.** below.
2. To the extent that a part of the Water Exclusion might conflict with coverage provided under this endorsement, that part of the Water Exclusion does not apply.
3. To the extent that a tsunami causes the overflow of tidal waters, the exclusion of earthquake, in the Earth Movement Exclusion, does not apply.
4. The following exclusions and limitations are added and apply to coverage under this endorsement:
 - a. We will not pay for any loss or damage caused by or resulting from any Flood that begins before or within 72 hours after the inception date of this endorsement.

If the Flood is due to the overflow of inland or tidal waters, then the Flood is considered to begin when the water first overflows its banks.

- b. We will not pay for loss or damage caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.
- c. As set forth under Property Not Covered in the Coverage Form to which this endorsement is attached, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from Flood.

- d. We do not cover loss or damage by Flood to personal property in the open.

- e. Property Not Covered, in the Coverage Form to which this endorsement is attached, is amended and supplemented as follows with respect to Flood Coverage:

- (1) Property Not Covered includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
- (2) Property Not Covered includes seawalls, bridges, or other structures located in, on, over, or partially over water.
- (3) Property Not Covered includes any property scheduled on School Flood Excluded Property CP7123.21.
- (4) If bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building, have been removed from Property Not Covered and added as Covered Property by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

- f. We will not pay for loss or damage caused by sewer back-up or overflow.

C. Additional Coverages And Coverage Extensions

1. With respect to Flood Coverage, the Debris Removal Additional Coverage (and any additional limit for Debris Removal under a Limit Of Insurance clause or an endorsement) is not applicable and is replaced by the following:

DEBRIS REMOVAL

- a. We will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from Flood. However, we will not pay to remove deposits of mud or earth from the grounds of the described premises.
- b. We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the described premises by Flood.

c. This coverage for Debris Removal, as set forth in **C.1.a.** and **C.1.b.** above, does not increase the applicable Limit of Insurance for Flood. Therefore, the most we will pay for the total of debris removal and loss or damage to Covered Property is the Limit of Insurance for Flood that applies to the Covered Property at the affected described premises covered under this endorsement.

2. With respect to Flood Coverage, the following Coverage Extensions do not apply:

a. **A.5.a.**, Newly Acquired or Constructed Property;

b. **A.5.k.** Building Foundations and Pilings.

3. With respect to any applicable Additional Coverages and Coverage Extensions in the Coverage Form to which this endorsement is attached, other than those addressed in **C.1.** and **C.2.** above, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for Flood.

D. Coinsurance

The Coinsurance Additional Condition does not apply to this endorsement.

E. Limit Of Insurance

1. General Information

The Limit of Insurance for Flood is **\$150,000**.

The Limit of Insurance for Flood is the maximum we will pay for any one occurrence, of Flood for loss or damage, both direct and indirect, including property damage and Business Income And Extra Expense.

2. Annual Aggregate Limit

The Limit of Insurance for Flood is an Annual Aggregate and as such is the most we will pay for the total of all loss or damage, both direct and indirect, including property damage and Business Income And Extra Expense, that is caused by Flood in a 12-month period (starting with the beginning of the present annual policy period), even if there is more than one occurrence of Flood during that period of time regardless of the number of locations or buildings involved. Thus, if the first Flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit is available for a subsequent Flood(s).

If a single occurrence of Flood begins during one annual policy period and ends during the following annual policy period, any Limit of Insurance applicable to the following annual policy period will **not** apply to that Flood.

3. Ensuing Loss

In the event of covered ensuing loss, for example, loss caused by Fire, Explosion and/or Sprinkler Leakage which results from the Flood, the most we will pay, for the total of all loss or damage caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to Fire. We will **not** pay the sum of the Fire and Flood Limits.

F. Deductible

The Deductible provision in the Building And Personal Property Coverage Form is replaced by the following with respect to Flood:

1. The Deductible provisions apply to each Flood.
2. The Deductible for coverage provided under this endorsement is \$5,000 or the Deductible applicable to Fire, whichever is greater.
3. We will not pay for loss or damage until the amount of loss or damage exceeds the Deductible. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance. We will not, under any circumstances, pay more than the applicable Limit of Insurance for Flood as stated in **E.** above.
4. We will not pay that part of the loss that is attributable to any Deductible(s) in the **National Flood Insurance Program** policy.
5. If Flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause loss or damage, then only the higher deductible applies (e.g., the Flood deductible or the Fire deductible).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHOOL EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

A. Additional Covered Causes Of Loss

The following are added to the Covered Causes of Loss:

1. Earthquake;
2. Sprinkler Leakage resulting from Earthquake;
3. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano; and
4. Sprinkler Leakage resulting from Volcanic Eruption. Volcanic Eruption means the eruption, explosion or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period.

B. Exclusions, Limitations And Related Provisions

1. The Exclusions And Limitations section of the Building and Personal Property Coverage Form applies to coverage provided under this endorsement, except as provided in **B.2.** and **B.3.** below.
2. To the extent that the Earth Movement Exclusion might conflict with coverage provided under this endorsement, the Earth Movement Exclusion does not apply.
3. The exclusion of collapse in the Building and Personal Property Coverage Form does not apply to collapse caused by Earthquake or Volcanic Eruption.
4. The Additional Coverage – Collapse in the Building and Personal Property Coverage Form does not apply to the coverage provided under this endorsement. This endorsement includes coverage for collapse caused by Earthquake or Volcanic Eruption.
5. We will not pay for loss or damage caused directly or indirectly by any of the following:
 - a. Flood, surface water, mudslide or mud flow, waves, tidal water, tidal wave or tsunami, overflow of streams or other bodies of water, or other spray, all even if attributable to an Earthquake or Volcanic Eruption or whether driven by wind; or

- b. Release of water impounded by a dam, regardless of cause.

6. We will not pay for loss or damage caused by or resulting from any Earthquake or Volcanic Eruption that begins before the inception of this insurance.
7. We will not pay for loss of or damage to exterior masonry veneer (including stucco) caused by or resulting from Earthquake or Volcanic Eruption. The value of such veneer will not be included in the value of Covered Property or the amount of loss when applying the Property Damage Deductible applicable to this endorsement.
8. As set forth under Property Not Covered in the Coverage Form to which this endorsement is attached, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land.
9. We will not pay for loss or damage to:
 - a. Property at any location covered under Coverage Extension **5.a.**, Newly Acquired Or Constructed Property, in the Building and Personal Property Coverage Form; or
 - b. Property in transit.

C. No Coinsurance

The Coinsurance Condition in this policy, if any, does not apply to the coverage provided under this endorsement.

D. Limit Of Insurance

1. General Information

The term Limit of Insurance means the Limit of Insurance applicable to Earthquake – Volcanic Eruption for the Covered Property or Coverage under which loss or damage is sustained.

The Limit of Insurance applicable to Covered Property and Coverages for Earthquake – Volcanic Eruption is **\$150,000**.

The Limit of Insurance is the maximum we will pay for any one occurrence, both direct and indirect, including property damage and Business Income And Extra Expense.

2. Annual Aggregate Limit

The Limit of Insurance for Earthquake – Volcanic Eruption is an annual aggregate limit and as such is the most we will pay for the total of all loss or damage, both direct and indirect, including property damage and Business Income And Extra Expense, that is caused by Earthquake or Volcanic Eruption in a 12-month period (starting with the beginning of the present annual policy period), even if there is more than one Earthquake or Volcanic Eruption during that period of time regardless of the number of locations or buildings involved. Thus, if the first Earthquake or Volcanic Eruption does not exhaust the Limit of Insurance, then the balance of that Limit is available for a subsequent Earthquake(s) or Volcanic Eruption(s).

If a single Earthquake or Volcanic Eruption (as defined in Section **A.** of this endorsement) begins during one annual policy period and ends during the following annual policy period, any Limit of Insurance applicable to the following annual policy period will **not** apply to such Earthquake or Volcanic Eruption.

3. Additional Coverages And Coverage Extensions

Amounts payable under an Additional Coverage or Coverage Extension, as set forth in the applicable Coverage Form, do not increase the Limit of Insurance for Earthquake – Volcanic Eruption.

4. Ensuing Loss

If a Cause of Loss (such as fire) is covered by means of an exception to the Earth Movement Exclusion, in the Building and Personal Property Coverage Form, we will also pay for the loss or damage caused by that other Covered Cause of Loss. But, the most we will pay, for the total of all loss or damage caused by the Earthquake or Volcanic Eruption and other Covered Cause of Loss, is the Limit of Insurance applicable to such other Covered Cause of Loss. We will **not** pay the sum of the two Limits.

E. Property Damage Deductible

The Deductible provision in the Building and Personal Property Coverage Form is replaced by the following with respect to Earthquake and Volcanic Eruption:

1. The Deductible provisions apply to each Earthquake or Volcanic Eruption.
2. We will not pay for loss or damage until the amount of loss or damage exceeds \$5,000. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.
3. If there is loss or damage caused by Earthquake or Volcanic Eruption, and loss or damage caused by a Cause of Loss (e.g., fire) that is covered by means of an exception to the Earth Movement Exclusion, then the only applicable Deductible provisions are those stated in this endorsement.

F. Business Income And Extra Expense Period Of Restoration

This Section **F.**, is applicable only to Additional Coverage **4.i.** in the Building And Personal Property Coverage Form.

The "period of restoration" definition stated in the Building and Personal Property Coverage Form, or in any endorsement amending the beginning of the "period of restoration", applies to each Earthquake or Volcanic Eruption. A single Earthquake or Volcanic Eruption is defined in Section **A.** of this endorsement.

QUICK REFERENCE
SCHOOL PROPERTY COVERAGE PART
READ YOUR POLICY CAREFULLY

DECLARATIONS PAGE

Named Insured and Mailing Address
Policy Period
Business Description
Description of Premises
Coverages Provided, Limits of Insurance, Covered Causes of Loss and Coinsurance
Optional Coverages
Special Interests
Deductibles
Forms Applicable

**SCHOOL BUILDING AND PERSONAL PROPERTY
COVERAGE FORM – CP7123**

Beginning
on Page

A. Coverage	1
B. Exclusions and Limitations	14
C. Limits of Insurance	20
D. Deductible	20
E. Loss Conditions	20
F. Additional Conditions	24
G. Optional Coverages	26
H. Definitions	26

COMMERCIAL PROPERTY CONDITIONS – CP0090

- A. Concealment, Misrepresentation and Fraud
- B. Control of Property
- C. Insurance Under Two or More Coverages
- D. Legal Action Against Us
- E. Liberalization
- F. No Benefit to Bailee
- G. Other Insurance
- H. Policy Period, Coverage Territory
- I. Transfer of Your Rights of Recovery Against Others to Us

COMMON POLICY CONDITIONS – IL0017

- A. Cancellation
- B. Changes
- C. Examination of Your Books and Records
- D. Inspections and Surveys
- E. Premiums
- F. Transfer of Your Rights and Duties Under This Policy

ENDORSEMENTS OR OPTIONAL COVERAGE FORMS (If Any)

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

SCHOOLS

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

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

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

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.**, Property Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;
 - (b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises, used for making additions, alterations or repairs to the building or structure;
 - (c) Synthetic athletic tracks or surfaces.

- (6) Signs and fences, whether or not they are attached to covered buildings, or structures.

However, if not attached to buildings or structures, they must be within 1,000 feet of the described premises.

b. Your Business Personal Property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises, consisting of the following unless otherwise specified in the Declarations:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities. All except as provided in the Coverage Extensions;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;all except as provided in the Coverage Extensions;
- h. Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks, all except as provided in the Coverage Extensions;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building, except as provided in the Coverage Extensions;
- m. Electronic data, except as provided under the Additional Coverages – Electronic Data And Interruption Of Computer Operations. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices

or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph m., does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the buildings elevator, lighting, heating, ventilation, air conditioning or security system:

- n. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- o. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.This paragraph does not apply to:
 - (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
 - (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
 - (c) Rowboats or canoes out of water at the described premises; or
 - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers;
- p. The following property while outside of buildings:
 - (1) Grain, hay, straw or other crops;
 - (2) Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or part of a vegetated roof), all except as provided in the Coverage Extensions.
- q. Paintings, etchings, pictures, tapestries, art glass windows and other bona fide works of art rarity, historical value or artistic merit, all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

Covered Causes Of Loss means direct physical loss unless the loss is excluded or limited in Section B. Exclusions and Limitations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or 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 of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
 - (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
 - (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
 - (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
 - (e) Remove deposits of mud or earth from the grounds of the described premises;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
 - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has

sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.

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

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

Therefore, if (4)(a) and/or (4)(b) applies, 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.

b. Preservation Of Property

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

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

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$50,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number or responding fire departments or fire units, and regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

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

No Deductible applies to this Additional Coverage.

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$100,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Ordinance Or Law

- (1) If there is an Ordinance or Law in effect at the time of loss that regulates zoning, land use or construction of a building, and if that law affects the repair or rebuilding of the lost or damaged building, and if you:

- (a) have repaired or rebuilt the building as soon as reasonably possible we will pay:
 - (i) for the loss of the damaged and undamaged portion of the building;
 - (ii) the cost to demolish and clear the site of the damaged and undamaged portions of the building; and
 - (iii) if the Replacement Cost Additional Coverage applies, the increased cost to repair or rebuild a building intended for similar occupancy and of the same general size as the current property;
- (b) do not repair, rebuild or replace the building, we will pay:
 - (i) the actual value of the damaged and undamaged portions of the building; and

- (ii) the cost to demolish and clear the site of the damaged and undamaged portions of the building

- (2) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:

- (a) You were required to comply with before the loss, even when the building was undamaged; and
- (b) You failed to comply with.

- (3) Under this Additional Coverage, we will not pay for:

- (a) The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
- (b) Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

- (4) This Additional Coverage is not subject to the terms of the Ordinance or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

- (5) The costs addressed in the Loss Payment and Valuation Conditions, and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of an ordinance or law. The amount payable under this Additional Coverage is not subject to such limitation.

- (6) This Additional Coverage, Ordinance Or Law, will not increase the Limits Of Insurance provided in this policy.

f. Electronic Data And Interruption Of Computer Operations

- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered – Electronic Data. This Additional Coverage does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilations, air conditioning or security system.

- (2) Subject to the provisions of this Additional Coverage:
 - (a) We will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
 - (b) You may extend the insurance that applies to Additional Coverage i., Business Income And Extra Expense, to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss.
 - (3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage – Electronic Data And Interruption Of Computer Operations, subject to the following:
 - (a) Coverage under this Additional Coverage – Electronic Data And Interruption Of Computer Operations is limited to the "specified causes of loss" as defined in Section H., Definitions, and Collapse as set forth in Additional Coverage g., Collapse.
 - (b) If the Coverage Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage – Electronic Data And Interruption Of Computer Operations.
 - (c) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.
 - (4) The most we will pay under this Additional Coverage – Electronic Data And Interruption Of Computer Operations is \$100,000 for all loss or damage sustained and expense incurred in any one policy year, regardless of the number of occurrences of loss or damage, the number of interruptions, or the number of premises, locations or computer systems involved. If loss payment on the first occurrence or interruption does not exhaust this amount, then the balance is available for subsequent loss or damage sustained or expense incurred in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to an occurrence or interruption which begins in one policy year and continues or results in additional loss, damage, or expense in a subsequent policy year(s), all loss, damage, or expense is deemed to be sustained or incurred in the policy year in which the occurrence or interruption began.
 - (5) This Additional Coverage – Electronic Data And Interruption Of Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.
- g. Collapse**
- The coverage provided under this Additional Coverage – Collapse, applies only to an abrupt collapse as described and limited in **g.(1)** through **g.(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:

(i) A cause of loss listed in (2)(a) or (2)(b);

(ii) One or more of the "specified causes of loss";

(iii) Breakage of building glass;

(iv) Weight of people or personal property; or

(v) 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) Piers, wharves and docks;

(f) Beach or diving platforms or appurtenances;

(g) Retaining walls; and

(h) 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:

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

(ii) 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 was of personal property 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) above, 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.

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

(6) This Additional Coverage – Collapse does not apply to personal property that has 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 g.(1) through g.(7).

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

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

a. A "specified cause of loss" other than fire or lightning; or

b. Flood, if the Flood Coverage Endorsement or School 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 h.(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 continues to be present or active, or recurs, in a later policy period.

(4) The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "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 causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

(5) The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph 5.g. (Water Damage, Other Liquids, Powder Or Molten Material Damage) or under the Additional Coverage Collapse.

(6) The following, (6)(a) or (6)(b), applies only to Business Income Coverage, 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 Coverage, and/or Extra Expense Coverage Form or Additional Coverage i., Business Income And Extra Expense.

(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.

i. Business Income And Extra Expense

(1) Business Income

Business Income means the:

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

We will pay for the actual loss of Business Income, including "Rental Value", you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.

With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of such premises.

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

- (a) The portion of the building which you rent, lease or occupy; and
- (b) 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) Extended Business Income

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you sustain during the school term following the date the property is actually repaired, rebuilt or replaced, if that date is 90 days or less before the scheduled opening of the next school term.

(3) Extra Expense

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

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

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

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

(4) Limitation – Interruption Of Computer Operations

- (a) Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under Additional Coverage f., Electronic Data And Interruption Of Computer Operations.
- (b) Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under Additional Coverage f., Electronic Data And Interruption Of Computer Operations.
- (c) Electronic data has the meaning described under Property Not Covered – Electronic Data.

- (5) The most we will pay for loss under this Additional Coverage is \$2,000,000 for Business Income and Extra Expense combined for each occurrence.

j. Sewer Backup

We will pay up to \$100,000 per occurrence for loss or damage caused directly or indirectly by water or waterborne material that backs up from a sewer, drain, sump, sump pump or related equipment. Such loss or damage is excluded, however, if any other cause or event that is not a Covered Cause of Loss contributes concurrently or in any sequence.

There is no coverage under this Additional Coverage if such backup is induced by flood or flood-related conditions. Flood includes surface water, waves, (including tidal wave and tsunami), tides, tidal water, and overflow of any body of water, including storm surge.

For the purpose of this Additional Coverage, the term drain includes a roof drain and related fixtures.

k. Fire-Extinguishing System Recharge

We will pay the cost to recharge your approved, industry standard fire-extinguishing system, including portable fire extinguishers, if discharged accidentally or to fight a fire, but we will not pay for any loss that occurs at the time of installation, repair or recharge of the system.

No deductible is applicable to this Additional Coverage.

I. Spoilage

- (1) This policy is extended to cover "perishable stock" at the described premises owned by you or by others that is in your care, custody or control.
- (2) For the purpose of this Additional Coverage only, Covered Causes of Loss means:
 - (a) Breakdown or Contamination, meaning:
 - (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; and
 - (ii) Contamination by the refrigerant.
 - (b) Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption or surge of electrical power, either on or off the described premises, due to conditions beyond your control.
- (3) For the purpose of this Additional Coverage only, the following Exclusions are added:

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 inability of an Electrical Utility Company or other power source to provide sufficient power due to:
 - (i) Lack of fuel; or
 - (ii) Governmental order.
 - (c) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
 - (d) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.
- (4) The most we will pay under this Additional Coverage is \$50,000 per occurrence.

m. Arson Rewards

We will pay for rewards given to any person or persons, other than you, your officers, your employees or your active members, for information leading to an arson conviction in connection with a fire loss to the described premises.

The most we will pay under this Additional Coverage is \$25,000 per fire loss. This is the most we will pay regardless of the number of persons who provided information.

No deductible is applicable to this Additional Coverage.

n. Cost Of Taking Inventory

If a Covered Cause of Loss occurs to Covered Property, we will reimburse you for your expense to take inventories, obtain appraisals, and prepare a statement of loss and supporting documents to prove the amount of the loss.

We will not pay for expenses or fees you incur from public insurance adjusters or for expenses related to claims not covered by this policy.

The most we will pay under this Additional Coverage is \$50,000.

o. Legal Liability

- (1) We will pay those sums that you become legally obligated to pay as damages because of direct physical loss or damage, including loss of use, to Covered Property caused by accident and arising out of any Covered Cause of Loss. We will have the right and duty to defend any "suit" seeking those damages. However, we have no duty to defend you against a "suit" seeking damages for direct physical loss or damage to which this insurance does not apply. We may investigate and settle any claim or "suit" at our discretion. But:
 - (a) The amount we will pay for damages is limited to \$250,000 as a result of any one accident;
 - (b) Our right and duty to defend ends when we have used up the \$250,000 in the payment of judgments or settlements.
- (2) Covered Property, as respects the Legal Liability Additional Coverage only, means buildings and personal property of others for which you are legally liable at premises which you are renting, leasing, borrowing or otherwise occupying, and only if you are not required to insure the premises on a property insurance form.
- (3) We will pay, with respect to any claim or any "suit" against you that we defend:
 - (a) All expenses we incur;
 - (b) The cost of bonds to release attachments, but only for bond amounts within our Limit of Insurance. We do not have to furnish these bonds;

- (c) All reasonable expenses incurred by you at our request, including actual loss of earnings up to \$250 a day because of time off from work;
- (d) All costs taxed against you in the "suit";
- (e) Prejudgment interest awarded against you on that part of the judgment we pay. If we make an offer to pay the Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer; and
- (f) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within our \$250,000 Limit of Insurance.

These payments will not reduce the applicable Limit of Insurance.

- (4) The deductible provisions of this policy do not apply to this Additional Coverage.

p. Utility Services

(1) Direct Damage

We will pay for loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the property described in (4) below.

(2) Time Element

Your coverage for Business Income and/or Extra Expense, as provided and limited in Additional Coverage I., Business Income And Extra Expense, is extended to apply to a "suspension" of "operations" at the described premises caused by an interruption in utility service to that premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the property described in (4) below.

The Coinsurance Additional Condition does not apply to this Additional Coverage, Utility Services – Time Element.

(3) Exception

This Additional Coverage does not apply to loss or damage to electronic data, including destruction or corruption of electronic data, or to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning described under Property Not Covered – Electronic Data.

(4) Utility Supply Services

- (a) Water Supply Property, meaning the following types of property supplying water to the described premises:

- (i) Pumping stations; and

- (ii) Water mains.

- (iii) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the described premises, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

Coverage under this Additional Coverage does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.

- (b) Communication Supply Property, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (i) Communication transmission lines, including optic fiber transmission lines;

- (ii) Coaxial cables; and

- (iii) Microwave radio relays except satellites.

Communication Supply Services includes overhead transmission lines.

- (c) Power Supply Properties, meaning the following types of property supplying electricity, steam or gas to the described premises:

- (i) Utility generating plants;

- (ii) Switching stations;

- (iii) Substations;

- (iv) Transformers; and

- (v) Transmission lines.

Power Supply Services includes overhead transmission lines.

(d) 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.

(5) The most we will pay for loss or damage under this Additional Coverage Utility Services – Direct Damage or Time Element or any combination is \$100,000 for any one occurrence, unless a higher limit for either Direct Damage or Time Element or Both limit(s) are shown in the Declarations.

This will not increase the Limits of Insurance provided by this policy.

q. Changes Or Extremes In Temperature Or Humidity

We will pay up to \$25,000 for loss to Covered Property caused or made worse by changes or extremes in temperature or humidity.

r. Lock Replacement And Rekeying

We will pay the necessary expenses you incur to replace locks resulting from theft or copying of keys or any other legitimate security concern.

This insurance does not apply to loss caused by:

- (1) Vandalism; or
- (2) Wear and tear.

The most we will pay under this Additional Coverage during each policy period is \$25,000.

Lock replacement coverage is not subject to a deductible.

s. Unreported Buildings and Structures

(1) We will pay for direct physical loss of or damage to “unreported buildings and structures” caused by or resulting from a Covered Cause of Loss.

(2) The most we will pay under this Additional Coverage is the greater of \$50,000, or the amount shown in the Declarations, for any one occurrence, regardless of the number of “unreported buildings and structures” involved.

(3) The **Coinsurance** Additional Condition does not apply to this Additional Coverage.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

If a Coinsurance percentage of 80% or more or, a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$2,000,000 at each building.

(2) Your Business Personal Property

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

- (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
- (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$2,000,000 at each building.

(b) This Extension does not apply to:

- (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Newly Acquired Locations

(a) You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.

(b) The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$500,000 at each location, unless a higher limit is shown in the Declarations.

(4) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 120 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$100,000 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records, including valuable papers and records while in transit between described premises, for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered – Electronic Data.
- (2) Coverage under this Extension is limited to the "specified causes of loss" as defined in Section H., Definitions, and Collapse as set forth in Additional Coverage g., Collapse.
- (3) Under this Extension, the most we will pay to replace or restore the lost information is \$500,000 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and

(when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

d. Property Off-premises And In Transit

- (1) You may extend the insurance provided by this Coverage Form to apply to:
 - (a) your Covered Property; and
 - (b) Personal Property of Others that is in your care, custody, and control, while it is away from the described premises, if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term;
 - (c) At any fair, trade show or exhibition; or
 - (d) In transit.
 - (e) Temporarily being used to service or maintain an unscheduled location you own, lease or operate.
- (2) Coverage under this Extension is subject to the deductible shown in the Commercial Property Schedule for Property Off-premises And In Transit.
- (3) The most we will pay for loss or damage under this Extension is the amount shown in the Commercial Property Schedule for Property Off-Premises and in Transit.

This Extension also applies to, but not limited to, athletic equipment, uniforms, musical instruments and portable computers.

Portable computers means:

- a. Laptops, palmtops, notebook PCs;
- b. Other portable computer devices; and
- c. Accessories including, but not limited to, multimedia projectors.

Portable computers does not mean electronic data and media.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your radio and television antennas (including satellite dishes), and their lead-in wiring, masts, or towers, trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Windstorm;
- (4) Explosion;
- (5) Riot or Civil Commotion; or
- (6) Aircraft.

The most we will pay for loss or damage under this Extension is \$500,000, but not more than \$1,000 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

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

f. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
 - (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
 - (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$15,000.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. 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.

h. Accounts Receivable

You may extend the insurance that applies to Your Business Personal Property to cover the following loss and expenses that are the direct result of loss or damage by a Covered Cause of Loss to accounts receivable records:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- (4) Other reasonable expenses that you incur to re-establish your records of accounts receivable.

The most we will pay under this Extension is \$250,000 at each described premises.

i. Money and Securities

- (1) We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, while at the described premises, or in transit between these places, or in the custody of a person you have authorized to have custody of the "money" or "securities, resulting directly from:
 - (a) Theft, meaning any act of stealing;
 - (b) Disappearance; or
 - (c) Destruction.
- (2) In addition to the Limitations and Exclusions, we will not pay for loss:
 - (a) Resulting from accounting or arithmetical errors or omissions;
 - (b) Due to the giving or surrendering of property in any exchange or purchase; or
 - (c) Of property contained in any "money" operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

- (3) All loss:
 - (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;
 is considered one occurrence.
- (4) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- (5) In the event of loss or damage we will determine the value as follows:
 - (a) Money at its face value; and
 - (b) Securities at their value at the close of business on the day the loss is discovered.
- (6) The most we will pay under this Extension for loss in any one occurrence is \$10,000.

j. Fine Arts

You may extend the insurance that applies to Covered Property to cover loss or damage caused by a Covered Cause of Loss to your fine arts or fine arts of others in your care, custody, or control. For the purpose of this Extension fine arts means paintings, etchings, pictures, tapestries, statuary, marbles, bronzes, porcelains, art glass windows and other bona fide works of art, rarity, historical value or artistic merit. This Extension is subject to the following:

- (1) The value of fine arts will be determined at market value at the time of loss or damage;
- (2) In case of loss or damage to a pair or set, we will pay you the full value of the pair or set, and you agree to surrender the remaining article(s) of the pair or set to us;
- (3) The most we will pay under this Extension is \$100,000 per occurrence regardless of the number of locations insured.

k. Building Foundations and Pilings

You may extend the insurance that applies to Building to apply to:

- (1) Foundations of covered buildings, structures, machinery, or boilers if their foundations are below:
 - (a) the lowest basement floor; or
 - (b) the surface of the ground, if there is no basement;
- (2) Pilings, piers, wharves, docks or retaining walls.

The most we will pay for loss or damage under this Extension is 10% of the Limit of Insurance shown in the Declarations for covered property, but not more than \$1,000,000. This limit applies to any one occurrence, regardless of the types or number of items damaged in that occurrence.

l. Underground Fiber Optic Cable

You may extend the insurance provided by this Coverage Form to apply to underground fiber optic cable that is either:

- (1) Owned by you; or
- (2) Leased by you from others under a contract that requires you to obtain insurance against property damage.

A \$2,500 per occurrence deductible applies to coverage under this Extension.

m. Appurtenant Buildings And Structures

- (1) You may extend the insurance that applies to Building to apply to direct physical loss or damage by a covered Cause of Loss to unscheduled incidental appurtenant buildings or structures which are at described premises where Building coverage applies.
- (2) Incidental appurtenant buildings or structures include, but are not limited to storage buildings, garages, pump houses, and above ground tanks. But incidental appurtenant buildings or structures does not include:
 - (a) Outdoor signs, whether or not attached to a building;
 - (b) Any property covered under the **Outdoor Property** Coverage Extension; or
 - (c) Any property excluded under the provisions of **Property Not Covered** in the **Coverage** section.
- (3) The most we will pay for loss or damage in any one occurrence under this Coverage Extension is \$100,000.

n. Expediting Expenses

We will pay reasonable expenses necessary to expedite permanent repairs or replacement and make temporary repairs when a Covered Cause of Loss results in direct physical loss or damage to Covered Property. Expediting expenses include additional labor or overtime, and transportation costs.

The most we will pay for all expediting expenses in any one occurrence is \$50,000.

o. Glass Expenses

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

This Extension does not increase the Limit of Insurance.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

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 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.

This exclusion does not apply:

- (1) To the extent that limited coverage is provided in the Additional Coverage – Ordinance Or Law.

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.

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 the 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.

This exclusion does not apply:

- (1) To the extent that limited coverage is provided in the Additional Coverage – Utility Services – Direct Damage.

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, except as may be provided by Additional Coverage j., Sewer Backup; or
- (4) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings; 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 g.(1) through g.(5) is caused by an act of nature or 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 water.

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

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 results 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 results 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 by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

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

This exclusion does not apply to acts of destruction by your employees (including leased employees); but theft by employees (including leased employees) 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 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.
- i. 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. Regardless of any coverage granted elsewhere by this form, we will not pay for any loss or expense resulting from:
- a. asbestos material removal unless the asbestos is itself damaged by fire, lightning, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm or hail, vandalism, malicious mischief, or leakage or accidental discharge from automatic fire protective systems.
 - b. demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law in ordinance regulating asbestos material.
 - c. any governmental direction or request declaring that asbestos material present in, part of, or utilized on any undamaged portion of the insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.

The total amount recoverable for both loss to property and asbestos removal expense under this section shall be a part of and not in addition to the Limits of Insurance.

4. We will not pay for loss or damage caused by or resulting from any of the following, 4.a. through 4.c. But if an excluded cause of loss that is listed in 4.a. through 4.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 B.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.

5. 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) Entering through openings made by a Covered Cause of Loss; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
 - d. 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.
 - e. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
 - f. 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 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.
6. 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. 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 1,000 feet of the described premises; or
- (2) To Business Income Coverage and/or Extra Expense Coverage or Additional Coverage i., Business Income And Extra Expense.

7. 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:

- a.** \$2,500 for furs, fur garments and garments trimmed with fur.
- b.** \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals.

This limit does not apply to jewelry and watches worth \$100 or less per item.

- c.** \$2,500 for patterns, dies, molds and forms.
- d.** \$250 for stamps, tickets, 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, **B.7.**, does not apply to Business Income Coverage or Extra Expense Coverage or Additional Coverage i., Business Income And Extra Expense.

8. 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 Extra Expense Coverage or Additional Coverage i., Business Income And Extra Expense.

9. Special Exclusions

a. The following provisions apply only to Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Extra Expense Coverage Form or Additional Coverage i., Business Income And Extra Expense.

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. The following provisions apply only to Coverage Extension **h.**, Accounts Receivable.

(1) The only Section **B.** Exclusions that apply are the following:

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

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

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

(d) Paragraph **B.2.h.**, Dishonest or Criminal Acts;

(e) Paragraph **B.2.i.**, Voluntary Parting; and

(f) Paragraph **B.4.**

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

- (a) 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;
- (b) Bookkeeping, accounting or billing errors or omissions;
- (c) Unauthorized instructions to transfer property to any person or place; or
- (d) Electrical or magnetic injury, disturbance or erasure of electronic recordings, but we will pay for direct loss or damage caused by lightning.

- (3) We will not pay for loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

c. Legal Liability Additional Coverage

- (1) The following exclusions do not apply to Additional Coverage o., Legal Liability:
 - (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 Additional Coverage o., Legal Liability:

(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.

10. 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. Limits Of Insurance

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

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage:

- 1. Fire Department Service Charge;
- 2. Pollutant Clean-up and Removal;
- 3. Electronic Data and Interruption Of Computer Operations.

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

D. Deductible

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

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

If a loss covered under this Coverage Form also involves a loss covered under an Inland Marine Coverage Form or the Physical Damage Section of a Business Auto Coverage Form issued to "you" by "us" for the same occurrence, then the most we will deduct for any single loss occurrence will be the single largest applicable deductible. This provision does not apply to Property Off-Premises And In Transit Coverage Extension, Underground Fiber Optic Cable Coverage Extension or Extra Expense.

A separate deductible applies to Property Off-premises And In Transit Coverage Extension and is shown in the Commercial Property Schedule.

A separate deductible applies to the Underground Fiber Optic Cable Coverage Extension and is shown in the Coverage Extension.

No deductible applies to the Extra Expense Additional Coverage.

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions. The following conditions, 1. through 7., do not apply to Additional Coverage o., Legal Liability. Instead, the Legal Liability Loss Conditions in paragraph E.8. apply to Additional Coverage o., Legal Liability.

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

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

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

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

3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered

Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

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

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

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

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

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

- (9) If you intend to continue your business you must resume all or part of your "operations" as quickly as possible.

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

4. Loss Payment

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

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

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.
- h. The following applies to losses covered under Coverage Extension h., Accounts Receivable.
 - (1) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, the following method will be used:
 - (a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
 - (b) Adjust the 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, however 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.

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

5. Recovered Property

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

6. Vacancy

a. Description Of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:
 - (a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

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

- (i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
- (ii) Used by the building owner to conduct customary operations.

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

b. Vacancy Provisions

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

(1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:

- (a) Vandalism;
- (b) Sprinkler leakage, unless you have protected the system against freezing;
- (c) Building glass breakage;
- (d) Water damage;
- (e) Theft; or
- (f) Attempted theft.

(2) With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

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

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

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

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

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

c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

d. Glass at the cost of replacement with safety-glazing material if required by law.

e. Tenants' Improvements and Betterments at:

(1) Actual cash value of the lost or damaged property if you make repairs promptly.

(2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

(a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

(b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

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

(3) Nothing if others pay for repairs or replacement.

8. Legal Liability Loss Conditions

As respects Additional Coverage **o.**, Legal Liability only, the following conditions apply in addition to the Commercial Property Conditions:

a. Duties In The Event Of Accident, Claim or "Suit"

(1) You must see to it that we are notified promptly of any accident that may result in a claim. Notice should include:

(a) How, when and where the accident took place; and

(b) The names and addresses of any witnesses.

Notice of this accident is not notice of a claim.

(2) If a claim is made or "suit" is brought against you, you must see to it that we receive prompt written notice of the claim or "suit".

(3) You must:

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

- (4)** You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

b. Legal Action Against Us

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

- (1)** To join us as a party or otherwise bring us into a "suit" asking for damages from you; or
- (2)** To sue us on this Coverage Form unless all of its terms have been fully complied with.

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

c. Other Insurance

You may have other insurance covering the same loss as the insurance under this Coverage Form. If you do, we will pay our share of the covered loss. Our share is the proportion that the Limit of Insurance under this Coverage Form covering such loss bears to the Limits of Insurance of all insurance covering the loss.

d. Transfer Of Rights Of Recovery Against Others To Us

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

9. Business Income And Extra Expense Loss Determination

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

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

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

- (1)** All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a)** The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b)** Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2)** Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

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

- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions. The following conditions, 1. and 2., do not apply to Additional Coverage **o.**, Legal Liability. Instead, the Legal Liability Additional Conditions in paragraph **F.3.** apply to Additional Coverage **o.**, Legal Liability.

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

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

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

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

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.

- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

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

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

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

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

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

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

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

3. Legal Liability Additional Conditions

As respects the Legal Liability Additional Coverage only, the following conditions apply in addition to the Common Policy Conditions.

a. Amendment Of Commercial Property Conditions

None of the Commercial Property Conditions apply to this Coverage Form, except:

- (1) Condition **A.**, Concealment, Misrepresentation or Fraud;
- (2) Condition **C.**, Insurance Under Two or More Coverages; and

(3) Condition E., Liberalization

b. Bankruptcy

Bankruptcy or insolvency of you or your estate will not relieve us of our obligations under this Coverage Form.

c. Policy Period, Coverage Territory

Under this Coverage Form:

- (1)** We will pay for loss or damage caused by an accident that occurs:
 - (a)** During the policy period shown in the Declarations; and
 - (b)** Within the coverage territory
- (2)** The coverage territory is:
 - (a)** The United States of America;
 - (b)** Puerto Rico; and
 - (c)** Canada.

d. Separation Of Insureds

The insurance under this Coverage Form applies separately to you and each additional insured, except with respect to the Limits of Insurance.

G. Optional Coverages

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

1. Agreed Value

- a.** The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.
- b.** The terms of this Optional Coverage apply only to loss or damage that occurs:
 - (1)** On or after the effective date of this Optional Coverage; and
 - (2)** Before the policy expiration date.

2. Inflation Guard

- a.** The Limit of Insurance for property to which this Optional Coverage applied will automatically increase by the annual percentage shown in the Declarations.
- b.** The amount of increase will be:
 - (1)** The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
 - (2)** The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times

- (3)** The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

3. Replacement Cost

- a.** Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition, of this Coverage Form.
- b.** This Optional Coverage does not apply to:
 - (1)** Contents of a residence;
 - (2)** Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
 - (3)** "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

- c.** You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d.** We will not pay on a replacement cost basis for any loss or damage:
 - (1)** Until the lost or damaged property is actually repaired or replaced; and
 - (2)** Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

- (3)** If the conditions in **d.(1)** and **d.(2)** above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and
- (4)** We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.
- e.** We will not pay more for loss or damage on a replacement cost basis than the least of **(1)**, **(2)** or **(3)**, subject to **f.** below:
 - (1)** The Limit of Insurance applicable to the lost or damaged property;
 - (2)** The cost to replace the lost or damaged property with other property;

- (a) Of comparable material and quality; and
- (b) Used for the same purpose; or
- (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

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

H. Definitions

1. "Finished Stock" means stock you have manufactured.

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

2. "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.
3. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
4. "Operations" means:
 - a. Your business activities occurring at the described premises; and
 - b. The tenantability of the described premises if coverage for "Rental Value" applies.
5. "Period of Restoration" means the period of time that:
 - a. Begins:
 - (1) 72 hours after the time of direct physical loss or damage for Business Income coverage; or
 - (2) Immediately after the time of direct physical loss or damage for Extra Expense coverage;
 caused by or resulting from any Covered Cause of Loss at the described premises; and
 - b. Ends on the earlier of:
 - (1) The day before the opening of the next "school term" following the date when, with reasonable speed and similar quality, the property at the described premises should be repaired, rebuilt or replaced; or
 - (2) The date when the "school term" is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

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

6. "Perishable stock" means personal property:
 - a. Maintained under controlled conditions for its preservation; and
 - b. Susceptible to loss or damage if the controlled conditions change.
7. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste including Polychlorinated Biphenyls. Waste includes materials to be recycled, reconditioned or reclaimed.
8. "Rental Value" means Business Income that consists of:
 - 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(s) but would otherwise be your obligations.
9. "School Term" means two consecutive semesters, or three consecutive trimesters, and the time period between them.
10. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
 but does not include "money".

11. "Specified causes of loss" means the following:

Fire; lightning; explosion; wind or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sinkhole collapse; volcanic action; falling object; 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.

(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 if:

- a.** The pipe is located off the described premises; and
- b.** The pipe 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; and
- c.** The breaking or cracking of the pipe is caused by wear and tear.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water or waterborne material 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 the breaking apart or cracking of a water or sewer pipe which is caused by wear and tear.

To the extent accidental discharge or leakage of water or waterborne material 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.

12. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

13. "Suit" includes an arbitration proceeding to which you must submit or submit with our consent.

14. "Suspension" means:

- a.** The slowdown or cessation of your business activities; or
- b.** That a part or all of the described premises is rendered untenable if coverage for "Rental Value" applies.

15. "Unreported Buildings and Structures", as respects the coverage provided under the Unreported Buildings Additional Coverage only, means an owned building or structure that has not been reported to us during the current policy term.

"Unreported Buildings" does not mean:

- a.** A building described in the Declarations;
- b.** A building under construction; or
- c.** A newly acquired or constructed building.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANNABIS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

- A.** When this endorsement is attached to the Standard Property Policy, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.
- B. Property Not Covered** is amended as follows:
"Cannabis" is added to **Property Not Covered**.
- C.** For the purpose of this endorsement, when Business Income (And Extra Expense) Coverage, Business Income (Without Extra Expense) Coverage and/or Extra Expense Coverage are being provided under this Policy, coverage under this Policy does not apply to that part of Business Income loss and/or Extra Expense incurred, due to a "suspension" of your "operations", which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis".
- D.** For the purpose of this endorsement, the following definition is added:
"Cannabis":
 - 1. Means:**
Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.
 - 2.** Paragraph **D.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:
 - a.** Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
 - b.** Any compound, by-product, extract, derivative, mixture or combination, such as:
 - (1)** Resin, oil or wax;
 - (2)** Hash or hemp; or
 - (3)** Infused liquid or edible cannabis; whether or not derived from any plant or part of any plant set forth in Paragraph **D.2.a.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF SYSTEM

This endorsement modifies insurance provided under the following:

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

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)

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

The provisions of the Builders Risk Coverage Form, Building and Personal Property Coverage Form, Condominium Commercial Unit-Owners Coverage Form and Standard Property Policy and all forms and endorsements attached thereto apply except as otherwise provided in this endorsement. All numbers and letters used to designate paragraphs in this endorsement are specific to this endorsement only. They do not reference paragraphs in the Commercial Coverage Parts.

- A.** The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.** and Roof Age (years):

Replacement Cost coverage (if otherwise applicable to such property) does not apply to the "roof system" if any of the damaged portion of the "roof system" is determined to be older than the Roof Age listed above or shown in the declarations as of the date on which the direct physical loss or damage occurred. Instead, we will determine the value of the "roof system" at actual cash value as of the time of loss or damage.

Agreed Value coverage (if otherwise applicable to such property) does not apply to the "roof system" if any of the damaged portion of the "roof system" is determined to be older than the Roof Age listed above or shown in the declarations as of the date on which the direct physical loss or damage occurred. Instead, we will determine the value of the "roof system" at actual cash value as of the time of loss or damage.

- B.** The following applies with respect to loss or damage by **wind and/or hail (including named storm)** to a building or structure identified in the Schedule as being subject to this Paragraph **B.**:

We will not pay for "cosmetic damage" to the "roof system" caused by wind and/or hail.

- C.** Definitions applicable to this endorsement:

1. "Cosmetic Damage" means marring, pitting or other damage that altered the appearance of the "roof system". However, such damage does not prevent the "roof system" from continuing to function as a barrier to entrance of the elements to the same extent as prior to the wind and/or hail occurrence.

2. "Roof System" means a system of roofing material designed to provide weather protection consisting of a roof covering and roof deck or a single component serving as both the roof covering and roof deck. "Roof system" also includes, but not limited to coating, underlayment, thermal barrier, insulation or vapor retarder, and all roof, wall and parapet wall flashings, architectural roof features and all rooftop, vents, pipes, air conditioning systems, solar panels, skylights, transom windows and light tubes, including their frames, casings and trim.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE (INCLUDING ELECTRONIC CIRCUITRY IMPAIRMENT)

The following is added to the applicable Causes of Loss Form or Coverage Form:

A. Additional Coverage – Equipment Breakdown

1. The term Covered Cause of Loss includes the Additional Coverage – Equipment Breakdown as described and limited below. Without an “accident” or “electronic circuitry impairment”, there is no Equipment Breakdown Coverage.
 - a. We will pay for direct physical damage to Covered Property that is the direct result of an “accident” or “electronic circuitry impairment”. We will consider “electronic circuitry impairment” to be physical damage to “covered equipment”.
 - b. Unless otherwise shown in a “Schedule”, the following coverages also apply to the direct result of an “accident” or “electronic circuitry impairment”. However, with respect to coverage **A.1.b.(4)** Service Interruption below and any Dependent Properties coverage provided by this coverage part, coverage will apply only to the direct result of an “accident” and will not apply to the direct result of an “electronic circuitry impairment”. These coverages do not provide additional amounts of insurance.

(1) Expediting Expenses

With respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (a) Make temporary repairs; and
- (b) Expedite permanent repairs or permanent replacement.

The most we will pay for loss or expense under this coverage is \$100,000 unless otherwise shown in a “Schedule”.

(2) Hazardous Substances

We will pay for the additional cost to repair or replace Covered Property because of contamination by a “hazardous substance”. This includes the additional expenses to clean up or dispose of such property.

This does not include contamination of “perishable stock” by refrigerant, including but not limited to ammonia, which is addressed in **A.1.b.(3)(b)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment

Breakdown Coverage had no “hazardous substance” been involved.

The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain, necessary Extra Expense you incur, if shown as covered, is \$100,000 unless otherwise shown in a “Schedule”.

(3) Perishable Goods

- (a) We will pay for physical damage to “perishable stock” due to spoilage resulting from an “accident” or “electronic circuitry impairment”.
- (b) We will also pay for physical damage to “perishable stock” due to contamination from the release of refrigerant, including but not limited to ammonia.
- (c) We will also pay for physical loss to “perishable stock” resulting from “power outage”.
- (d) We will also pay any necessary expenses you incur to reduce the amount of loss under this coverage. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (e) If you are unable to replace the “perishable stock” before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the “perishable stock” at the time of the “accident”, “electronic circuitry impairment” or “power outage”, less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

The most we will pay for loss, damage or expense resulting from an “accident” or “electronic circuitry impairment” under this **A.1.(3)** Perishable Goods coverage, is \$100,000 unless otherwise shown in a “Schedule”.

The most we will pay for loss, damage or expense resulting from "power outage" under this **A.1.(3)** Perishable Goods coverage is \$50,000.

(4) Service Interruption

- (a)** Any insurance provided for Business Income, Extra Expense, Data Restoration or Perishable Goods is extended to apply to your loss, damage or expense caused by a failure or disruption of services. The failure or disruption must result from an "accident" to equipment, including overhead transmission lines, that is owned by a utility, a landlord's utility or other supplier who provides you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, Internet access, telecommunications services, "cloud computing services", wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.
- (b)** "Cloud computing services" must be provided by a professional provider with whom you have a contract.
- (c)** With respect to the Data Restoration portion of this Service Interruption coverage, coverage will also apply to "data" stored in the equipment of a provider of "cloud computing services".
- (d)** Unless otherwise shown in a "Schedule", any insurance provided for Business Income or Data Restoration will not apply under this Service Interruption coverage unless the failure or disruption of service exceeds 24 hours immediately following the "accident". If the interruption exceeds 24 hours, coverage will begin at the time of the disruption, and the applicable deductible will apply.
- (e)** The most we will pay in any "one equipment breakdown" for loss, damage or expense under this coverage is the applicable limit for Business Income, Extra Expense, Data Restoration or Perishable Goods, except that if a limit is shown in a "Schedule" for Service Interruption, that limit will apply to Business Income and Extra Expense loss under this coverage.

(5) Data Restoration

- (a)** We will pay for your reasonable and necessary cost to research, replace and restore lost "data".
- (b)** The most we will pay for loss or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$100,000 unless otherwise shown in a "Schedule".

(6) "Fungus", Wet Rot, Dry Rot And Bacteria

- (a)** We will pay your additional cost to repair or replace Covered Property because of contamination by "fungus", wet rot, dry rot or bacteria. This includes the additional costs to clean up or dispose of such property. This does not include spoilage of personal property that is "perishable stock" to the extent that such spoilage is covered under Perishable Goods coverage.
- (b)** As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "fungus", wet rot, dry rot or bacteria been involved.
- (c)** We will also pay the cost of testing performed after repair or replacement of the damaged Covered Property is completed only to the extent that there is reason to believe there is the presence of "fungus", wet rot, dry rot or bacteria.
- (d)** This coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.
- (e)** The most we will pay in any "one equipment breakdown" for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$15,000 unless otherwise shown in a "Schedule" even if the "fungus", wet rot, dry rot or bacteria continues to be present or active or recurs in a later policy period.

(7) Off Premises Equipment Breakdown

- (a)** We will pay for physical damage to transportable “covered equipment” that, at the time of the “accident” or “electronic circuitry impairment”, is not at a covered location. As respects this Off Premises Equipment Breakdown Coverage only, the “accident” or “electronic circuitry impairment” may occur in any country within the Coverage Territory.
- (b)** We will also pay for your reasonable and necessary cost to research, replace and restore lost “data” contained within “covered equipment” as described under **(a)** above. This amount may not exceed the limit applicable to Data Restoration coverage.
- (c)** The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, and Data Restoration as described in **(b)** above is the limit for Property Off-Premises coverage shown in your policy.

(8) Public Relations

- (a)** This coverage only applies if you have sustained an actual loss of Business Income covered under this endorsement.
- (b)** We will pay for your reasonable costs for professional services to create and disseminate communications when the need for such communications arises directly from the interruption of your business. This communication must be directed to one or more of the following:
 - (i)** The media;
 - (ii)** The public; or
 - (iii)** Your customers, clients or members.
- (c)** Such costs must be incurred during the “period of restoration” or up to 30 days after the “period of restoration” has ended.
- (d)** The most we will pay for loss or expense under this coverage is \$5,000.

(9) Resultant Damage to Animals

- (a)** Any insurance provided under this coverage part for “animals” is extended to the coverage provided by this endorsement.
- (b)** The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

- (10) Business Income and Extra Expense**
Any insurance provided under this coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement. However, if a deductible is shown in a “Schedule”, then as respects Equipment Breakdown Coverage, the “period of restoration” will begin immediately after the “accident” or “electronic circuitry impairment” and the deductible shown in the “Schedule” will apply.

The most we will pay for loss or expense under this coverage is the applicable limit for Business Income and Extra Expense, unless otherwise shown in a “Schedule”.

c. CONDITIONS

The following conditions are in addition to, or replace, the Conditions in the Property Coverage Form, the Commercial Property Conditions and the Common Policy Conditions as described below.

(1) Suspension

Whenever any “covered equipment” is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an “accident” or “electronic circuitry impairment” to that “covered equipment”. This can be done by mailing or delivering a written notice of suspension to:

- (a)** Your last known address; or
- (b)** The address where the “covered equipment” is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that “covered equipment”. If we suspend your insurance, you will get a pro rata refund of premium for that “covered equipment” for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

(2) Jurisdictional Inspections

If any property that is “covered equipment” under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

(3) As respects this endorsement only, the Valuation Condition in the Property Coverage Form is deleted and replaced with the following:

Valuation

We will determine the value of Covered Property as follows:

(a) Except as specified otherwise, our payment for damaged Covered Property will be the smallest of:

(i) The cost to repair the damaged property;

(ii) The cost to replace the damaged property on the same site; or

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

(b) The amount of our payment will be based on the most cost-effective means to replace the function, capacity and remaining useful life of the damaged property. This may include the use of generic, used or reconditioned parts, equipment or property.

(c) Except as described in **(d)** below, you must pay the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.

(d) Environmental, Safety and Efficiency Improvements

If “covered equipment” requires replacement due to an “accident” or “electronic circuitry impairment”, we will pay your additional cost to replace with equipment that is better for the environment, safer for people or more energy or water efficient than the equipment being replaced. However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with

like kind and quality. This provision does not apply to the replacement of component parts or to any property to which Actual Cash Value applies and does not increase any of the applicable limits.

(e) The following property will be valued on an Actual Cash Value basis:

(i) Any Covered Property that does not currently serve a useful or necessary function for you;

(ii) Any Covered Property that you do not repair or replace within 24 months after the date of the “accident” or “electronic circuitry impairment”; and

(iii) Any Covered Property for which Actual Cash Value coverage is specified in a “Schedule”.

Actual Cash Value includes deductions for depreciation.

(f) If any one of the following conditions is met, property held for sale by you will be valued at the sales price as if no loss or damage had occurred, less any discounts and expenses that otherwise would have applied:

(i) The property was manufactured by you;

(ii) The sales price of the property is less than the replacement cost of the property; or

(iii) You are unable to replace the property before its anticipated sale.

(g) Except as specifically provided for under Data Restoration coverage, “data” and “media” will be valued on the following basis:

(i) For mass-produced and commercially available software, at the replacement cost.

(ii) For all other “data” and “media”, at the cost of blank “media” for reproducing the records. We will not pay for “data” representing financial records based on the face value of such records.

d. DEDUCTIBLE

The deductible in the Commercial Property Schedule applies unless a separate Equipment Breakdown deductible is shown in a "Schedule". If a separate Equipment Breakdown deductible is shown, the following applies:

Only as regards Equipment Breakdown Coverage, the Deductible provision in your Coverage Form is deleted and replaced with the following:

(1) Deductibles for Each Coverage

- (a)** Unless otherwise indicated in a "Schedule", multiple deductibles may apply to any "one equipment breakdown".
- (b)** We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in a "Schedule". We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.
- (c)** If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one equipment breakdown", the highest deductible for each coverage will apply.

(2) Direct and Indirect Coverages

Unless otherwise shown in a "Schedule", the Direct Coverages Deductibles apply to all loss, damage or expense covered by this endorsement, with the exception of those coverages subject to the Indirect Coverages Deductibles as noted below.

Unless more specifically indicated in a "Schedule", the Indirect Coverages Deductibles apply to Business Income and Extra Expense.

(3) Application of Deductibles

(a) Dollar Deductibles

We will not pay for loss, damage or expense resulting from any "one equipment breakdown" until the amount of loss, damage or expense exceeds the applicable Deductible shown in a "Schedule". We will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.

(b) Time Deductibles

If a time deductible is shown in a "Schedule", we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident" or "electronic circuitry impairment". If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

(c) Multiple of Average Daily Value (ADV) Deductibles

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business, had no "accident" or "electronic circuitry impairment" occurred, divided by the number of working days in that period. No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or "electronic circuitry impairment" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the "period of restoration". The number indicated in the "Schedule" will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

(d) Percentage of Loss Deductibles

If a Perishable Goods deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

The Percentage of Loss Deductible (if applicable) only applies as respects to Perishable Goods coverage resulting from an "accident" or "electronic circuitry impairment".

e. DEFINITIONS

The following definitions are added with respect to this endorsement only:

(1) "Accident"

(a) An "accident" means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:

- (i)** Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- (ii)** Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
- (iii)** Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- (iv)** Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
- (v)** Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

(b) None of the following is an "accident":

- (i)** Defect, programming error, programming limitation, computer virus, malicious code, loss of "data", loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind; or
- (ii)** Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

However, if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident".

(2) "Animal" means any creature of the kingdom Animalia. This includes, but is not limited to, amphibians, birds, fish, insects, mammals, reptiles, and worms.

(3) "Boilers and Vessels" means:

- (a)** Any boiler, including attached steam, condensate and feedwater piping; and
- (b)** Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in a "Schedule".

(4) "Cloud computing services" means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service) and NaaS (network as a service). This includes business models known as public clouds, community clouds and hybrid clouds. "Cloud computing services" include private clouds if such services are owned and operated by a third party.

(5) "Covered equipment"

(a) "Covered equipment" means, unless otherwise specified in a "Schedule", Covered Property that:

- (i)** Transmits, generates or utilizes energy; or
- (ii)** Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

"Covered equipment" may utilize conventional design and technology or new or newly commercialized design and technology.

(b) None of the following is "covered equipment":

- (i)** Structure, foundation, cabinet or compartment;

- (ii) Insulating or refractory material;
 - (iii) Sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;
 - (iv) Water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - (v) "Vehicle" or any equipment mounted on a "vehicle";
 - (vi) Satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
 - (vii) Dragline, excavation or construction equipment; or
 - (viii) Equipment manufactured by you for sale.
- (6) "Data" means information or instructions stored in digital code capable of being processed by machinery.
- (7) "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.
- (8) "Electronic circuitry impairment"
- (a) "Electronic circuitry impairment" means a fortuitous event involving "electronic circuitry" within "covered equipment" that causes the "covered equipment" to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in (b), (c) and (d) below.
 - (b) We shall determine that the reasonable and appropriate remedy to restore such "covered equipment's" ability to function is the replacement of one or more "electronic circuitry" components of the "covered equipment".
 - (c) The "covered equipment" must be owned or leased by you, or operated under your control.
 - (d) None of the following is an "electronic circuitry impairment":
 - (i) Any condition that can be reasonably remedied by:
 - a. Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;
 - b. Rebooting, reloading or updating software or firmware; or
 - c. Providing necessary power or supply.
 - (ii) Any condition caused by or related to:
 - a. Incompatibility of the "covered equipment" with any software or equipment installed, introduced or networked within the prior 30 days; or
 - b. Insufficient size, capability or capacity of the "covered equipment".
 - (iii) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.
- (9) "Hazardous substance" means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.
- (10) "Media" means materials on which "data" is recorded, such as solid state drives, hard disks, optical disks, flash drives, magnetic tape or floppy disks.
- (11) "One equipment breakdown" means: If an initial "accident" or "electronic circuitry impairment" causes other "accidents" or "electronic circuitry impairments", all will be considered "one equipment breakdown". All "accidents" or "electronic circuitry impairments" that are the result of the same event will be considered "one equipment breakdown".
- (12) "Perishable stock" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.
- (13) "Power outage", as respects A.1.(3) Perishable Goods coverage, means change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the premises described, due to conditions beyond your control, but excluding power outage resulting from an "accident" or "electronic circuitry impairment".

(14) "Production machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus. However, "production machinery" does not mean any boiler, or fired or unfired pressure vessel.

This term does not appear elsewhere in this endorsement, but may appear in a "Schedule".

(15) "Schedule" means the Equipment Breakdown Endorsement section shown in the Miscellaneous Policy Level Coverages section of the Commercial Property Schedule.

(16) "Vehicle" means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to, car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester. However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source, will not be considered a "vehicle".

2. EXCLUSIONS

As respects this endorsement only, with the exception of "power outage", all exclusions within the Exclusions section of the Property Coverage Form or Causes of Loss form apply, except as modified below and to the extent that coverage is specifically provided by this endorsement.

The following exclusions are added:

a. We will not pay for loss, damage or expense caused directly or indirectly by any of the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":

- (1) Fire, including smoke from a fire;
- (2) Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;
- (3) Any other explosion, except as specifically covered under this endorsement;
- (4) Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action;

(5) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; mudslide or mudflow; or water that backs up or overflows from a sewer, drain or sump. However, if electrical "covered equipment" requires drying out because of the above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies;

(6) Vandalism; or

(7) Your failure to use all reasonable means to protect Covered Property from damage following an "accident" or "electronic circuitry impairment".

b. Coverage under this endorsement does not apply to an "accident" or "electronic circuitry impairment" caused by or resulting from:

(1) Lightning;

(2) Windstorm or hail. However this exclusion does not apply when:

(a) "Covered equipment" located within a building or structure suffers an "accident" or "electronic circuitry impairment" that results from wind-blown rain, snow, sand or dust; and

(b) The building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.

(3) Smoke; aircraft or vehicles; riot or civil commotion; sprinkler leakage; elevator collision;

(4) Breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse or molten material;

(5) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment; or

(6) Water or other means used to extinguish a fire.

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

Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions, but if an "accident" or "electronic circuitry impairment" results, we will pay for that resulting loss, damage or expense caused by that "accident" or "electronic circuitry impairment".

- d. Except as specifically provided under **A.1.b.(6)**, "Fungus", Wet Rot, Dry Rot And Bacteria, we will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment": Any "fungus", wet rot, dry rot or bacteria, including any presence, growth, proliferation, spread or any activity of "fungus", wet rot, dry rot or bacteria. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "fungus", wet rot, dry rot or bacteria. However, this exclusion does not apply to spoilage of personal property that is "perishable stock", to the extent that such spoilage is covered under Perishable Goods coverage.
- e. With respect to Business Income, Extra Expense and Service Interruption coverages, we will also not pay for:
 - (1) Loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or
 - (2) Any increase in loss resulting from an agreement between you and your customer or supplier.
- f. Except as specifically provided under **A.1.b.(5)**, Data Restoration, or **A.1.b.(9)**, Resultant Damage to Animals, we will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":
 - (1) Physical loss or damage to "animals";
 - (2) Loss, interruption or compromise of any research, test or study involving "animals"; or
 - (3) Loss of income or extra expense resulting from (1) or (2) above.
- g. Exclusions **b.(1)**, **b.(2)**, **b.(3)** and **b.(4)** above shall not apply if:
 - (1) The excluded cause of loss occurs away from any covered location and causes an electrical surge or other electrical disturbance;
 - (2) Such surge or disturbance is transmitted through utility service transmission lines to the covered location and results in an "accident" or "electronic circuitry impairment"; and
- (3) The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under the policy.
- h. Any cause of loss set forth in exclusion **(b)(4)** above that is not a Covered Cause of Loss in this coverage part shall be excluded only as respects Service Interruption coverage.
- i. As respects **A.1.(3)** Perishable Goods coverage and only as respects coverage for "power outage", the Exclusion section of the Coverage Form or Causes of Loss Form to which this endorsement is attached is deleted and replaced with the following exclusions. However, the exclusions for Earth Movement, Governmental Action, Nuclear Hazard, War and Military Action and Water do apply.

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

 - (1) The disconnection of any refrigerating, cooling or humidity control system from the source of power.
 - (2) 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.
 - (3) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
 - (a) Lack of fuel, or
 - (b) Governmental order.
 - (4) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
 - (5) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

The most we will pay for loss, damage or expense under **A. Additional Coverage – Equipment Breakdown** arising from any "one equipment breakdown" is the applicable Limit of Insurance in the Commercial Property Schedule unless otherwise shown in this endorsement or a "Schedule". Coverage provided under this endorsement does not provide an additional amount of insurance.

COMMERCIAL PROPERTY VALUES ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review the policy's declarations, including all schedules, for complete information on the coverages that are provided. If there is any conflict between the Policy and this Notice, **PROVISIONS OF THE POLICY SHALL PREVAIL.**

It is your sole responsibility to review your property values to ensure you have purchased adequate coverage for your property and to ensure that the limits of your policy are adequate. Failure to maintain adequate policy limits may result in application of the policy's **Additional Condition - Coinsurance** and a coverage penalty in the event of a loss.

If you have questions or would like more information, please contact your insurance agent.

COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WISCONSIN CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

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

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

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

If this policy has been in effect for less than 60 days and is not a renewal policy, we may cancel for any reason.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, except as provided in Paragraph 7. below, we may cancel this policy only for one or more of the following reasons:

- a. The policy was obtained by material misrepresentation;**
- b. There has been a substantial change in the risk we originally assumed, except to the extent that we should have foreseen the change or considered the risk in writing the policy;**
- c. There have been substantial breaches of contractual duties, conditions or warranties; or**

d. Nonpayment of premium.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, the notice of cancellation will state the reason for cancellation.

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

7. Anniversary Cancellation

If this policy is written for a term of more than one year or has no fixed expiration date, we may cancel this policy for any reason by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the anniversary date of the policy. Such cancellation will be effective on the policy's anniversary date.

We may cancel this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of cancellation contains an offer to continue the policy with us if we receive a written request from the first Named Insured prior to the date of cancellation.

- C. The following applies to the:
Capital Assets Program (Output Policy) Coverage Part
Commercial Inland Marine Coverage Part
Commercial Property Coverage Part
Crime And Fidelity Coverage Part
Equipment Breakdown Coverage Part
Farm Coverage Part

1. We may rescind this policy because of the following:

- a. Misrepresentation made by you or on your behalf in the negotiation for or procurement of this Coverage Part, if the person knew or should have known that the representation was false;
- b. Breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Coverage Part;
- c. Failure of a condition before a loss if such failure exists at the time of loss; or
- d. Breach of a promissory warranty if such breach exists at the time of loss.

2. We may not rescind this policy:

- a. For the reasons in Paragraphs **C.1.a.** and **C.1.b.** unless:

- (1) We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or
- (2) The facts misrepresented or falsely warranted contribute to the loss.

- b. For the reasons in Paragraphs **C.1.c.** and **C.1.d.** unless such failure or breach:

- (1) Increases the risk at the time of loss; or
- (2) Contributes to the loss.

3. If we elect to rescind this policy, we will notify the first Named Insured of our intention within 60 days after acquiring knowledge of sufficient facts to constitute grounds for rescission.

- D. The following are added and supersede any other provisions to the contrary:

1. **Nonrenewal**

- a. If we elect not to renew this policy we will mail or deliver written notice of nonrenewal to the first Named Insured's last mailing address known to us. We may elect not to renew for any reason; the notice will state the reason for nonrenewal. We will mail or deliver the notice at least 60 days before the expiration date of this policy.

We need not mail or deliver the notice if:

- (1) You have insured elsewhere;
- (2) You have accepted replacement coverage;
- (3) You have requested or agreed to nonrenewal of this policy;
- (4) This policy is renewed in an affiliate in compliance with WIS. STAT. § 631.39; or
- (5) This policy is expressly designated as nonrenewable.

- b. We may refuse to renew this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of nonrenewal contains an offer to renew the policy with us if we receive a written request from the first Named Insured prior to the renewal date.

- c. If you fail to pay the renewal or continuation premium by the premium due date, this policy will terminate on the policy expiration or anniversary date, if we have:

- (1) Given you written notice of the renewal or continuation premium not more than 75 days nor less than 10 days prior to the due date of the premium; and
- (2) Stated clearly in the notice the effect of nonpayment of premium by the due date.

2. **Anniversary Alteration**

If this policy is written for a term of more than one year or has no fixed expiration date, we may alter the terms or premiums of this policy by mailing or delivering written notice of less favorable terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the anniversary date.

If we notify the first Named Insured within 60 days prior to the anniversary date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the policy at any time during the 60-day period, in accordance with Paragraph 1. of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

3. Renewal With Altered Terms

If we elect to renew this policy but on less favorable terms or at higher premiums, we will mail or deliver written notice of the new terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the renewal date.

If we notify the first Named Insured within 60 days prior to the renewal date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the renewal policy at any time during the 60-day period, in accordance with Paragraph 1. of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the renewal policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

We need not mail or deliver this notice if the only change adverse to you is a premium increase that:

- a. Is less than 25% and is generally applicable to the class of business to which this policy belongs; or
- b. Results from a change based on your action that alters the nature or extent of the risk insured against, including but not limited to a change in the classification or the units of exposure, or increased policy coverage.

E. Special Provision – Cancellation And Nonrenewal

With respect to insurance provided under the Commercial Automobile Coverage Part, we will not cancel or refuse to renew Liability Coverage wholly or partially because of age, sex, residence, race, color, creed, religion, national origin, ancestry, marital status or occupation of anyone who is an insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.



Employers Mutual Casualty Company

NONASSESSABLE POLICY—MUTUAL PROVISIONS

Corporate Office, Des Moines, Iowa

The Insured shall not be liable for any assessment under this policy.

By acceptance of this policy the Named Insured becomes a member of the Company and shall be entitled to vote at all meetings of the Company, and shall upon termination of this policy, participate in the distribution of dividends as fixed and determined by the directors in accordance with law. The annual meeting of the members is held at the Corporate Office of the Company in Des Moines, Iowa, at 9:30 a.m. Central Time, on the second Wednesday in February of each year.

IN WITNESS WHEREOF, this Company has executed and attested these presents.

Todd A. Strother, Secretary

Scott R. Jean, President

EMCASCO Insurance Company

Corporate Office, Des Moines, Iowa

IN WITNESS WHEREOF, this Company has executed and attested these presents.

Doug Van Zanten, Secretary

Scott R. Jean, President

Union Insurance Company of Providence

Corporate Office, Des Moines, Iowa

IN WITNESS WHEREOF, this Company has executed and attested these presents.

Doug Van Zanten, Secretary

Scott R. Jean, President

Illinois EMCASCO Insurance Company

Corporate Office, Des Moines, Iowa

IN WITNESS WHEREOF, this Company has executed and attested these presents.

Doug Van Zanten, Secretary

Scott R. Jean, President

Dakota Fire Insurance Company

Corporate Office, Bismarck, North Dakota

IN WITNESS WHEREOF, this Company has executed and attested these presents.

Doug Van Zanten, Secretary

Scott R. Jean, President

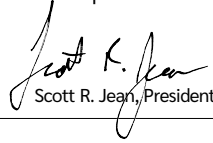
Employers Property & Casualty Company

Corporate Office, Des Moines, Iowa

IN WITNESS WHEREOF, this Company has executed and attested these presents.



Doug Van Zanten, Secretary



Scott R. Jean, President

Employers Mutual Casualty Company

MUTUALS—MEMBERSHIP AND VOTING NOTICE

Corporate Office, Des Moines, Iowa (Applicable in the State of Texas)

The Insured is notified that by virtue of this policy, the Insured is a member of the Employers Mutual Casualty Company of Des Moines, Iowa, and is entitled to vote either in person or by proxy at any and all meetings of said Company. The Annual Meetings are held in its Corporate Office, Des Moines, Iowa, on the second Wednesday of February, in each year, at 9:30 a.m. Central Time.

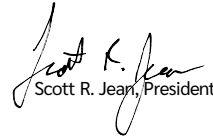
MUTUALS—PARTICIPATION CLAUSE WITHOUT CONTINGENT LIABILITY

No Contingent Liability: This policy is non-assessable. The policyholder is a member of the Company and shall participate, to the extent and upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined.

IN WITNESS WHEREOF, this Company has executed and attested these presents.



Todd A. Strother, Secretary



Scott R. Jean, President

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL CASH VALUE DEFINITION

This endorsement modifies the insurance provided under the Policy.

The following definition applies to all coverage under all forms and endorsement that comprise this Coverage Part or Policy. The definition is added to any Definitions Section and applies to any provision that uses the term actual cash value:

Actual cash value means the value of the covered property at the time of loss or damage, as calculated using the estimated cost to repair or replace such property, with a deduction for depreciation that occurred before such loss or damage. Depreciation will be applied to all components of the estimated cost to repair or replace such property, including the following, except to the extent disallowed by applicable state law or regulation:

- a. Materials;
- b. Labor;
- c. Overhead and profit; and
- d. Any applicable tax.

The deduction for depreciation may include such considerations as:

- a. Age;
- b. Condition, such as wear and tear or deterioration;
- c. Reduction in useful life; and
- d. Obsolescence.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL CRIME COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any insured or to others:
 - (1)** Computer hardware, including micro-processors;
 - (2)** Computer application software;
 - (3)** Computer operating systems and related software;
 - (4)** Computer networks;
 - (5)** Microprocessors (computer chips) not part of any computer system;
 - (6)** Any other computerized or electronic equipment or components; or
 - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Boiler And Machinery Coverage Part, the Commercial Crime Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss," or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form or the Covered Cause of Loss Section; or
 - b.** In a Covered Cause of Loss under the Causes of Loss – Basic Form or the Causes Of Loss – Broad Form;
 we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss," elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

WISCONSIN NOTICE TO POLICYHOLDERS CANCELLATION REQUESTED BY YOU

If you ask us to cancel this policy prior the expiration date, you may pay a substantial penalty.

The penalty you will incur is that the amount of premium we will return will be less than the pro rata unearned premium.



ALL LINES

KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS

PROBLEMS WITH YOUR INSURANCE? – If you are having problems with your insurance company or agent, do not hesitate to contact the insurance company or agent to resolve your problem.

EMC Insurance Companies

P.O. Box 712

Des Moines, IA 50306

You can also contact the **OFFICE OF THE COMMISSIONER OF INSURANCE**, a state agency which enforces Wisconsin's insurance laws, and file a complaint. You can contact the **OFFICE OF THE COMMISSIONER OF INSURANCE** by writing to:

Office of the Commissioner of Insurance

Complaints Department

P.O. Box 7873

Madison, WI 53707-7873

or you can call 1-800-236-8517 outside of Madison or 266-0103 in Madison, and request a complaint form.

ACTUAL CASH VALUE DEFINITION
ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form part of your policy. No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this Notice, **PROVISIONS OF THE POLICY SHALL PREVAIL.**

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new form which applies to your renewal policy issued by us:

IL7170 – Actual Cash Value Definition

IL7171 – Actual Cash Value Definition

When this form is attached to your policy there is a new definition added to your policy that clarifies how Actual Cash Value will be calculated at time of loss or damage to covered property. Depreciation is the main component of the calculation and may now include all components of the estimated cost to repair or replace such property, including but not limited to age, condition, reduction in useful life, obsolescence, material, labor, overhead, profit or tax - to the extent allowed by applicable state law or regulation.